



**TO:** Mayor and City Council Members  
**FROM:** Council Member Mello and Ushka  
**COPY:** City Manager and City Clerk  
**SUBJECT:** A resolution placing a City wide ballot measure relating to community arts on the November 6, 2018 general election ballot - June 6, 2018  
**DATE:** June 11, 2018

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**SUMMARY:**

A resolution providing for submission to Tacoma voters at the November 6, 2018 general election a proposition to levy a 0.1 percent sales tax increase to fund arts, culture, science and heritage programs as authorized by 36.160 RCW. If adopted, the program would be called Tacoma Creates, and it would be administered by the City’s Community and Economic Development Department’s Office of Arts & Cultural Vitality.

**COUNCIL SPONSORS:**

Council Members Ryan Mello and Catherine Ushka

**STRATEGIC POLICY PRIORITY:**

The proposed ballot measure if successfully enacted by the voters would establish Tacoma Creates. The program best aligns with the City Council’s Strategic Priorities to:

- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Encourage thriving residents with abundant opportunities for life-long learning.
- Cultivate a vibrant cultural sector that fosters a creative, cohesive community.
- Assure outstanding stewardship of the natural and built environment.

**BACKGROUND:**

The purpose of Tacoma Creates is to improve access to arts, culture, science, and heritage programs and experiences for all of Tacoma’s residents. The authority for Counties and Cities to establish such a program was authorized by the Washington State Legislature in 2015 and codified under 36.160 RCW. The legislature created this authority in recognition of the numerous public benefits cultural organizations provide for including: extending and enhancing the educational reach for our youth, economic development, and ensuring for expanded access to cultural facilities and programs by economically and geographically underserved populations.

Other jurisdictions in the U.S. have adopted similar programs. St. Louis, Missouri established the first such program in 1969, to support the art museum, the zoo and the museum of science. Since 1988, the seven-county Denver, Colorado metropolitan area has distributed approximately \$40 million annually to scientific and cultural organizations through the establishment of a Scientific and Cultural Facilities District. Due to the program’s popularity and success, it has been repeatedly renewed by the voters.

The proposed resolution would ask voters to consider a similar program called Tacoma Creates. The ballot proposition would ask Tacoma voters to approve or reject an increase of 0.1% in the City’s sales tax or 1 penny for every \$10 of purchase to expand equity and access to city’s arts, culture, science and heritage programs. Under state law, the tax would sunset after seven years, unless renewed by the voters.



It is estimated that the tax increase would result in a cost of \$13 a year per average Tacoma household. For this amount, Tacoma residents will have access to new and additional programs that will bring Tacoma's rich arts and culture to the whole community, but with particular focus in the following areas.

First, Tacoma Creates will enhance and extend arts, culture, science and heritage education for Tacoma's youth and school-age children. Cultural organizations will partner with Tacoma Public Schools and other community-based or non-profit organizations to provide both in school, after school and summer programs in every Tacoma neighborhood and offer more field trips to arts, culture, science and heritage organizations. As an example, Tacoma Public Schools in partnership with Metro Parks has increased youth access to athletics from 2,500 kids in 2015 to 10,000 in 2018. Tacoma Creates seeks a similar kind of outcome and increased youth access for cultural experiences and education. Numerous studies have shown the benefits of an arts education towards a child's successful emotional development and educational advancement. Tacoma Creates will build on recent successes in this regard and create greater opportunities for education attainment.

Second, the program will expand access for all Tacoma residents to arts and cultural events, venues, performances, large-scale city events, exhibits and neighborhood activities. Free and reduced tickets, admissions, and memberships will be offered regardless of income and financial means, leading to greater equitable outcomes and increased public participation, so that everyone has the opportunity to access arts, culture, science and heritage programs and facilities, regardless of their economic means.

Third, the program will create new and additional resources for neighborhood programs and related cultural activities, such as community festivals and street fairs. The program will promote what makes its neighborhoods interesting and unique places.

Finally, the overall economy of Tacoma will benefit given the increased economic activity generated by an enhanced arts and culture sector, greater tourism and attraction of visitors to Tacoma for cultural activities, and promotion and support for jobs in creative fields and enterprises.

Tacoma Creates leverages the significant public and private investment that has been put into place by current and past Tacoma civic initiatives including: revitalization of Tacoma through its cultural assets and facilities (with the theatre district, museum district and Foss Waterway as key examples); convention and tourism promotion; and the opening of UW Tacoma. Tacoma Creates will assist the City of Tacoma in meeting some of its larger goals within its 2025 Strategic Plan. Tacoma Creates will support the continued transformation of Tacoma and the civic pride that results.

If approved by the voters, the program will be managed by the City of Tacoma's Office of Arts & Cultural Vitality, which has experience working with non-profit and community-based organizations to administer grants, manage contracts, and oversee compliance in the use of public funds. An independent advisory board will also be appointed by the City Council to oversee Tacoma Creates, including the development of the criteria and guidelines for funding, and monitoring and evaluating the program results. Under state law, any non-profit in Tacoma whose primary purpose is the advancement and



preservation of arts, science, heritage, or natural history is eligible to receive funds. An eligible organization must also have a two year track record of providing public programming.

Eligible organizations can apply in only one of two ways: by organization or by program or project. Organizations may apply for up to 15% of the applicant's annual budget (less any federal, state, or local government funding) per year and capped at \$400,000 per year. Programs or projects may apply for a minimum of \$5,000 per year and a maximum of \$50,000 per year.

Tacoma Creates will be accountable for its funding through regular reporting of expenditures and program data including measurable outcomes and records of participants by City Council district. As a further accountability measure, applicants for, and recipients of, Tacoma Creates grants will be required to identify and demonstrate community benefit, based on criteria to be adopted by the City Council which will ensure benefit to all Tacoma communities and generations, and

**ISSUE:**

In order to submit this proposition to Tacoma voters, a resolution must be adopted, and the Pierce County Auditor must be notified.

**ALTERNATIVES:**

The City Council could choose to adopt, modify, or reject the resolution.

**RECOMMENDATION:**

The sponsoring Council Members recommend adoption of a resolution providing for the submission of a proposition to the electors of the City of Tacoma, at the General Election to be held on Tuesday, November 6, 2018, authorizing the City to levy a 0.1 percent increase on the sales tax for a period of seven years for the purpose of funding arts, culture, science and heritage programs in the City of Tacoma; setting forth the ballot proposition; requiring an annual report; and directing the City Clerk to transmit to Pierce County Auditor a certified copy of this resolution.

**FISCAL IMPACT:**

If the proposition and ballot are approved by the voters, it is estimated that \$5 million would be generated per year as a result of the 0.1 percent increase in City's sales tax. The City's costs associated with administering the program would be paid for out of the revenues, capped at 8% based on state law.

In order to place a proposition on the ballot, the City of Tacoma would pay approximately \$174,528 (\$1.50 per registered voter, which was 116,352 in the 2017 general election).



**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
NonDepartmental	654000	5330100	\$174,528
<b>TOTAL</b>			

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
General Fund	652000	Various	\$174,528
<b>TOTAL</b>			

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$174,528**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** No

**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.**

At the biennium-end budget modification, Council would need to approve the use of non-departmental or other funds to cover the costs of adding the proposition to the ballot.