



WEEKLY REPORT TO THE CITY COUNCIL

May 16, 2019

Members of the City Council
City of Tacoma, Washington

Dear Mayor and Council Members:

ITEMS OF INTEREST

1. The Urban Land Institute's May 2nd edition of *Urban Land Magazine* includes **Tacoma's Prairie Line Trail on an international list of ten exemplary projects that transform underutilized urban areas into public spaces in densifying cities**. The list highlights projects that convert industrial land into parks, incorporate open space with development, and refresh aging green spaces in a way that capitalizes on local history and natural resources. The article can be found on the following link: www.urbanland.uli.org/planning-design/ulx-urban-open-spaces/.

The Prairie Line Trail project converts one mile of the historic Prairie Line railroad corridor, through downtown Tacoma, into a signature public space integrating a multi-use trail, historic/cultural interpretation, public art, multimedia, and green features. The City, University of Washington Tacoma and other partners continue to collaborate to realize the Prairie Line Trail's potential as a great urban space that also helps to tell Tacoma's story. For more information about the project, visit www.prairielinetrail.org.

2. Planning and Development Services Director Peter Huffman is pleased to report that the **State Historic Preservation Office has awarded the Tacoma Historic Preservation Office a 2019 Outstanding Achievement Award for Historic Preservation Education**. This award reflects the City's commitment to engaging historic preservation with new audiences to raise awareness about the City's historic places and heritage. The Historic Preservation Office has forged new partnerships to organize a wide range of innovative and fun events that have included scavenger hunts, bicycle rides, themed dance parties in historic venues, as well as workshops, trainings, and lectures. Another example of these collaborative efforts is the historic Prairie Line Trail interpretive project. Working closely with the Puyallup Tribe, the arts community, historians, and planners, the historic railroad grade through downtown was transformed into a landscaped trail featuring art, green-scaping, and an interactive on-line walking tour. The City will accept the award on May 30th, in Olympia.
3. Tacoma Venues & Events Arts Program staff provide the attached **Monthly Report on Tacoma Creates**.

4. Foss Waterway Development Authority (FWDA) Executive Director Norman Gollub reports that the **cruise ship American Constellation is currently docked at their 353 Dock Street Moorage**. This is the first of five visits this season as part of its 8 day/7 night Puget Sound cruise itinerary. Last year this vessel made three visits and provides accommodations for 175 passengers. This current cruise has 130 passengers. Foss Waterway Seaport Maritime Museum and the Museum of Glass are providing discounts to the passengers. Charter buses take the guests to these and other local destinations for the two day, two night stay. FWDA is very pleased to see **this tourism component continue to grow, bringing people and their tourism dollars to Tacoma via the Thea Foss Waterway**.
5. Public Works Director Kurtis Kingsolver provides the attached memorandum with a **progress update on the work accomplished in 2017 and 2018, utilizing funds provided through the Tacoma Transportation Benefit District (TBD)**.
6. The **May 22, 2019 Public Utility Board Agenda** is attached for your information.

STUDY SESSION/WORK SESSION

7. The **City Council Study Session** of Tuesday, May 21, 2019, will be held in Room 16 of the Tacoma Municipal Building North, at Noon. Discussion items will include: (1) **Harvard Bloomberg Innovation Project Update**; (2) **Community Workforce Agreement Taskforce Recommendations and Report**; (3) **Other Items of Interest**; (4) **Committee Reports**; and, (5) **Agenda Review and City Manager's Weekly Report**.

At Tuesday's Study Session, the Council will receive an update on the **Harvard Bloomberg Innovation Project**. The City's project focuses on the City priorities and the need for **inclusive public engagement, strong relationships, and proactive building of trust, particularly in the area of public safety**.

As a second item on the Study Session agenda, Facilitator Karen Reed will present **recommendations developed by the Tacoma Community Workforce Advisory Committee** (comprised of leaders from labor unions, private contractors, minority and women's business enterprises, and economically distressed communities). The Advisory Committee was tasked with reviewing the hiring of: (1) residents who live in economically distressed areas of the City; and, (2) Women and Minority Business Enterprises (WMBE) in City public works projects. They were to provide recommendations on whether a Community Workforce Agreement (CWA) and/or Priority Hiring Ordinance (PHO) would promote hiring from these two groups. The Advisory Committee was also to review a draft CWA and PHO and offer recommendations on these draft documents. In addition, the Advisory Committee considered and recommended other potential City actions.

8. The updated **Tentative City Council Forecast and Consolidated Standing Committee Calendars** are attached for your information.

COMMITTEE OF THE WHOLE

9. At Tuesday's Special Committee of the Whole Meeting at 3:00 p.m., there will be a follow up discussion on the **City Council's February 15th Strategic Planning Work Session**. The presentation will summarize the **Council's priority policies that were identified and propose next steps to move to action**.

COUNCIL REQUESTS/INQUIRIES

10. At a recent City Council meeting, the Council inquired about the **utilization of REET revenues to finance capital projects, such as affordable housing undertakings**. While Washington State statutes allows the use of REET funds to be used to pay debt service on bonds issued for those purposes, staff does not recommend this strategy. City Treasurer Teresa Sedmak and Finance Director Andy Cherullo provide the attached memorandum with additional information on this topic.

MARK YOUR CALENDARS

11. You have been invited to the following events:
- **Metro Parks Tacoma's Dedication for the newly renamed Judge Jack Tanner Park on Ruston Way on Saturday, June 1st, 10:00 a.m.**, at the Les Davis Pier, located at 3427 Ruston Way.
 - **Chinese Reconciliation Project Foundation Annual Auction & Dinner Celebration of Unity on Saturday, June 1st, 5:00 p.m.**, Ming Palace, located at 8736 South Hosmer Street.
 - **Asia Pacific Cultural Center *Stars of the East* Event on Saturday, June 15th, 7:00 – 9:00 p.m.**, at the Federal Way Performing Arts and Event Center, located at 31510 Pete von Reichbauer Way South.

Sincerely,



Elizabeth A. Pauli
City Manager

Tacoma Creates Monthly Report to City Council | May 15, 2019

Office of Arts & Cultural Vitality Tacoma Venues and Events Department

Tacoma Creates Background:

In a bipartisan vote in 2015 the Washington State legislature granted local governments the authority to create a Cultural Access Program in their county or city. Under such authority, revenue raised for a voter approved sales or property tax increase can be used to strengthen access to arts culture, science and heritage programs. In June 2018, Tacoma City Council unanimously voted to place cultural access legislation for a 1/10 of 1% percent sales tax increase to support Tacoma's arts, culture, science and heritage programs on the November 2018 ballot. On November 6, 2018, Proposition 1: Tacoma Creates was approved by Tacoma voters by 67.2%, passing every reporting precinct. Tacoma Creates is not permanent; voters need to approve an extension every 7 years.

PROGRAM DEVELOPMENT 2019 "RAMP UP" ACTIVITIES:

1) Hear more deeply from the community regarding their needs and desires in order to define a process and design programs that are responsive.

- April 22: Presented to the Commission on Immigrants and Refugees
- April 10: Science Community Conversation at RAIN Incubator, 2304 Jefferson Ave. 60 attendees
- April 30: Culture Community Conversation at Asia Pacific Cultural Center, 4851 S Tacoma Way 100 attendees
- Focus groups to target youth and additional communities not yet represented are being coordinated.
- Negotiating scope and contract with Tacoma Pierce County Health Department to pilot a Participatory Budget process to understand and meet the needs of the citizens in underserved neighborhoods and be able to build on this process to inform programming.
- Hired contractor to transcribe and code all feedback from community conversations.

2) Develop Program Administration

- Contractor Accenture has begun 8 week "strategic roadmapping" process, a human-centered/design thinking approach that will help clarify the foundational understanding of Tacoma Creates program including milestones and sequencing. Held first meeting with City staff 5/13. Roadmap due end of June.
- Staff positions posted. Tacoma Creates Manager and Community Programs Specialist close 5/20 and Tacoma Creates Coordinator closes 5/22
- Budget: Identify start-up and administrative costs. Funds available for distribution in 2019. Develop budget proposal.
- Communications: regularly update city website page and Tacoma Creates website to inform the public about the program.
- Social media updates: information updated every Tuesday to keep people informed.

3) Assess the “current state” to determine baseline measures

- 68 organizations have responded to the pre-application survey to date.
- Partnering with UWT Office of Community Partnership and GIS to develop neighborhood level data metrics and measurement systems.
- Researching how City systems and software can support Tacoma Creates to collate and share data.

4) Develop effective guidelines, structures and systems to support participation and program delivery.

- *Public School Access Program/Whole Child Access Pass:* Continue to meet with staff from Tacoma Public Schools, Metro Parks, GTCF, Graduate Tacoma and others to develop a coordinated system that will streamline scheduling, costs, transportation, service provision for kids in Tacoma Public Schools.
- Schools with a focus on the Extended Learning time. Determine joint scheduling options for ELO time in schools with Tacoma Public Schools and Metro Parks.
- *Transportation:* Continue to meet with Pierce Transit, Metro Parks, Tacoma Public Schools and transit stakeholders to develop the public transit component of the Whole Child Access pass.
- *Advisory Board:* Developing ordinance language to define the roles and authorities of the Advisory Board.
- *Funding:* Building criteria to guide the Tacoma Creates program and funding distribution. Develop Planning and Sustainability grants for 2019.

UPDATED Draft Timeline

This timeline will be updated as we gain more information and will include targets and methods for any fund distribution to service providers in 2019. Specifics will be determined after the “roadmap” is completed in June.

May

- Tacoma Creates staffing positions published and closed. Interview candidates.
- Focus groups with additional communities
- Collect baseline data from service providers and partner agencies
- Draft ordinance
- Identify data collection tools, mapping and story-telling methods and systems to utilize
- Advertise roster opportunity for small marketing, communications and story-telling firms and artists
- Draft Planning and Sustainability Grant applications.
- Contract with Tacoma Health Department and University of WA Tacoma

June

- Present proposed roadmap to the Economic Development Committee
- Conduct workshops and meetings with service providers
- Publish Planning and Sustainability grant opportunities.
- Hire staff

July

- Sales tax available in City Treasury
- Hire Staff
- Disseminate Planning and Sustainability grants.

August – September

- Present draft ordinance to City Council via sub-committee or study session
- Final draft ordinance
- Onboard staff

October

- City Council adopts ordinance
- Advisory board applications available

November – December

- Guidelines and applications for 2020 developed
- Advisory board appointed

ACTIVITIES TO DATE:

April

- April 1 sales tax collection begins
- Week of April 15th. Launch Eligibility Survey to gather organizational information and readiness
- April 10: Science engagement meeting
- April 30: Culture engagement meeting
- Facilitate an “education summit” with all the agencies and providers who currently serve the Extended Learning space
- Begin “Road mapping” process
- Support the creation of a joint scheduling system with Metro Parks and Tacoma Public Schools to support the implementation of arts, culture, heritage and science programs within the schools
- Post employment opportunities
- Confirm options for planning and sustainability grants and process for 2019 dissemination. The goals of these contracts would be to gather data that would begin to define baseline services, inform program infrastructure, identify community priorities, and prepare applicants for success on applying for full funding in 2020.

March:

- Identified staffing needs and developed position description
- Identified opportunities to draw from and build on existing data. Included existing data tools in use by the City of Tacoma’s Equity Index, systems at Metro Parks, Tacoma Public Schools, GTCF’s ELO program and Graduate Tacoma.
- Met with UWT faculty to identify opportunities for support in data development and analysis.
- Finalized contract with Cambrie Nelson and her team at Accenture, LLP to develop a comprehensive roadmap and prioritization matrix to further guide the process and implementation.

- Investigated participatory budgeting options
- Developed City web page. Transferred Tacoma Creates URL and social media platforms to City.
- **March 25:** Heritage community public engagement meeting. 5:30 -7:30 Washington State History Museum.
- **March 18:** Communicate to public about the sales tax increase starting April 1
- **March 16:** Tacoma Arts Commission participated in the Mayor's Youth Commission summit.
- **March 2:** Arts Administrator Amy McBride and Hilltop Artists Executive Director Kimberly Keith were part of a panel title Tacoma Creates: A Case for Cultural Access Policy at the Seattle Arts Leadership Conference at Seattle University.

February:

- Met with Environmental Services staff to learn more about programs, projects, and needs in the science/environmental sector.
- Tacoma Creates campaign project manager, Courtenay Chamberlin and campaign manager Christina Blocker spoke to the Seattle University undergraduate Public Policy, Advocacy, and the Arts class about the Coalition building process and the campaign.
- **February 13:** Staff presented to the Landmarks Preservation Commission.

January:

- Hired two consultants on contract: Courtenay Chamberlin for project management and Lisa Jaret for education expertise to support the development of the Public School Access component of Tacoma Creates.
- **January 23:** First public meeting with the community post-election was held at Theater on the Square. We estimate 300 people were in attendance. We collected questions and over 500 community comments and have compiled them.

Revenue:

As a reminder, the tax rate increased for Tacoma April 1, 2019. Businesses were notified about the increase via the "local sales and use tax flier" produced by the State. Additional communications regarding tax details were shared with the public via City communications channels starting March 18. Revenue will be accumulated for the 2nd Quarter in the City Treasury and available starting July 1, 2019. The Office of Management and Budget has estimated projections at \$3,693,876 for 2019 and \$6,292,486 for 2020.

Funds Distribution:

Start-up costs focused on program design and system development will be reimbursed to the general fund once taxes are collected per RCW 36.160.110a. The delay in collection limits immediate distribution of funds to service providers.



TO: Elizabeth A. Pauli, City Manager
FROM: Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer *KDK*
SUBJECT: Tacoma Transportation Benefit District (TBD) 2017-2018 Progress Report
DATE: May 10, 2019

The Public Works Department is hereby providing the progress update for work accomplished in 2017 and 2018 utilizing funds provided through the TBD.

The following table summarizes the amended budget, expenditures, and the highlights of the work performed for each program identified in Exhibit A of Resolution No. TBD 015, which was adopted by the TBD Board on November 22, 2016.

Program	2017-2018 Budget	2017-2018 Expenditures ¹	Highlights
Street Rehabilitation	\$ 14,540,790	\$ 14,366,971	545 Blocks of Residential Surface Treatment 15 Lane Miles of Arterial Surface Treatment 114,593 Square Feet of Arterial Pavement Repair (equates to 7,162 Potholes Repaired) 172 Blocks of Residential Overlay 372 Blocks of Residential Preventative Maintenance 184 Signs Replaced
Non-motorized	\$ 1,245,000	\$ 1,458,352	348 ADA Compliant Curb Ramp Upgrades 386 Linear Feet of Sidewalk Replaced Individual Sidewalk Repairs at Various Locations
Traffic Signal	\$ 60,000	\$ 0	
Totals	\$ 15,845,790	\$ 15,825,323	

Please contact me at (253) 591-5269 should you have any questions.

¹ An overhead rate (24%) was applied to account for assessments and other administrative expenses that are not captured in program/project work orders.A



RESOLUTION NO. TBD 015

1 A RESOLUTION relating to the City of Tacoma Transportation Benefit District's
2 budget; approving the 2017-2018 Transportation Benefit District Budget/
3 Spending Plan.

4 WHEREAS RCW 35.21.225 and 36.73.020 provide for the establishment of
5 a Transportation Benefit District ("TBD") by cities and counties to levy and impose
6 various taxes and fees to generate revenue to support transportation
7 improvements that benefit the district and are consistent with state, regional, or
8 local transportation plans, and necessitated by existing or reasonably foreseeable
9 congestion levels, and

10 WHEREAS Ordinance No. 28099, passed on November 20, 2012, and
11 codified under Chapter 10.28 of the Tacoma Municipal Code, established a TBD
12 for the purpose of acquiring, constructing, improving, providing, and funding
13 transportation improvements within the district, and,
14

15 WHEREAS on November 27, 2012, the TBD Board authorized a vehicle
16 license fee of \$20, and
17

18 WHEREAS Proposition A, approved by the voters in the November 3,
19 2015 General Election, authorized a sales tax increase of one-tenth of one
20 percent to fund street improvements, and
21

22 WHEREAS the City's Budget Office estimates the TBD will collect a total
23 of \$15,845,790 in revenues for transportation improvements within the district,
24 and

25 WHEREAS transportation projects may include the operation,
26 preservation, and maintenance of transportation facilities or programs, and



WHEREAS a budget/spending plan is necessary to outline the transportation improvements to be funded by the TBD, appropriate funds for said improvements, and coordinate with stakeholders and utilities, and

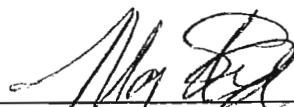
WHEREAS the TBD Board held a public hearing on November 1, 2016, to allow the public to comment on the proposed TBD Budget/Spending Plan;

Now, Therefore,

BE IT RESOLVED BY THE GOVERNING BOARD OF THE TACOMA TRANSPORTATION BENEFIT DISTRICT:

That the 2017-2018 Transportation Benefit District Budget/Spending Plan, substantially in the form of the document on file in the office of the City Clerk, is hereby approved.

Passed NOV 22 2016



Mayor/Member of the Transportation
Benefit District

Attest:



City Clerk

Approved as to form:



Deputy City Attorney



TO: T.C. Broadnax, City Manager
FROM: Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer /KDK
Rae Bailey, Division Manager, Public Works Street Operations
COPY: Transportation Benefit District Governing Board and City Clerk
SUBJECT: Resolution: Approval of 2017-2018 Transportation Benefit District Budget/Spending Plan – November 22, 2016
DATE: September 29, 2016

SUMMARY:

The Public Works Department requests the Transportation Benefit District Governing Board approve the 2017-2018 Transportation Benefit District Budget/Spending Plan.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

The Transportation Benefit District Budget/Spending Plan will improve public infrastructure by maintaining and repairing arterial and residential streets in need of repair.

BACKGROUND:

As authorized by RCW 35.21.225 and 36.73.020, City of Tacoma Ordinance No. 28099 established a Transportation Benefit District (TBD) for the purposes of acquiring, constructing, improving, providing and funding transportation improvements within the TBD consistent with any state, regional, or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels.

On November 27, 2012, the TBD Governing Board (Board) adopted Resolution No. TBD 001 authorizing the collection of a vehicle license fee of \$20. On July 14, 2015, the Board adopted Amended Resolution No. TBD 008 to place ballot measure Proposition No. 4, later referred to as Proposition A, on the ballot for the General Election. Proposition A, which authorized a sales tax increase of one tenth of one percent (0.1%) to fund street improvements was passed in the November 3, 2015, General Election. The City's Budget Office estimates the City will collect an estimated \$5,368,000 (authorized vehicle license fee) and \$10,477,790 (sales tax increase of one tenth of one percent 0.1%) for a total of \$15,845,790 of TBD revenues in the 2017-2018 biennium.

RCW 36.73.020 states the Board shall consider the following criteria when selecting transportation improvements: reduced risk of transportation facility failure and improved safety; improved travel time; improved air quality; increases in daily and peak period trip capacity; improved modal connectivity; improved freight mobility; cost-effectiveness of the investment; optimal performance of the system through time; and other criteria, as adopted by the governing body in Tacoma Municipal Code 10.28.

The Board held a public hearing on November 1, 2016, to allow the public to comment on the proposed 2017-2018 TBD Budget/Spending Plan.

ISSUE:

Approval of the 2017-2018 Transportation Benefit District Budget/Spending Plan is recommended prior to the collection of the vehicle license fee and the sales tax increase of one tenth of one percent (0.1%).



The proposed 2017-2018 Budget/Spending Plan summarizes the transportation programs funded by the TBD. The Budget/Spending Plan is attached as Exhibit A.

ALTERNATIVES:

Without an approved Budget/Spending Plan, the City cannot appropriate TBD funding for transportation improvements nor coordinate with stakeholders and utilities.

RECOMMENDATION:

The Public Works Department recommends the Transportation Benefit District Governing Board approve the 2017-2018 Budget/Spending Plan.

FISCAL IMPACT:

The authorized vehicle license fee of \$20 will generate an estimated \$5,368,000 in revenues and the sales tax increase of one tenth of one percent (0.1%) will generate an estimated \$10,477,790 for a total of \$15,845,790 of TBD revenues in the 2017-2018 biennium.

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1065 PW Street Fund	662424	Various	\$5,368,000
1085 PW Streets Initiative Fund	663025	Various	\$10,477,790
TOTAL			\$15,845,790

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
\$20 Vehicle License Fee	662420	6311137	\$5,368,000
.1% Sales Tax	663020	6311139	\$10,477,790
TOTAL			\$15,845,790

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: None; the work will be performed in 2017/2018.

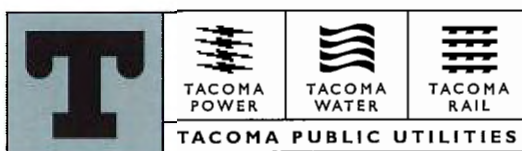
ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A

EXHIBIT A

2017-2018 TRANSPORTATION BENEFIT DISTRICT BUDGET/SPENDING PLAN

PROGRAM	BUDGET	PROGRAM PURPOSE
Street Rehabilitation	\$ 14,540,790	<p>The purpose of the Street Rehabilitation Program is to maintain Tacoma's roadways, both residential and arterial. Repair and maintenance of the right-of-way promotes safety, enhances mobility, and protects the environment.</p> <p>Through Transportation Benefit District funding, Public Works will complete the following work:</p> <p>Residential Surface Treatment – 400 to 440 Blocks Residential Street Paving – 160 to 180 Blocks Residential Street Crack Sealing – 320 to 400 Blocks</p>
Nonmotorized & Sidewalk/Curb Ramp	\$ 1,245,000	<p>The purpose of the Nonmotorized & Sidewalk/Curb Ramp Program is to increase the efficiency and safety of pedestrians, bicyclists, and people of all ages and abilities in the right-of-way.</p> <p>Through Transportation Benefit District funding, Public Works will complete the following work:</p> <p>Construct ADA Curb Ramps – 400 to 480 Ramps</p>
Traffic Signal/Signal Upgrade	\$ 60,000	<p>The purpose of the Traffic Signal/Signal Upgrade Program is to maximize the movement of all modes of transportation throughout the City through corridor and intersection improvements. Funds replacement of vehicle loop detectors in failed condition.</p> <p>Public Works will leverage Transportation Benefit District funding with other Program funding to repair and replace loop detectors.</p>
TOTAL BUDGET	\$ 15,845,790	



**City of Tacoma
Public Utility Board Meeting
May 22, 2019; 6:30 p.m.
Tacoma Public Utilities – Ground Floor Auditorium
3628 S 35th Street, Tacoma WA 98409**

Call to Order

Roll Call

- A. Approve Minutes of Previous Meetings**
- B. Comments by the Public**
- C. Consent Agenda**
- D. Regular Agenda**

Departmental

D-1 Resolution U-11085 – Award contracts and approve purchases:

1. Increase and extend contract with CSG Systems, Inc., for printing and mailing of Click! cable TV customer billing statements (\$156,000; cumulative total \$1,045,000, plus applicable taxes);
2. Award contract to Lee & Associates Commercial Real Estate Services, LLC, for real estate brokerage services to market Tacoma Power's Frederickson Industrial Site (one-year term with the option to renew for up to four additional one-year terms. No pre-determined contract amount as the fee to be paid is tied directly to the final sale price of the property);
3. Award contract to Quigg Bros, Inc., for the installation of a new pipeline support bridge for the Swan Creek fish passage improvement project (\$644,100, plus any applicable taxes).

D-2 Resolution U-11086 – Authorize establishment of the Cowlitz Restoration and Recovery Program to fund recovery and restoration actions as required by the Cowlitz River Hydroelectric Project federal license.

H. Reports of the Director

- Utility Modernization Strategy and Roadmap



The City of Tacoma does not discriminate on the basis of disability in any of its programs, activities, or services. To request this information in an alternative format or to request a reasonable accommodation, please contact the TPU Director's Office at 253-502-8201. TTY or speech to speech users please dial 711 to connect to Washington Relay services.

**City of Tacoma 2019
City Council Forecast Schedule**

Date	Meeting	Subject	Department	Background
May 21, 2019	City Council Study Session (TMBN 16, Noon)	Harvard Bloomberg Innovation Project Update	Mayor/CMO	The City's project focuses on the City priorities and the need for inclusive public engagement, strong relationships, and proactive building of trust, particularly in the area of public safety.
		Community Workforce Agreement Taskforce Recommendations and Report	CMO	Facilitator Karen Reed will present recommendations developed by the "CWA Task Force" (comprised of leaders from labor unions, private contractors, minority and women's business enterprises, and economically distressed communities).
	Special Committee of the Whole Meeting (TMBN 16, 3:00)	Council Strategic Planning Work Session Follow-Up	CMO/OMB	This will be part two of the follow up for the Council's February 15th Strategic Planning Work Session to summarize Council priority policies that were identified and propose next steps to move to action.
	City Council Meeting (TMB Council Chambers, 5:00 PM)	Final Reading Tideflats Interim Regulations Extension Ordinance	PDS	
May 28, 2019	CANCELLED			

**City of Tacoma 2019
City Council Forecast Schedule**

Date	Meeting	Subject	Department	Background
June 4, 2019	City Council Study Session (TMBN 16, Noon)	JBLM Airport Compatibility Overlay District	PDS	At the June 4th Council Meeting, there will be a public hearing on the Joint Base Lewis McChord Airport Compatibility Overlay District. At the Study Session, PDS staff will share the Planning Commission's and IPS Committee's recommendations to establish the District corresponding with JBLM's designated Accident Prevention Zone II.
		Prioritizing New Streetlights with an Equity Lens	PW	The 2019/2020 Public Works budget included funding for the installation of 200 new streetlights in Tacoma. Presentation will be an overview of the overall need for new streetlights, identify existing infrastructure scenarios, and outline how Public Works is prioritizing the new installations and applying the Equity Index in an objective and systematic way.
		City Council Meeting (TMB Council Chambers, 5:00 PM)	PDS	
June 11, 2019	City Council Study Session (TMBN 16, Noon)	Recommendations for Commingled Recycling	ESD/SWM	Solid Waste Mgt staff will provide recommendations based on the results of outreach efforts related to commingled recycling.
		Tacoma Dome Link Extension Update	PDS	Staff from PDS and Sound Transit will review the community input received during the scoping period and discuss the Council's potential input to the Sound Transit Board regarding preferred station locations and route alternatives.
		City Council Meeting (TMB Council Chambers, 5:00 PM)		
June 18, 2019	Joint Public Utility Board Study Session (TMBN 16, Noon)	Click! Contract Negotiation Update	CAO	
		Closed Session - Labor negotiations	CAO	
		Executive Session - Performance Review	U-Board/Council	
		City Council Meeting (TMB Council Chambers, 5:00 PM)	PDS	

**City of Tacoma 2019
City Council Forecast Schedule**

Date	Meeting	Subject	Department	Background
June 25, 2019	City Council Study Session (TMBN 16, Noon)	South Sound 911 Governance Restructuring	CAO	
		Beacon Senior Center Update and Stability Site Recommendations	NCS	Staff will provide an update on the youth and young adult services, including overnight shelter, and the senior services at the Beacon Center. In addition, recommendations for the Stability Site will be shared.
	City Council Meeting (TMB Council Chambers, 5:00 PM)	JBLM Airport Overlay District Ordinance Final Reading	PDS	

**City of Tacoma 2019
City Council Forecast Schedule**

Date	Meeting	Subject		Department	Background
July 2, 2019	City Council Study Session (TMBN 16, Noon)	Environmental Action Plan		ESD	Each year, the City releases its latest assessment of the state of our environment. Staff will give an overview of the 2018 annual Environmental Action Plan Progress Report.
		Tenant Relocation TMC 1.95 Update		NCS	
	City Council Meeting (TMB Council Chambers, 5:00 PM)				
July 19, 2019	City Council Study Session (TMBN 16, Noon)				
	City Council Meeting (TMB Council Chambers, 5:00 PM)				
July 16, 2019	Study Session (TMBN 16, Noon)				
	City Council Meeting (TMB Council Chambers, 5:00 PM)				
July 23, 2019	City Council Study Session (TMBN 16, Noon)				
	City Council Meeting (TMB Council Chambers, 5:00 PM)				
July 30, 2019	City Council Study Session (TMBN 16, Noon)				
	City Council Meeting (TMB Council Chambers, 5:00 PM)				

Community Vitality and Safety			
Committee Members: Blocker (Chair), Beale, Thoms, Ushka, Alternate-Hunter Executive Liaison: Linda Stewart; Staff Support - Will Suarez		2nd and 4th Thursdays 4:30 p.m. Room 248	CBC Assignments: • Citizen Police Advisory Committee • Human Services Commission • Human Rights Commission • Housing Authority • Commission on Disabilities • Library Board • Tacoma Community Redevelopment Authority
May 23, 2019	Human Services Commission Interviews	Doris Sorum, City Clerk	5 vacancies
Future			
June 13, 2019	Continuous Improvement Advocates Project: Reducing Emergency Medicine Treatment Errors	Sionna Stallings-Alailima, Fire Lieutenant, Tacoma Fire Department	From Sept.- Dec. 2018, Tacoma Fire Lieutenant, Sionna Stallings-Alailima, led a team to investigate emergency treatment errors as part of her course work in the CI Advocates program. In her presentation she will review suggested actions and discuss steps her workgroup has taken to prevent harm to customers and reduce the risk for potential litigation.
	Closed Captioning Resolution and Education Campaign	Lucas Smiraldo, Policy Analyst II, Office of Equity and Human Rights; Todd Holloway, Chair, Tacoma Area Commission on Disabilities	The Tacoma Area Commission on Disabilities (TACOD) is requesting support from the Community, Vitality and Safety Committee to recommend a resolution that will promote the practice of using closed captioning on televisions in establishments frequented by people in Tacoma including pubs, restaurants, bars, waiting rooms and other shared public spaces.
June 27, 2019	Beacon Center/Young adult shelter		
	Neighborhood and Community Services Equity, Diversity, and Inclusion Initiative	Linda Stewart, Director, Neighborhood & Community Services Department; Patricia Coleman and Annie Jones-Barnes, Coleman and Associates	Informational briefing about equity, diversity, and inclusion, scope of work for 2019.

Economic Development Committee			
Committee Members: Thoms (Chair), McCarthy, Ushka, Woodards, Alternate-Beale Executive Liaison: Tadd Wille; Staff Support - Lynda Foster		2nd, 4th, and 5th Tuesdays 10:00 a.m. Room 248	CBC Assignments: •Tacoma Arts Commission •Greater Tacoma Regional Convention Center Public Facilities District •Foss Waterway •City Events and Recognition Committee
May 28, 2019	<i>Cancelled</i>		
Future			
June 11, 2019	Green Economy Update (Tentative)	<i>Gloria Fletcher, Business Development Manager, CED</i>	This is the second of three presentations intended to provide an overview and subsequent updates on how Tacoma can attract and retain businesses and workers in clean technologies and manufacturing.
June 25, 2019	BIA Options in Tacoma	<i>Debbie Bingham, Project Manager, CEDD</i>	

Government Performance and Finance Committee			
Committee Members: Ibsen (Chair), Blocker, Hunter, Mello, Alternate-Thoms Executive Liaison: Andy Cherullo; Staff Support - Bucoda Warren		1st and 3rd Tuesday 10 a.m. Room 248	CBC Assignments: •Public Utility Board •Board of Ethics •Audit Advisory Board •Civil Service Board
May 21, 2019	Public Utility Board Interviews	Dorus Sorum, City Clerk	1 vacancy
Future			
June 4, 2019	TMC Amendments	Jenni Barrett, Tax & License Operations Manager	clean up of language in Title 6 and repeal of regulatory license for Sign Erectors. The only requirement of the Sign Erector license is proof of insurance that names the City as an additional insured which can be verified through the sign permit process in Planning and Development Services. This change will streamline the process and reduce fee expenses for businesses installing signs above the City Right-of-Way.
June 18, 2019	Audit Advisory Board Joint Meeting	Susan Calderon, Assistant Finance Director	both an exit conference for Moss Adams and entrance conference for the State Auditor
	Workforce Central Contract Extension	Linda Nguyen, Executive Director, Workforce Central	Linda Nguyen will be presenting an amendment to the existing agreement for a time extension.
	wholesale pricing and policy revisions	Sean Senescall, Manager of Tacoma Water Finance & Analytics, Lyna Vo, Water Analyst	

<i>Infrastructure, Planning and Sustainability Committee</i>			
Committee Members: Mello (Chair), Beale, Ibsen, McCarthy, Alternate-Hunter Executive Liaison: Kurtis Kingsolver; Staff Support - Rebecca Boydston (Nick Anderson will be covering through May)		2nd and 4th Wednesdays 4:30 p.m. Room 16 (time and location will change soon)	CBC Assignments: •Sustainable Tacoma Commission •Planning Commission •Landmarks Preservation Commission •Board of Building Appeals •Transportation Commission
May 22, 2019	Planning Commission Interviews		Interviews for 3 open positions on the Planning Commission.
	Building Code Updates	Terry Forslund, Planning and Development Services	Updates on building codes in the City.
Future			
June 12, 2019			
June 26, 2019			



TO: Elizabeth Pauli, City Manager

FROM: Teresa Sedmak, City Treasurer
Andy Cherullo, Director of Finance

SUBJECT: Real Estate Excise Taxes (REET) for Affordable Housing

DATE: May 15, 2019

Summary:

City Council has recently inquired in regard to the utilization of REET revenues to finance capital projects, such as affordable housing undertakings. While, Washington statutes allow the use of REET funds to be used to pay debt service on bonds issued for those purposes, staff does not recommend this strategy.

Background:

REET is an excise tax, primarily assessed against a seller of commercial or residential properties upon sale or conveyance. REET collections vary from jurisdiction to jurisdiction, with the majority of the taxes allocated to the state. In Tacoma, the maximum allowable rate of 1.78% is collected, with 1.28% going to the state and .50% to the City. The City's REET collections are restricted by state law for use on capital projects including: transportation (streets, signals, lights, bridges, etc.); local capital improvement projects such as libraries, fire stations, police stations, street maintenance, community and senior centers; and the newly established purpose of affordable housing.

In evaluating the utilization of REET revenues as a source for the repayment of bonds, several considerations require evaluation, the most notable of which are summarized below:

1. As a tax imposed by the City, a borrowing secured by REET revenues would be counted against the City's bonding authority, similar to the City's outstanding limited (and unlimited) tax general obligation bonds, providing no insulation to the City in terms of absolute borrowing capacity.
2. Because REET revenues are calculated based upon the sale price of real estate assets, they are inherently volatile, and may decline considerably in negative market situations. In recent experience, for example, at the height of the recession in 2011, the City could expect about \$2.9 million in REET revenues. In 2018, with a markedly stronger local economy, the City collected \$11.2 million in such revenues, an increase of 286% over the seven-year period. As the economy ebbs and flows, so do REET revenues.

As a practical (credit) matter, given the inherent volatility in this funding stream, debt service paid solely from REET revenues would require either very significant debt service coverage covenants or a credit backstop from the City's General Fund. In other words, dedicating solely REET funds for bond repayment, investors would substantially discount the projected value of that revenue stream to reduce their repayment risk, making for an inefficient financing alternative.

3. Currently, as stated above, the City's REET revenues are utilized as a funding source for existing projects, with REET requests far outstripping the City's collections. In the 2019-2020 biennial budget process for instance, there were requests in excess of \$50 million for REET funds with only \$13 million available, based on revenue projections. If current allocations of



these dollars were redirected toward repayment of bonds, alternate funding sources would need to be identified (likely from the General Fund), negating any benefit of pledging REET funds toward debt repayment.

4. From a credit perspective, bonds secured by the full faith and credit of the City (i.e. LTGO bonds) would receive a more favorable rating from credit rating agencies, allowing for a lower interest rate on bonds secured by the City's General Fund (versus dedicated REET revenues).

Based upon these considerations, borrowing secured solely with REET revenues would not be the most cost-effective funding alternative available to the City for purposes of funding affordable housing options.