2025-2026 Mid-Biennium Budget Modifications – Public Hearing

October 21, 2025

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Purpose of Mid Biennium Budget Modifications

- State Law requires a review of the City's biennial budget before the conclusion of first year of the biennium
- The Mid Biennial Modification Review is intended to:
  - Compare current revenue and expenditure levels to projections
  - Account for any needed budgetary corrections or adjustments
  - Adjust for any previously approved City Council Resolutions or Ordinances
  - Allow the City to adapt and respond to changing needs or requirements
  - Incorporate a long-term view on the health of City finances
- The Mid Biennial Modification Review includes a review of both the operating budget and the capital budget

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Mid Biennium Budget Review Process

The Finance Department's Office of Management & Budget (OMB) manages the Mid Biennium Budget Review process. The major process steps and timing are as follows:

- **July -** OMB reviews with each Department's their year-to-date revenues and expenditures, looks at economic trends that may have an impact of revenues or expenditures, compiles known changes need for the Mid Biennium Budget Process (new grants, budget errors)
- **August -** Departments are asked to submit proposals for changes to their 2025-2026 budget
- **Early September -** OMB and Departments review proposals that have been submitted
- **Mid to Late September -** The City Manager reviews all the proposals submitted by Departments, seeks clarifications from Departments where necessary and develops a Mid Biennium Budget Modification proposal to submit to City Council
- **October -** City Manager & OMB present the proposed Mid Biennium Budget Modification to City Council
  - Study Sessions are held to allow City council to review proposals, ask questions, and to propose amendments
- **Late October**
  - Public Hearing on the proposed Mid Biennium Budget Modifications
  - City Council votes to adopt the Mid Biennium Budget Modification

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Proposed Mid Biennium Operating Budget Modifications

- Proposed Mid Mod Operating Budget Modifications are in these Priority Areas
  - Public Safety
  - Access, Health and Housing
  - Reductions and Corrections
  - Grants and Other Revenues

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Public Safety

Department	Proposal Title	General Fund	Other Funds	Grand Total
City Attorney's Office	Additional Legal Staff - Litigation, Prosecution and Legal Advisory Services		1,773,600	1,773,600
Environmental Services	Pilot Private Graffiti Mitigation program, directed by Business Engagement Solutions Team (BEST)		100,000	100,000
Fire	Reduce Holistic Outreach Promoting Engagement (HOPE) Program	(655,696)	0	(655,696)
Fire	Correct Emergency Management Program Budget		191,803	191,803
Fire	Correct Tacoma Fire Fleet budget	1,477,694	1,126,133	2,603,827
Fire	Increase Fire Overtime for Minimum Staffing Coverage	2,000,000		2,000,000
Fire	Purchase two Fire Engines	1,250,000	750,000	2,000,000
Information Technology	Procure Radios that have reached End of Support		1,489,219	1,489,219
Neighborhood & Community Services	Restore funding for Youth Violence Reduction & Prevention	180,000		180,000
Department of Assigned Counsel (DAC)	Increase Department of Assigned Counsel (DAC) contract to recognize increased caseloads	393,504		393,504
Police	Reduce Police Administrative Service Level	(180,044)		(180,044)
Police	Reduce Police Crime Analysis Service Level	(120,683)		(120,683)
Police	Reduce Police Forensics Crime Scene Operations Service Level	(163,573)		(163,573)
Police	Add In-State Commissioned Peace Officer Lateral Incentive Program	1,169,900	233,100	1,403,000
Police	Correct Police Small Grant Budget to Reflect Grants/Reimbursements		390,930	390,930
Police	Increase Police Overtime Budget to Maintain Operations	1,280,000		1,280,000
Police	Maintain Less-Lethal Police Equipment (Tasers)	432,389		432,389
Police	Maintain Police Technology and Accountability Systems	1,172,683		1,172,683
Police	Add Non-Commissioned Position to Manage Police Policy and Practices	152,605		152,605
Police	Tacoma Police Department Community Support	25,000		25,000

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Access, Health & Housing

Department	Proposal Title	General Fund	Other Funds	Grand Total
Neighborhood & Community Services	Boys & Girls Club	14,000		14,000
Public Works	Budget Local 483 Contract Increase - Signal/Streetlight Electricians		1,100,000	1,100,000
Planning & Development Services	DADU Pre-Approved Plan Expansion: 6-Unit IRC Townhouse		200,000	200,000
Environmental Services	Adjust Contribution to 1% for the Arts Program		259,073	259,073
Environmental Services	Complete Tree Planting in South Tacoma Neighborhood		60,000	60,000
Environmental Services	Complete Watershed Modeling to Assess Impacts of Densification		1,000,000	1,000,000
Environmental Services	Consolidate Urban Forestry Staffing for Efficiency		17,831	17,831
Environmental Services	Develop Wastewater Facilities Plan		5,000,000	5,000,000
Environmental Services	Enhance and Expand Tidy-Up Tacoma Public Litter Can Program		627,000	627,000
Environmental Services	Expand Legal Services Support to Address New Challenges		3,565,000	3,565,000
Environmental Services	Install Electric Fencing Around Central Treatment Plant		192,500	192,500
Office of Management & Budget	Adjust Health Care Rate	550,000	1,700,000	2,250,000
Office of Management & Budget	Adjust Third Party Liability Fund	8,000,000		8,000,000
Office of Management & Budget	Adjust Workers' Compensation Fund	2,800,000	300,000	3,100,000

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Reductions & Corrections

Department	Proposal Title	General Fund	Other Funds	Grand Total
Public Works	Reductions and Vacancy Savings	(140,000)	(690,000)	(830,000)
Finance Department	Reductions Across Various Programs	(140,000)	(200,000)	(340,000)
Human Resources	Reductions Across Various Programs		(70,000)	(70,000)
Information Technology	Reductions Across Various Programs		(778,173)	(778,173)
Neighborhood & Community Services	Reduce Contract Services Budget	(640,000)		(640,000)
City Manager's Office Total	Budget Corrections and Vacancy Savings	97,530	(65,488)	32,042
Planning & Development Services	Increase PDS vacancy savings target	(100,000)	(750,000)	(850,000)
Community & Economic Development	Reductions Across Various Programs	(236,048)	(76,204)	(312,252)
Office of Management & Budget	Adjust labor cost projection for three positions		29,661	29,661
Finance Department	Transfer unclaimed Property Recovery funds to General Fund	(700,000)		(700,000)

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Grants & Other Revenues

Department	Project/Program Funded	Amount
Environmental Services	Investigate Filtration Methodologies	$195,481
	Puyallup Avenue Sewer Utility Replacement Project	$999,100
Municipal Court	Therapeutic Court	$331,485
Neighborhood & Community Services	Continues funding for shelter beds at multiple locations	$4,500,000
	Street Medicine team	$895,000
	Encampment cleanups on WSDOT property	$333,750
Public Works	New South Tacoma Fire Station	$2,000,000
	Replace natural gas HVAC units with zero-emission electric units to reduce carbon emissions in TPD HQ	$1,542,000
	1/10 of 1% sales and use tax for transportation-related projects. At least 15% designated for pedestrian safety projects.	$6,473,999
	Sound Transit Segment 4 S 58th St	$7,956,679
	Sound Transit Segment 5 S Adams St	$9,889,891
	East Roosevelt Avenue Improvements	$53,048
	East Roosevelt Avenue Improvements	$546,721
	E Portland Ave from E 56th to E 64th	$473,169
	E Portland Ave from E 56th to E 64th	$65,000
	STW Vision Zero Project (S. Pine St to S. 60th St)	$1,500,000
	Grant/Revenues Total	**37,755,323**

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Proposed Mid-Biennial Budget Modifications – Summary

	General Fund			Other Funds			All Funds		
	One-time	Ongoing	**Total**	One-time	Ongoing	**Total**	One-time	Ongoing	**Total**
Additions	16,695,372	4,154,733	**20,850,105**	15,044,286	5,307,397	**20,351,683**	31,739,658	9,462,130	**41,201,788**
Reductions	(2,081,031)	(949,813)	**(3,030,844)**	(2,432,676)	(373,022)	**(2,805,698)**	(4,513,707)	(1,322,835)	**(5,836,542)**
Total	14,614,341	3,204,920	**17,819,261**	12,611,610	4,934,375	**17,545,986**	27,225,951	8,139,295	**35,365,247**
Grants/Revenues	-	-	**-**	32,025,759	5,729,564	**37,755,323**	32,025,759	5,729,564	**37,755,323**

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Capital Budget - Mid Biennium Budget Modifications

Fund 1060	**Project Title**		**Capital Budget Adjustment**
662031	Transportation Benefit District (TBD) Funds for Pedestrian Safety		744,435
LID-8668R	Wapato and N. 27th St Permanent Pavement		867,101
PWK-00442	Transportation Fund Expense Projects		350,000
PWK-01017	6th Ave & 19th Rail Crossings		490,600
PWK-01046	Sound Transit Segment 4 S 58th St		7,956,679
PWK-01047	Sound Transit Segment 5 S Adams St		9,889,891
PWK-G0020	Puyallup Ave Transit/Complete Street Improvements		45,572
PWK-G0032	Revitalizing Tacoma's Brewery District		250,000
PWK-G0052	E Portland Ave from E 56th to E 64th		538,169
PWK-G0062	S 25th St Traffic Safety		150,000
PWK-G0073	Fishing Wars Memorial Bridge Cleaning *(cancelled)*		3,600,000
PWK-G0081	East Roosevelt Avenue Improvements		599,769
PWK-G0083	STW Vision Zero Project (S. Pine St to S. 60th St)		1,500,000
	Subtotal Fund 1060 Transportation Capital & Engineering Fund		**26,982,216**
Fund 3211	**Project Title**		
GNF-00007	Deferred Repair & Replacement		1,542,000
TFD-00025-EX	New Fire Station #7		2,000,000
	Subtotal Fund 3211 Capital Projects Fund		**3,542,000**
	Total Capital Budget Adjustments		**30,524,216**

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