



TO: Hyun Kim, Interim City Manager
FROM: Debbie Bingham, Business and Economic Development Manager, Community and Economic Development
Tanja Carter, Director, Community and Economic Development
COPY: City Council and City Clerk
SUBJECT: Request for Resolution to Enter into an agreement with the Local Development Council of Tacoma (dba Downtown Business Improvement Area BIA) for services to administer operations of the BIA for the period May 1, 2026- April 30, 2027. -March 10, 2026
DATE: February 24, 2026

SUMMARY & PURPOSE:

Entering into an agreement with the Local Development Council of Tacoma (dba Downtown Business Improvement Area BIA) for services to administer operations of the BIA for the period May 1, 2026- April 30, 2027. This agreement includes payment in the amount of \$2,024,180 for providing the services included in the 2026-2027 BIA annual work plan and annual budget.

BACKGROUND

On April 5, 1988 upon presentation of a petition from downtown property owners representing 50% or more of the property assessments the City Council established a BIA by substitute ordinance 24058 for a period of ten years. The BIA was renewed for a period of an additional ten years in 1998 (Ordinance 26205) and again in 2008 (Ordinance 27696.) The BIA was renewed for a period of an additional ten years in 2018 (Ordinance 28496). This resolution authorizes entry into an agreement with the Local Development Council of Tacoma (dba downtown Tacoma Business Improvement Area) for services to administer operations of the Downtown Tacoma Business Improvement Area.

Pursuant to the BIA Ordinance 28496, special assessments are collected by the City on an annual or semiannual basis. Moneys collected are deposited in a special City fund designated as the Downtown Improvement Area Fund District No. 1, (District Fund), and expenditures from the fund are used exclusively for the purposes specified in the BIA. This agreement includes payment in the amount of \$2,024,180 for providing the services included in the 2026-2027 BIA annual work plan and annual budget.

COMMUNITY ENGAGEMENT/ (CUSTOMER RESEARCH):

The BIA sent a notice to all ratepayers regarding their annual meeting which was on February 26th. At that meeting the annual budget, work program and assessment rates were approved. On March 3rd, the City of Tacoma sent a notice to all ratepayers regarding the resolution to be considered by the City Council on March 10th.



2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

The Downtown Tacoma Partnership fosters a safe and clean downtown Tacoma core which leads to economic development, vitality and sustainability which benefits the entire community.

Economy/Workforce: *Equity Index Score: Low Opportunity*

Increase positive public perception related to the Tacoma economy.

Livability: *Equity Index Score: Very Low Opportunity*

Increase positive public perception of safety and overall quality of life.

This project provides the downtown core with the resources to maintain a safe, clean and welcoming presence. This in turn created more opportunities for job creation and an enhanced environment to live, work and play.

STAFF RECOMMENDATION:

Staff recommends Council adoption of the Resolution entering into an agreement with the DTP for services to administer the operations of the Downtown Tacoma Partnership.

ALTERNATIVES:

Presumably your recommendation is not the only potential course of action; please discuss other alternatives actions for council or staff to take. Please use table below.

Alternative	Positive Impacts	Negative Impacts
1. Do not approve the resolution		The BIA will discontinue their services.

EVALUATIONS AND FOLLOW UP:

Annually the DTP keeps statistics of the work they perform and provide an annual report to the City.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1195-DTBIA, Downtown Bus Improvement Area	845600 CEDD DTBIA	Multiple	2,024,180
TOTAL			\$2,024,180



REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1195-DTBIA BIA Fees	845600 CEDD DTBIA	Multiple	\$2,024,180
TOTAL			\$2,024,180

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$2,024,180

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

ATTACHMENTS:

- Work plan
- Annual Budget
- Exhibit A- Agreement