

# City of Tacoma

TO: Elizabeth Pauli, City Manager

FROM: Kristina Walker, Executive Director, Downtown On the Go

**COPY:** Economic Development Committee: Tadd Wille, EDC Executive Liaison; Jeff

Robinson, Director Community & Economic Development

PRESENTER: Kristina Walker, Executive Director; Jordan Rash, Board President, Downtown

On the Go

**SUBJECT:** Live.Work.Tacoma. / Live Close to Work Program

**DATE:** Oct. 9, 2018

## PRESENTATION TYPE:

Other

## **SUMMARY:**

Live Close to Work is a benefit administered through employers that financially incentivizes employees to live closer to where they work. Employees can receive up to \$2,000 for living within 1-3 miles of their office. This program helps Tacoma businesses improve their employee retention rates and hire employees who already live in Tacoma, reduces congestion, and supports the City of Tacoma's environmental goals. Starting January 1, 2019, any business in Tacoma can sign up to offer our Live Close to Work benefit to their employees. In total, the program will cost \$100,000/year to administer.

## **BACKGROUND:**

Live Close to Work is a re-vamp of Downtown On the Go's existing Live Downtown Program (started in 2011). The program not only supports employers in recruiting and retaining great employees but reduces congestion by shortening commutes. The new program is available to all Tacoma employers.

When an employee lives closer to where they work, it's easier for them to walk, bike, or take transit for work and play. Live Close to Work is designed to help motivate Tacomans to work where they live, and live where they work – all around improving our City's economic development. In addition, this program supports the City of Tacoma's Tacoma 2025 goals on livability, including the built environment and transportation options.

## **ISSUE:**

Nearly 50 percent of people living in Pierce County are leaving every day to work outside of our County. Pierce County's unemployment rate is higher than King County's. Live Close to Work addresses these challenges, as well as challenges with congestion and air quality by shortening commutes, while supporting the work the City, Economic Development Board, and Tacoma-Pierce County Chamber are doing to recruit and support businesses locating in Tacoma.

#### **ALTERNATIVES:**

The City of Tacoma may invest in the program financially, provide the program to its employees, and work with Downtown On the Go to promote the program to all businesses. Downtown On the Go is pursuing multiple sources of funding for this program.



## FISCAL IMPACT:

This informational presentation corresponds to an existing budget ask for \$50,000/year to support operations of the Live Close to Work program. City funding would only be used for administrative work & staff time. No City funds will be used for employee incentives. Incentive funding will come from sponsorships and business contributions.

| Partner            | Contribution/year |
|--------------------|-------------------|
| City of Tacoma     | \$50,000          |
| DOTG               | \$20,000          |
| Tacoma Businesses  | \$30,000          |
| Program Total Cost | \$100,000         |

## **RECOMMENDATION:**

Downtown On the Go requests a \$50,000 investment in this program.