

UNIVERSITY PLACE CITY COUNCIL
Regular Council Meeting Agenda
Monday, September 17, 2018, 6:30 p.m.

UPTV

Note: Times are approximate and subject to change.

Town Hall Meeting Room
3715 Bridgeport Way West

- 6:30 pm
1. **CALL REGULAR MEETING TO ORDER**
 2. **ROLL CALL**
 3. **PLEDGE OF ALLEGIANCE – Councilmember Figueroa**
 4. **APPROVAL OF MINUTES – September 4, 2018**
 5. **APPROVAL OF AGENDA**
- 6:35 pm
6. **PRESENTATIONS**
 - **Introduction of Col. Matthew Braman, Commander of 16th Combat Aviation Brigade**
 - **Introduction of University Place Police Investigator – Police Chief Blair**
 - **Tacoma Public Utilities Budget and Rates Structure**
- 7:00 pm
7. **PUBLIC COMMENTS** – (Citizens wishing to address the Council will be given three minutes to comment on matters not scheduled for Public Hearing or Council Consideration. Specific concerns raised at this time will be addressed by City staff after the meeting. State law prohibits the use of this forum to promote or oppose candidates for public office or ballot measure. Please provide your name and address for the record.)
- 7:05 pm
- 8A. **CONSENT AGENDA**
Motion: Approve or Amend the Consent Agenda as Proposed
- The Consent Agenda consists of items considered routine or have been previously studied and discussed by Council and for which staff recommendation has been prepared. A Councilmember may request that an item be removed from the Consent Agenda so that the Council may consider the item separately. Items on the Consent Agenda are voted upon as one block and approved with one vote.

A. **Receive and File: Payroll and Claims.**
- COUNCIL CONSIDERATION** – (The following item(s) will require Council action.)
- 7:10 pm
9. **TRANSPORTATION BENEFIT DISTRICT**
 - **Staff Report**
 - **Public Comment**
 - **Council Consideration**
- 7:30 pm
10. **CITY MANAGER & COUNCIL COMMENTS/REPORTS** - (Report items/topics of interest from outside designated agencies represented by Council members, e.g., AWC, PRSC, Pierce Transit, RCC, etc, and follow-ups on items of interest to Council and the community.)
- RECESS TO STUDY SESSION** – (At this time, Council will have the opportunity to study and discuss business issues with staff prior to its consideration. Citizen comment is not taken at this time; however, citizens will have the opportunity to comment on the following item(s) at future Council meetings.)
- 7:35 pm
11. **SURPLUS PROPERTY**
- 8:00 pm
12. **BUSINESS LICENSE ORDINANCE**
- 8:30 pm
13. **ADJOURNMENT**

*PRELIMINARY CITY COUNCIL AGENDA

October 1, 2018
Regular Council Meeting

October 15, 2018
Regular Council Meeting

November 5, 2018
Regular Council Meeting

November 19, 2018
Regular Council Meeting

Preliminary City Council Agenda subject to change without notice*
Complete Agendas will be available 24 hours prior to scheduled meeting.
To obtain Council Agendas, please visit www.cityofup.com.

American Disability Act (ADA) Accommodations Provided Upon Advance Request
Call the City Clerk at 253-566-5656

APPROVAL OF MINUTES

**CITY OF UNIVERSITY PLACE
DRAFT MINUTES
Regular Meeting of the City Council
Tuesday, September 4, 2018
City Hall, Windmill Village**

1. CALL REGULAR MEETING TO ORDER

Mayor Pro Tem Belleci called the Regular Meeting to order at 6:30 p.m.

2. ROLL CALL

Roll call was taken by the City Clerk as follows:

Councilmember Figueroa	Present
Councilmember Grassi	Present
Councilmember McCluskey	Excused
Councilmember Nye	Present
Councilmember Worthington	Present
Mayor Pro Tem Belleci	Present
Mayor Keel	Present

Staff Present: City Manager Sugg, City Attorney Kaser, Executive Director/ACM Craig, Finance Director Blaisdell, Public Safety Manager Hales and City Clerk Genetia.

MOTION: By Mayor Pro Tem Belleci, seconded by Councilmember Figueroa, to excuse Councilmember McCluskey's absence.

The motion carried.

3. PLEDGE OF ALLEGIANCE

Councilmember Nye led Council in the Pledge of Allegiance.

4. APPROVAL OF MINUTES

MOTION: By Mayor Pro Tem Belleci, seconded by Councilmember Figueroa, to approve the minutes of the August 20, 2018 meeting as submitted.

The motion carried.

5. APPROVAL OF AGENDA

MOTION: By Mayor Pro Tem Belleci, seconded by Councilmember Figueroa, to approve the agenda.

The motion carried.

6. PRESENTATIONS

Information Booth Volunteers – Helen McDaniel and Bunny Nance talked to Council about the formation and efforts of the U.P. Community Information Center located in the atrium of the Civic Building. The Center is manned and supported by volunteers who provide public information on community events and activities.

2018 Second Quarter Financial Report – Finance Director Leslie Blaisdell presented the second quarter 2018 Financial Report, giving a summary of revenues and expenditures.

7. PUBLIC COMMENTS – The following individuals provided public comment: Cheryl Hill, 4904 93rd Avenue West; Howard Lee, 8302 41st Street West; and Melanie Kirk-Stauffer, 6909 Twin Hills Drive West.

8. CONSENT AGENDA

MOTION: By Mayor Pro Tem Belleci, seconded by Councilmember Figueroa, to approve the Consent Agenda as follows:

- A.** Receive and File: Payroll for the period ending 08/15/18, dated 08/20/18, in the total amount of Two Hundred Thirty-One Thousand Seven Hundred Ninety-Six and 23/100 Dollars (\$231,796.23); and Payroll for the period ending 08/31/18, dated 09/05/18, in the total amount of Three Hundred Seven Thousand Five Hundred Twenty-Seven and 13/100 Dollars (\$307,527.13).
- B.** Receive and File: 2018 Second Quarter Financial Report.
- C.** Adopt a resolution authorizing cancellation of checks not presented for payment within one year. **(RESOLUTION NO. 871)**

The motion carried.

COUNCIL CONSIDERATION

9. COUNCIL TRAINING POLICY

Staff Report – City Attorney Kaser presented a resolution that would simplify the approval process for Council training by allocating to each Council member a specific amount to govern their own training, travel, and conference expenses. With the sole exception of the Mayor's allocation, Councilmembers' funds will be non-transferable. It also establishes a common fund for Council-initiated training, the use of which will require Councilmembers to provide an advance report to Council on the nature and duration of the event, and the benefit to the community made by the Councilmember's attendance. Additionally, it would require Councilmembers to make a report to Council on the nature and/or lessons learned from the conference/seminar he/she attended.

Public Comment – None.

Council Consideration – **MOTION:** By Mayor Pro Tem Belleci, seconded by Councilmember Worthington, to adopt a resolution amending travel policies and reimbursement of expenses incurred while on official city business.

The motion carried. (RESOLUTION NO. 872)

10. CITY MANAGER & COUNCIL COMMENTS/REPORTS

City Manager Sugg reported on the Federal Emergency Management Agency (FEMA) Disaster Recovery training course that he and others attended. In addition, he announced the completion of the Mildred Street overlay project and provided information on the 27th Street roadway improvement project that is underway.

Mayor Pro Tem Belleci provided an overview on what she learned from the FEMA Disaster Recovery training she attended last week.

Councilmember Figueroa also imparted some key factors on disaster recovery efforts.

Mayor Keel shared a concern voiced by a constituent regarding the condition of the property on the corner of 27th and Grandview. He also highlighted upcoming agenda items.

Councilmember Worthington thanked Mayor Pro Tem Belleci and Councilmember Figueroa for attending the FEMA training.

STUDY SESSION

11. EMERGENCY MANAGEMENT CODE UPDATE

City Attorney Kaser, along with Public Safety Manager Hales, presented proposed changes to the City's Emergency Management Code. The update would bring in line a number of current practices involving emergency management. Changes include: (1) separating duties of the City Manager and the Director of Emergency Management; (2) streamlining emergency declaration; and (3) updating and removing outdated cross-references for readability.

In view of Council's discussion, a study session will be scheduled to further discuss and obtain additional information/clarification on concerns with regard to the authority for declaring emergency; understanding/defining the "power" and scope for declaring an emergency; the organizational structure; defining the "state" of declaring emergency and the criteria around it; and the use of the City's reserves for funding.

12. BUSINESS RECRUITMENT INCENTIVE

City Attorney Kaser provided an overview on draft legislation that would provide credit (up to \$275 per job) against eligible fees imposed by the City of University Place to any businesses that create new jobs within the City that hire five or more employees who are each paid at least \$65,000 per year. Mr. Kaser reviewed the application process for those businesses who desire to take advantage of the credit as well the guiding factors and authority on whether to grant waiver or deferral of fees.

Council agreed to have staff bring back legislation with the following changes: lower the dollar threshold from \$65,000 to \$55,000; to include a minimum time period for job existence to realize the City's investment and to include a credit structure/method in place.

13. ADJOURNMENT

The meeting adjourned at 8:55 p.m. No other action was taken.

Submitted by,

Emy Genetia
City Clerk

PRESENTATION

Tacoma Public Utilities

Presentation to the City of University Place



Our mission:
*Tacoma Public Utilities
provides services that are
vital to our quality of life.*



Public, cost-of-service organization;
we don't pay investors

Part of the community since 1893

Led by a 5-member Public Utility
Board appointed by the Mayor of
Tacoma and confirmed by the City
Council

Jackie Flowers is the new Director
of Public Utilities

Our long-term perspective benefits future generations

Our energy portfolio is at least 97% carbon-free, making Tacoma Power one of the cleanest utilities in the world.

We have an ample, sustainable water supply.

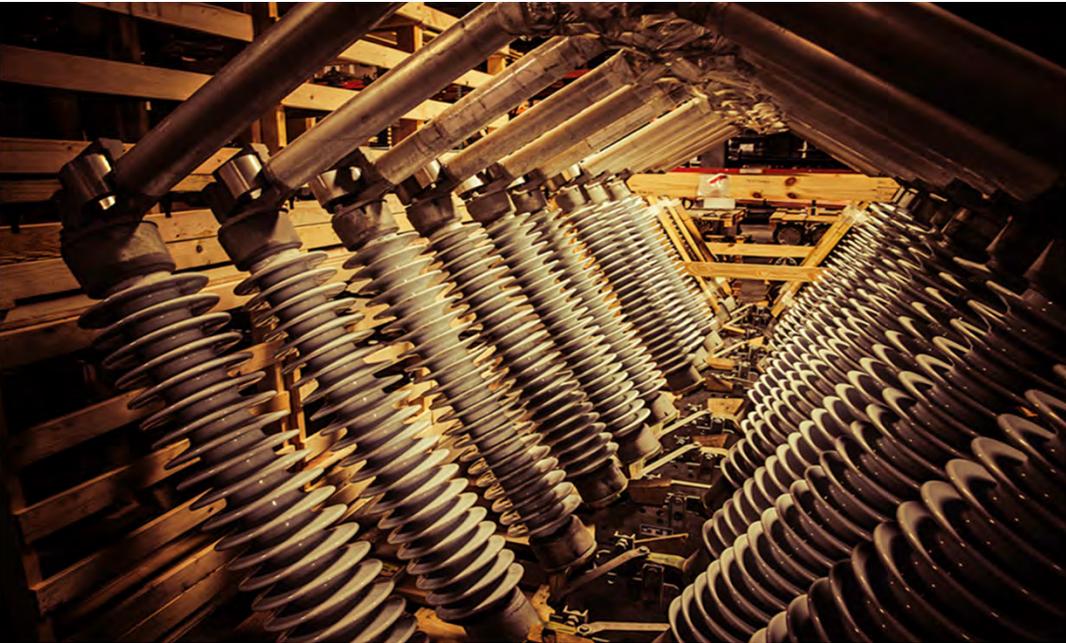
We manage our water and power supplies so we can meet customers' needs for decades to come.

Our water system relies primarily on gravity, minimizing the electricity needed.

We are stewards of our environment by protecting lands, fish and wildlife.

Our overarching rates principles

- We only bill customers for the costs required to run our business.
- Our rates are based on the cost to serve each customer class.
- We allocate costs fairly amongst all customer classes.
- Our rate structure provides stable and predictable bills for customers.



2019/2020 Residential rate proposal

Adjustments are per year
for both 2019 and 2020

Power

- 2.0% system average increase
- 0.9% for residential customers

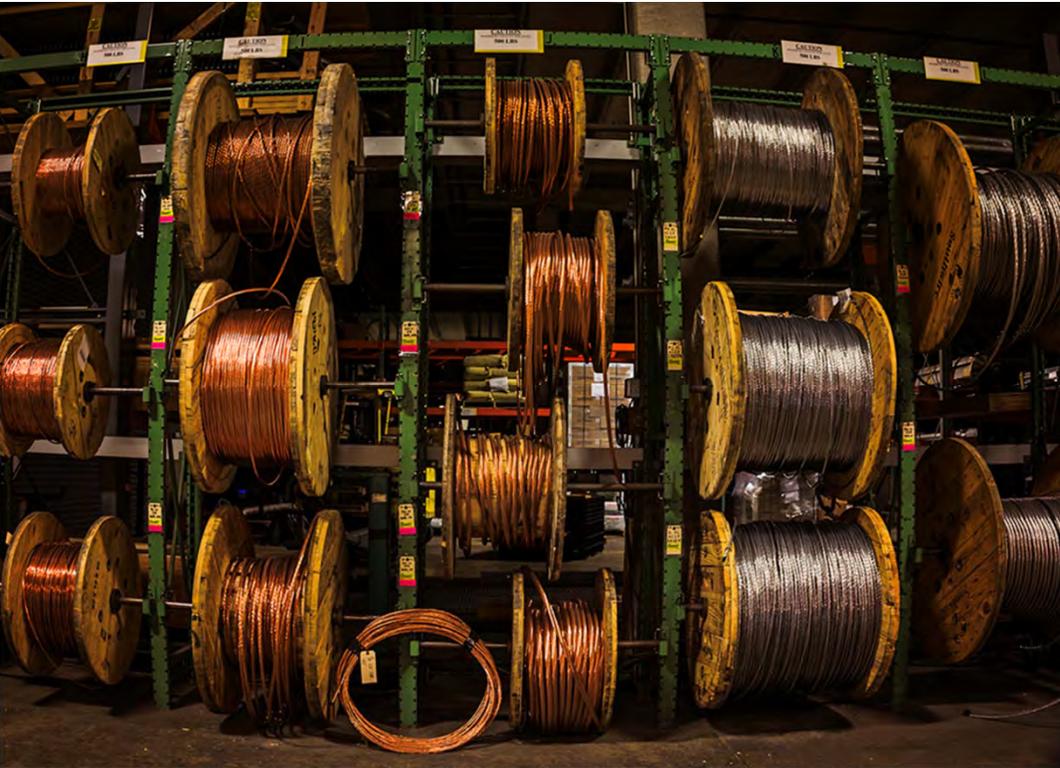
Water

- 2.5% system average increase
- 2.9% for residential customers

2019	2020
\$1.27 average increase	\$1.33 average increase
- \$1.90 PFP decrease	-
- \$0.63 net decrease	\$1.33 net increase

Average monthly residential electric bill





Keeping Power Rates Low

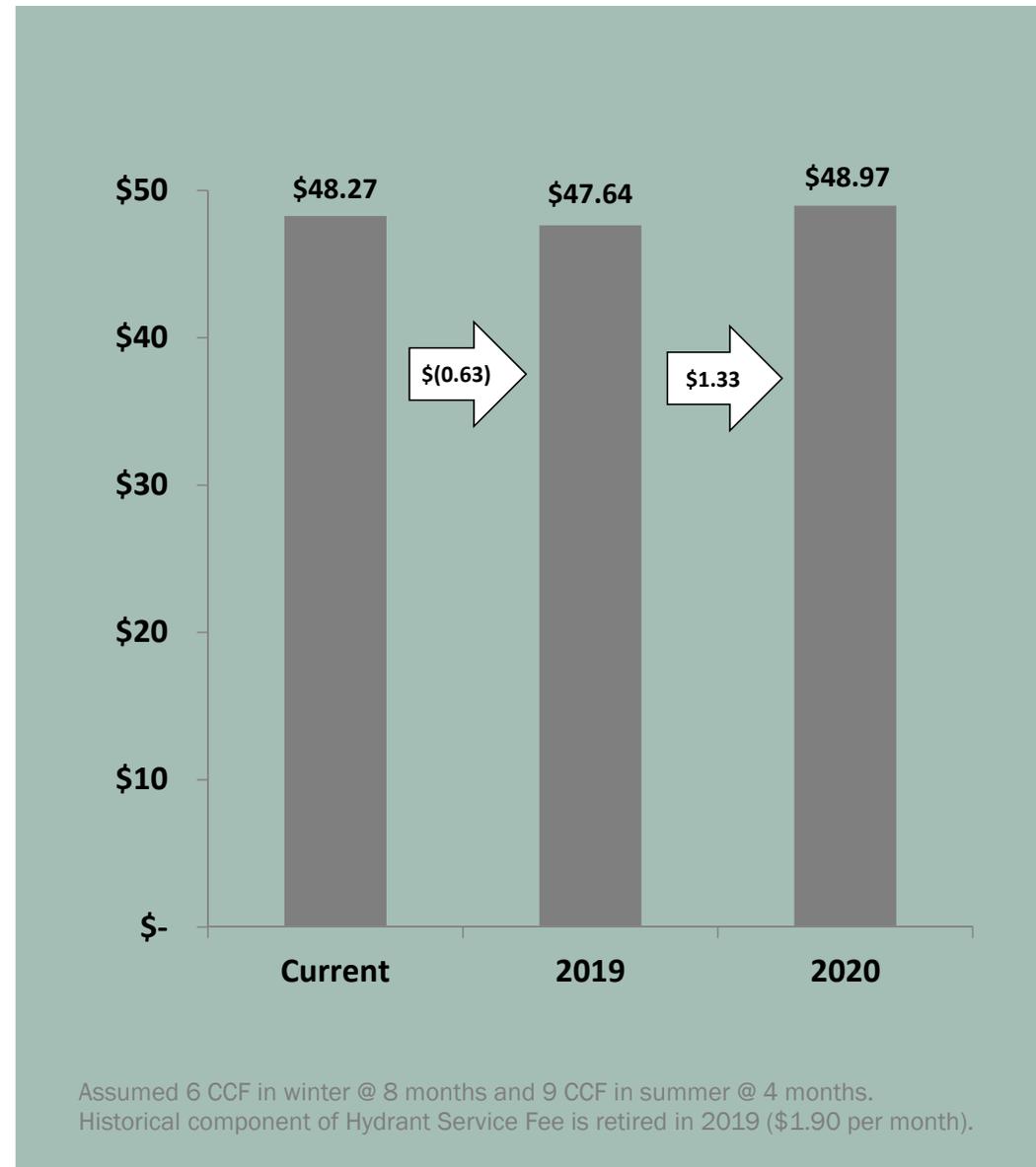
7

The 2% annual average rate increase recovers inflationary increases in operating and capital expenses.

Operating and capital expenses in 2019 & 2020 include:

- Technology projects, including investment in Advanced Metering Infrastructure (AMI)
- Regulatory compliance to manage fish-related operations and analyze impacts of potential seismic activity
- Enhancement of cyber security measures

Average monthly residential water bill





Keeping Water Rates Low

9

The 2.5% annual average rate increase recovers inflationary increases in operating and capital expenses.

Operating and capital expenses in 2019 & 2020 include:

- Renewal and replacement of existing water infrastructure
- Technology projects including investment in Advanced Metering Infrastructure (AMI)
- Regulatory compliance and risk mitigation

What you can do to control your utility costs

Our energy and water conservation programs can help save the amount you use and lower your bill

We offer zero-interest loans to help you manage the costs for your energy efficiency home improvements

We support low-income customers through utility bill payment assistance and energy conservation programs

Customers can also enroll in Budget Billing



Visit our website:
MyTPU.org/Rates

- Information about our rates
- Updated public comment dates
- Links to conservation information
- Links to bill assistance information

Want more info?



APPROVAL OF CONSENT AGENDA

FINAL CHECK LISTING
CITY OF UNIVERSITY PLACE

Check Date: 8/31/2018

Check Range: 51981794 - 51981851

Wire Transfer: 10071382, 310989, 91427, 3965604

Claims Approval

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of University Place, and that I am authorized to authenticate and certify to said claim.

I also certify that the following list of checks were issued to replace previously issued checks that have not been presented to the bank for payment. The original check was voided and a replacement check issued.

Vendor Name

Replacement Check #

Original Check #

Auditing Officer: _____
(Signature on file.)

Date: _____

Bank : bofa BANK OF AMERICA

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
91427	8/31/2018	001664	WA STATE DEPT OF REVENUE	2NDQTR18	8/28/2018	2NDQTR18/LEASESHOLD EXCIS	1,590.04	1,590.04
		Voucher: 44279						
310989	8/31/2018	021638	PACIFICSOURCE ADMIN, INC.	0000310989	8/17/2018	AUG18/ADMIN FEES	94.50	94.50
		Voucher: 44261						
3965604	8/31/2018	002939	WA STATE TREASURER	601634387001000	8/15/2018	BUSINESS LICENSE/MINOR WOF	11.00	11.00
		Voucher: 44280						
10071382	8/22/2018	026184	EXPRESS MRCHNT PROCESS. S	SETUP FEES	8/22/2018	MERCHANT SERVICE FEES/FIRE	448.00	448.00
		Voucher: 44247						
51981794	8/31/2018	026115	ALLIED FIRE & SECURITY	REFUND	8/17/2018	REFUND/FPS18-0009/DUPLICATE	232.93	232.93
		Voucher: 44224						
51981795	8/31/2018	001171	AMERICAN PLANNING ASSOCIAT	090800-1871	7/25/2018	APA MEMBERSHIP/AICP MEMBE	555.00	555.00
		Voucher: 44225						
51981796	8/31/2018	002075	AMERICAN REPROGRAPHICS	CC1958375	7/17/2018	BP WAY/PH4/SPLANS/SPECS	526.76	526.76
		Voucher: 44226						
51981797	8/31/2018	001818	APEX ENGINEERING PLLC	201856165	8/9/2018	JUL18/LOT 3/ALTA SURVEY REVI	397.50	397.50
		Voucher: 44227						
51981798	8/31/2018	024437	BUILDERS EXCHANGE OF WA.	IN1059578	8/7/2018	PUBLISH PROJECTS ONLINE	6.30	6.30
		Voucher: 44228						
51981799	8/31/2018	025573	CANON FINANCIAL SERVICES	19110374	8/14/2018	AUG18/COPIER LEASE IRC5255	313.10	
		Voucher: 44229		19110376	8/14/2018	AUG18/COPIER LEASE/IR4551	153.44	
				19110375	8/14/2018	AUG18/COPIER LEASE/IRC55351	153.24	619.78
51981800	8/31/2018	003155	CDW.GOVERNMENT, INC.	NSD2117	8/9/2018	DELL/SURFACE PRO COVER/SU	2,493.84	
		Voucher: 44230		NTX7080	8/23/2018	MS SURFACE PRO	961.63	3,455.47
51981801	8/31/2018	001152	CENTURYLINK	1448020591	8/15/2018	PHONES/LONG DISTANCE/INTEF	3,726.41	3,726.41
		Voucher: 44231						
51981802	8/31/2018	001152	CENTURYLINK	253-566-9558	8/14/2018	PW PUMP CALLOUT LINE	47.78	47.78
		Voucher: 44232						
51981803	8/31/2018	001466	CHICAGO TITLE INSURANCE	0112074-TC/1	8/14/2018	RECORDING FEES/3626 MARKE	102.00	102.00
		Voucher: 44233						
51981804	8/31/2018	003056	CITY OF LAKEWOOD	MC-00162	8/8/2018	AUG18/COURT SERVICES	24,199.21	24,199.21
		Voucher: 44234						

Bank : bofa BANK OF AMERICA

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
51981807	8/31/2018	001024 CITY OF TACOMA	100668537	8/10/2018	WATER/7150 CIRQUE DR W	10,761.29	
	Voucher:	44235	100664578	8/8/2018	WATER/5300 GRANDVIEW DR W	2,133.19	
			100664580	8/8/2018	WATER/6000 GRANDVIEW DR W	1,814.11	
			100385145	8/22/2018	WATER/3800 74TH AVE W	1,735.41	
			100668520	8/16/2018	WATER/4200 GRANDVIEW DR W	1,357.43	
			100263915	8/10/2018	POWER & WATER/7250 CIRQUE	1,264.02	
			100358203	8/10/2018	POWER/7150 CIRQUE DR W	989.83	
			100565439	8/22/2018	WATER/3761 BP WAY W	955.63	
			100668517	8/15/2018	WATER/4300 BP WAY W	920.84	
			100611293	8/10/2018	WATER/5200 BP WAY W	841.76	
			101032430	8/16/2018	WATER/7935 54TH ST W	538.33	
			100077160	8/13/2018	POWER/5202 67TH AVE W	458.39	
			100333844	8/16/2018	WATER/4951 GRANDVIEW DR W	454.36	
			100083325	8/16/2018	POWER/4910 BRISTONWOOD DF	390.00	
			100890035	8/13/2018	WATER/8399 CIRQUE DR W	368.71	
			100668524	8/7/2018	WATER/4999 ALAMEDA AVE W	323.61	
			100673072	8/9/2018	WATER/8300 40TH ST W	313.19	
			100668502	8/10/2018	WATER/7820 CIRQUE DR W	218.20	
			100172057	8/16/2018	POWER & WATER/3920 GRANDV	212.12	
			100081728	8/9/2018	POWER/6701 BP WAY W	191.85	
			100775637	8/10/2018	POWER/7001 CIRQUE DR W	187.64	
			100386367	8/22/2018	POWER/7223 40TH ST W	177.99	
			100668525	8/23/2018	WATER/4499 ALAMEDA AVE W	177.65	
			100940204	8/15/2018	WATER/7299 44TH ST W	155.72	
			100781041	8/13/2018	WATER/4600 BECKONRIDGE DR	150.07	
			100864411	8/22/2018	POWER/6730 40TH ST CT W	114.65	
			100679491	8/9/2018	POWER/8002 40TH ST W	112.81	
			100094683	8/16/2018	POWER/4758 BRISTONWOOD DF	110.11	
			100324281	8/10/2018	POWER/7820 CIRQUE DR W	104.15	
			100101783	8/8/2018	POWER/5520 GRANDVIEW DR W	90.09	
			100798512	8/17/2018	POWER/4402 97TH AVE W H1 ST	88.74	
			100080586	8/16/2018	POWER/4951 GRANDVIEW DR W	87.45	
			100963867	8/13/2018	POWER/4411 ELWOOD DR W	83.06	
			100905391	8/8/2018	POWER/9313 56TH ST W	81.47	
			100696565	8/23/2018	POWER/4609 ALAMEDA AVE W	73.53	

Bank : bofa BANK OF AMERICA

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
			100961315	8/13/2018	WATER/4399 ELWOOD DR W	72.34	
			100573267	8/23/2018	POWER/4727 ALAMEDA AVE W	66.85	
			100895144	8/14/2018	POWER/ 8300 CIRQUE DR W	66.55	
			100104132	8/28/2018	POWER/3503 67TH AVE W	66.29	
			101065354	8/16/2018	POWER/8001 54TH ST. W	65.78	
			100975049	8/10/2018	WATER/6800 51ST STREET CT W	61.55	
			100083115	8/22/2018	POWER/4000 67TH AVE W	59.74	
			100933758	8/20/2018	POWER/7203 44TH ST W	58.42	
			100089560	8/10/2018	POWER/4317 GRANDVIEW DR W	55.06	
			100185134	8/20/2018	POWER/4401 67TH AVE W	54.39	
			101006141	8/9/2018	POWER/2698 BP WAY WEST	51.74	
			100060658	8/24/2018	POWER/3510 67TH AVE W	47.77	
			100344745	8/10/2018	POWER/6810 CIRQUE DR W	46.72	
			100895151	8/15/2018	POWER/7901 CIRQUE DR W	45.31	
			100093125	7/25/2018	POWER/8513 33RD ST W #A	45.00	
			100315888	8/3/2018	POWER/7401 CHAMBERS LN W	45.00	
			100306924	8/3/2018	POWER/8900 CHAMBERS CK RD	45.00	
			101007602	8/22/2018	WATER/6700 40TH ST W	44.10	
			100089578	8/10/2018	POWER/4116 GRANDVIEW DR W	41.29	
			101040440	8/10/2018	POWER/7699 54TH ST W	40.19	
			100131881	8/17/2018	POWER/4523 97TH AVE W	36.12	
			101007599	8/8/2018	WATER/7104 27TH ST W	35.71	
			100089528	8/10/2018	POWER/3912 GRANDVIEW DR W	34.41	
			100165190	8/22/2018	POWER/3761 BP WAY W	34.38	
			100057075	8/10/2018	POWER/4100 GRANDVIEW DR W	33.89	
			100089555	8/10/2018	POWER/4526 GRANDVIEW DR W	27.53	
			100312959	8/2/2018	POWER/3715 BP WAY W, #A1	25.50	
			100312960	8/2/2018	POWER/3715 BP WAY W #A2	25.50	
			100302273	8/2/2018	POWER/3715 BP WAY W #D2	22.50	
			100312905	8/2/2018	POWER/3715 BP WAY W, #A-3A	22.50	
			100077151	8/10/2018	POWER/4000 OLYMPIC BLVD W	21.55	
			100089550	8/10/2018	POWER/4704 GRANDVIEW DR W	20.65	
			100089583	8/10/2018	POWER/4016 GRANDVIEW DR W	20.65	
			100072268	8/10/2018	POWER/8901 40TH ST W	18.11	
			100077140	8/10/2018	POWER/ 2900 GRANDVIEW DR V	18.11	

Bank : bofa BANK OF AMERICA

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
			100072254	8/10/2018	POWER/8417 40TH ST W	18.11	
			100072286	8/10/2018	POWER/ 8501 40TH ST W	18.11	
			100109710	8/9/2018	POWER/8902 40TH ST W	10.32	29,560.14
51981808	8/31/2018	001140 CITY TREASURER	90842547	8/7/2018	JUL18/ HYDRANT USE/BRISTON	232.06	232.06
		Voucher: 44236					
51981809	8/31/2018	002171 CITY TREASURER	90840429	7/30/2018	FLEET MAINTENANCE/PW FLEE	5,798.42	5,798.42
		Voucher: 44237					
51981810	8/31/2018	025161 CITY TREASURER	130297	8/7/2018	DTA RECEIVERS/CITY HALL	93.90	93.90
		Voucher: 44238					
51981811	8/31/2018	024565 COMCAST	849835010117473	8/1/2018	AUG6-SEP5/INTERNET/PW SHOF	156.33	
		Voucher: 44239	849835010094487	8/15/2018	AUG25-SEP24/INTERNET/CITY H	150.84	
			849835010113564	8/7/2018	AUG12-SEP11/INTERNET/CIVIC E	145.18	452.35
51981812	8/31/2018	023782 COMPLETE OFFICE SOLUTIONS,	1728041-0	8/8/2018	COPY PAPER	240.75	
		Voucher: 44240	1731377-0	8/15/2018	COPY PAPER	87.87	328.62
51981813	8/31/2018	024347 COPIERS NORTHWEST, INC.	INV1811380	8/20/2018	CANON INK CARTRIDGES	774.80	
		Voucher: 44241	INV1805189	8/7/2018	JUL4-AUG3/OVERAGE CHARGE/	293.19	
			INV1808797	8/15/2018	JUL14-AUG13/OVERAGE CHARG	208.23	
			INV1808796	8/15/2018	AUG13-SEP12/CONTRACE BASE	131.14	
			INV1811595	8/22/2018	JUL21-AUG20/OVERAGE CHARG	85.13	
			INV1810888	8/20/2018	PAPER/ENGINEERING BOND	71.38	
			INV1808045	8/14/2018	JUL11-AUG10/OVERAGE CHARG	19.83	
			INV1808653	8/15/2018	AUG11-AUG13/OVERAGE CHARC	3.90	1,587.60
51981814	8/31/2018	002256 CORE & MAIN LP	J188931	8/6/2018	PIPE/LUBE 1 GAL	708.86	708.86
		Voucher: 44242					
51981815	8/31/2018	001307 DAILY JOURNAL OF COMMERCE,	3339529	8/9/2018	BID AD/CONSTR/MATER TESTIN	496.00	
		Voucher: 44243	3339380	8/3/2018	CN/SURVEYING SERVICES/56TH	236.90	
			3339423	8/6/2018	BID AD/ADDENDUM SURVEY/56T	230.00	962.90
51981816	8/31/2018	002878 DELL MARKETING L.P.	10258926790	8/6/2018	DELL LATITUDE/REPLACEMENT/	2,930.82	
		Voucher: 44244	60111656918/CRE	4/19/2018	CREDIT/DELL XPS 15 LAPTOP/NI	-2,317.54	613.28
51981817	8/31/2018	021784 DEPT. OF LABOR & INDUSTRIES	301792	8/9/2018	WATER HEATER CERTIFICATION	23.30	23.30
		Voucher: 44245					
51981818	8/31/2018	001737 DON SMALL & SONS OIL DIST	CC139582	8/2/2018	BULK FUEL/PW SHOP	2,774.41	2,774.41
		Voucher: 44246					
51981819	8/31/2018	022739 GRAINGER	9832514005	6/28/2018	MINI LIGHT BAR	325.86	
		Voucher: 44248	9821950376	6/18/2018	MISC SUPPLIES/PW SHOP	273.86	599.72

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
51981820	8/31/2018	001212 GRAY & OSBORNE INC	1	7/24/2018	SOUNDVIEW DR/CLAIM RESOLU	1,915.16	1,915.16
		Voucher: 44249					
51981821	8/31/2018	001406 GUARDIAN SECURITY GROUP IN79915		8/17/2018	PREMIUM KEY/KEY ACCESSORII	17.16	17.16
		Voucher: 44250					
51981822	8/31/2018	001096 HONEY BUCKET	0550743600	8/1/2018	PORTA POTTY RENTAL/CONCER	245.00	
		Voucher: 44251	0550758244	8/12/2018	PORTA POTTY RENTAL/CURRAN	124.00	
			0550758245	8/12/2018	PORTA POTTY RENTAL/SKATE P	72.00	441.00
51981823	8/31/2018	001223 HUMANE SOCIETY OF TACOMA	IVC0001957	8/1/2018	AUG18/BOARDING CONTRACT	110.00	110.00
		Voucher: 44252					
51981824	8/31/2018	022801 KATE MCDERMOTT	MAY-AUG18	8/26/2018	TALKING UP/MAY-AUG18	471.25	471.25
		Voucher: 44253					
51981825	8/31/2018	025349 KAYLA M. STEWART	REIMB	8/26/2018	REIMB/CORE/CIDER SQUEEZE S	211.23	211.23
		Voucher: 44254					
51981826	8/31/2018	021981 KUKER-RANKEN INC.	INV-043140	8/16/2018	POWER TAPE	54.92	54.92
		Voucher: 44255					
51981827	8/31/2018	001797 LOWE'S BUSINESS ACCOUNT/GE874-3507-900095-		8/17/2018	MISC REPAIR & MAINTENANCE S	898.36	898.36
		Voucher: 44256					
51981828	8/31/2018	025871 MSDSONLINE, INC.	184407	7/13/2018	SEP18-SEP19/MSDS ONLINE SEI	2,561.77	2,561.77
		Voucher: 44257					
51981829	8/31/2018	001095 NEWS TRIBUNE	I03780783-072720	8/21/2018	RFQ/SURVEYING SVCS/AFFIDAV	351.03	
		Voucher: 44258	I03765662-071820	7/18/2018	ORD 703/AFFIDAVIT	151.07	
			I03789819-080220	8/2/2018	MDNS/CHAMBERS CREEK CANY	151.07	
			I03745679-070920	7/9/2018	LEGAL NOTICE/BUDGET CARRY	134.99	
			I03777441-073020	7/30/2018	MTG NOTICE/AUG6/AFFIDAVIT	134.99	
			I03745654-070920	7/9/2018	TRANSPORTATION IMPROVEME	118.91	
			I03767828-071920	7/19/2018	MTG NOTICE/AUG6	117.27	
			I03749256-070920	7/9/2018	MTG NOTICE/7/16	102.83	1,262.16
51981830	8/31/2018	026187 NOR-TEC FIRE PROTECTION INCRFUND		8/28/2018	REFUND PERMIT/FPS 18-0021	215.00	215.00
		Voucher: 44259					
51981831	8/31/2018	026186 OLIVER, ANNE	REFUND	8/20/2018	REFUND/OVERPAID ANIMAL LIC	69.00	69.00
		Voucher: 44260					
51981832	8/31/2018	023984 PARTNER CONST.PRODUCTS,IN(9185		7/26/2018	CRAFCO PLEXI/DETACK	5,615.89	5,615.89
		Voucher: 44262					
51981833	8/31/2018	026151 PH CONSULTING LLC	1102	8/5/2018	67TH AVE/REGENTS SIGNAL MO	3,412.20	3,412.20
		Voucher: 44263					

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
51981834	8/31/2018	001109	PIERCE COUNTY BUDGET & FIN/CI-255331	8/15/2018	AUG18/POLICE SERVICES	303,148.76	
	Voucher:	44264	CI-255363	8/16/2018	JUL18/SPECIAL OT	18,080.29	
			CI-255511	8/22/2018	JUL18/JAIL SERVICES	13,212.00	
			CI-255336	8/15/2018	JUL18/SPECIAL OT/TRAFFIC	378.79	
			CI-255513	7/1/2018	AUG18/INET CHARGES	253.00	335,072.84
51981835	8/31/2018	024698	PIERCE COUNTY SECURITY, INC.348560	8/3/2018	#011231/JUL18/CITY HALL	2,240.00	
	Voucher:	44265	349094	8/6/2018	#009206/JUL18/KOBAYASHI	225.00	
			349052	8/6/2018	#009205/JUL18/CIRQUE BRIDGEI	225.00	
			348845	8/6/2018	#010740/JUL18/PARADISE POND	225.00	2,915.00
51981836	8/31/2018	001282	PUGET SOUND REG.COUNCIL,C(2019079	8/6/2018	2019 MEMBERSHIP DUES	10,025.00	10,025.00
	Voucher:	44266					
51981837	8/31/2018	001124	SAFEWAY, INC. 64682	8/11/2018	ACCT #64682/MISC PURCHASES	52.46	52.46
	Voucher:	44267					
51981838	8/31/2018	022031	SEESZ, LINDA REIMB	8/21/2018	BLUE SNOWBALL DESKTOP MIC	60.53	60.53
	Voucher:	44268					
51981839	8/31/2018	025815	SIGNATURE LANDSCAPE SERVICRC000050572	8/1/2018	AUG18/LANDSCAPE MAINT/CUS	14,075.02	14,075.02
	Voucher:	44269					
51981840	8/31/2018	024421	SOLMSSSEN, KURT 08032018	8/3/2018	SCULPTURE MAINTENANCE/BR	1,208.90	1,208.90
	Voucher:	44270					
51981841	8/31/2018	001892	SUMMIT LAW GROUP PLLC 94601	8/8/2018	LABOR & EMPLOYMENT NEWSL	164.85	164.85
	Voucher:	44271					
51981842	8/31/2018	002613	SUPERIOR LINEN SERVICE,INC. 26261	8/22/2018	OFFICE MAT RENTAL/PW SHOP	213.65	
	Voucher:	44272	23897	8/10/2018	OFFICE MAT RENTAL/DEVELOPM	15.24	228.89
51981843	8/31/2018	025311	TACOMA WINSUPPLY, INC. 049012 00	8/8/2018	MISC SUPPLIES	102.27	102.27
	Voucher:	44273					
51981844	8/31/2018	002823	THOMPSON ELECTRICAL CONST0818-2136CV	8/15/2018	LIGHT REPAIR/ELWOOD/LOOSE	165.01	165.01
	Voucher:	44274					
51981845	8/31/2018	025376	UNIVERSAL FIELD SERVICES, INI400494	7/31/2018	JUL18/BRIDGEPORT WAY PHASE	2,156.78	2,156.78
	Voucher:	44275					
51981846	8/31/2018	001331	UNIVERSITY PLACE REFUSE SV,1033363	8/22/2018	SEP18/BILLING PERIOD/REFUSE	1,619.60	
	Voucher:	44276	1034268	8/22/2018	SEP18/BILLING PERIOD/COMPAC	888.56	
			1036369	8/22/2018	SEP18/BILLING PERIOD/REFUSE	6.50	2,514.66
51981847	8/31/2018	001153	VERIZON WIRELESS,LLC. 9811990634	8/1/2018	CELL PHONE/CITY WIDE	1,494.80	
	Voucher:	44277	9812725762	8/12/2018	CELL PHONE/PW & PARK MAINT	523.24	2,018.04

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
51981848	8/31/2018	001468	WA ASSN OF PERMIT TECHNICAL FALL CONF	8/17/2018	2018 FALL CONF. REG/K.DREISB	200.00	200.00
		Voucher: 44278					
51981849	8/31/2018	025004	WASHINGTON TRACTOR, INC. 1653109	8/21/2018	AIR FILTER/BELT/GATOR REPAIR	81.00	81.00
		Voucher: 44281					
51981850	8/31/2018	002121	WASHINGTON TREE & LAWN CAF1163152	8/6/2018	SUMMER SPRAY #2/CURRAN OF	1,483.65	1,483.65
		Voucher: 44282					
51981851	8/31/2018	001781	WILLIAMS OIL FILTER SERVICE C302601	8/10/2018	ROLLER/HYDRAULIC HOSE	38.34	38.34
		Voucher: 44283					
Sub total for BANK OF AMERICA:							469,566.58

60 checks in this report.

Grand Total All Checks: 469,566.58

COUNCIL CONSIDERATION

**Business of the City Council
City of University Place, WA**

Proposed Council Action:

- (1) Pass an ordinance amending Section 4.70.040 of the University Place Municipal Code relative to Transportation Benefit District.
- (2) Adopt a resolution regarding vehicle license fees.

Agenda No: 9
Dept. Origin: Public Works Facilities
For Agenda of: September 17, 2018
Exhibits: Ordinance, Resolution

Concurred by Mayor: _____
Approved by City Manager: _____
Approved as to form by City Atty: _____
Approved by Finance Director: _____
Approved by Department Head: _____

Expenditure Required: \$0.00	Amount Budgeted: \$0.00	Appropriation Required: \$0.00
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SUMMARY / POLICY ISSUES

On March 19th, the City Council held a study session on the future of the City's Transportation Benefit District ("TBD"). At that meeting, staff provided background information on origins of the TBD statute, the creation of the City's TBD, the establishment and upcoming sunset of the City's \$20 vehicle license fee, and the revenues and use of funds to date (including identification of the grants leveraged by the City's TBD). Council directed staff to schedule a second meeting for additional discussion.

At the second meeting, staff provided general information on the various legally available options for funding pavement maintenance. Staff also provided an estimate on what TBD vehicle license fee level would fully fund a pavement management program. After much discussion, there was general consensus that no further information would be needed on most of the funding options (i.e., B&O tax, sales tax, property tax, utility tax). However, more detailed information was requested on the extent to which the City could achieve its goals related to pavement maintenance with a \$20 and \$32 vehicle license fee.

A third study session was held on August 20th. At the meeting, staff provided a draft ordinance amending the University Place Municipal Code Section 4.70.040. The amendment eliminated the reference to a \$20 fee for the City's Transportation Benefit District, replacing the section with language authorizing the Council to establish such fees and other revenue sources consistent with State law, including the power to request voter approval of, and thereafter impose and collect, a sales and use tax in accordance with State law, and to enter appropriate agreements for the collection of such fees and other revenues with the Washington Department of Licensing, Washington Department of Revenue and other state agencies.

At the third study session, staff also reviewed revenue projections and estimated project costs related to three options. The first option was the continuation of the existing \$20 vehicle license fee. This option would allow the City to chipseal approximately 4.3 miles per year (or 30% of the City's 72 miles of residential streets over the next five years). This option does not provide funding for collector or arterial street. The recommended option of a \$35 vehicle license fee would allow the City to chipseal approximately half of the City's 72 miles of residential streets over the next five years, along with approximately a quarter of the City's collector streets. The \$35 option provides a pavement maintenance schedule consistent with the lifecycle of the City's residential and collector streets. The last option was for illustrative purposes. It showed that with a vehicle license fee of \$55 (which exceeds councilmanic authority), the City would fully fund its pavement maintenance program for all streets without the need for grants.

There was general consensus that staff should prepare and present at a forthcoming meeting the requested ordinance change and a resolution establishing a \$35 vehicle license fee. There was a far more extensive discussion on whether the fee should sunset at the end of 2024 or, given the ongoing need for pavement maintenance and the dedication of these funds for that program, whether the fee should be reviewed as part of the budget process. Ultimately, there was general consensus that that fee should not sunset, but instead be

reviewed on or before December 31, 2024. In resolution before Council, staff also has included a review cycle after 2024 of every four years during the biennial budget process.

RECOMMENDATION / MOTION

There are two motions:

- (1) Pass an ordinance amending Section 4.70.040 of the University Place Municipal Code relative to Transportation Benefit District.

Should the first motion succeed:

- (2) Adopt a resolution regarding vehicle license fees.

ORDINANCE NO. 708

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE,
WASHINGTON, AMENDING SECTION 4.70.040 UNIVERSITY PLACE MUNICIPAL
CODE RELATIVE TO TRANSPORTION BENEFIT DISTRICTS**

WHEREAS, the City of University Place initially established a Transportation Benefit District (TBD) in 2013; and

WHEREAS, since the initial establishment of the TBD there have been both state and local legislative changes which have affected the TBD framework, structure and funding; and

WHEREAS, it is necessary to make changes to the municipal code to align it with changes affecting funding sources;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE DO ORDAIN
AS FOLLOWS:**

Section 1. Amend UPMC 4.70.040. Section 4.70.040 of the University Place Municipal Code entitled, "Establishment of vehicle license fee revenue source," is retitled "Establishment of Revenue Sources," and amended to read as follows:

The City, acting by and through its City Council, shall have the authority to establish ~~an annual vehicle license fee in the amount of \$20.00, fees and other revenue sources~~ consistent with Chapters 36.73 and 82.80 RCW, ~~including without limitation, the power to request voter approval of, and thereafter impose and collect, a sales and use tax in accordance with RCW 82.14.0455 and to enter appropriate agreements for the collection of such fees and other revenues with to be collected by the Washington Department of Licensing, Washington Department of Revenue and other state agencies on qualifying vehicles, set forth in Chapters 36.73, 46.16 and 82.80 RCW.~~

Section 2. Savings. The existing Section 4.70.040 of the University Place City Code, which is repealed and replaced by this ordinance, shall remain in full force and effect until the effective date of this ordinance.

Section 3. Corrections by City Clerk or Code Reviser. Upon approval of the city attorney, the city clerk or the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 4. Severability. If any one or more sections, subsections, or sentences of this ordinance are held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this ordinance and the same shall remain in full force and effect.

Section 5. Effective Date. This ordinance shall take effect and be in force five days after publication.

PASSED BY THE CITY COUNCIL ON SEPTEMBER ____, 2018.

Kent Keel, Mayor

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Matthew S. Kaser, City Attorney

Date of Publication: xx/xx/xx

Effective Date: xx/xx/xx

DRAFT

RESOLUTION NO. ____

A RESOLUTION OF THE CITY OF UNIVERSITY PLACE, REGARDING VEHICLE LICENSE FEES

WHEREAS, the City of University Place established, via Ordinance 634 (December 2, 2013) a University Place Transportation Benefit District (the "District"); and

WHEREAS, following the establishment of the District, on December 13, 2013, the Board of the District adopted Resolution No. 2 establishing a twenty-dollar vehicle license fee;

WHEREAS, on November 16, 2015, the City of University Place adopted Ordinance 660, wherein the City of University Place assumed all rights, powers, functions and obligations previously exercised and/or performed by the District;

WHEREAS, State law authorizes a transportation benefit district to implement, by majority vote of the District's governing board, a vehicle license fee with certain maximum values depending on the length of time a fee has been in effect at lesser levels and whether the fee is approved by the Council or voters; and

WHEREAS, the funding generated by the vehicle license fee will be a sustainable source of limited funding for street maintenance, but will not provide sufficient revenue to fully fund even a basic street maintenance program; and

WHEREAS, in the future, the City Council may need to explore other options to fully fund a basic street maintenance program; and

WHEREAS, the City Council finds it to be in the best interest of the residents of the City to amend the annual vehicle license fee for the for the purpose of acquiring, constructing, improving, providing, and funding transportation improvements, including the operation, preservation, and maintenance of these facilities or programs, within the City; that are consistent with any existing state, regional, or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, AS FOLLOWS:

Section 1. Fee. An annual vehicle license fee in the amount of thirty-five dollars (\$35) is hereby established pursuant to State law to be collected by the Washington Department of Licensing on qualifying vehicles as set forth in State law.

Section 2. Effective Date of Fees. The vehicle license fee set forth in Section 1 shall take effect for notices mailed in 2019 for vehicle license renewals due as soon thereafter as the Washington Department of Licensing is reasonably able to incorporate collection of the fee. Vehicle license fees will not be collected sooner than six months after approval as provided in State law.

Section 3. Expenditures. The revenues received from the vehicle license fee shall only be expended on transportation projects approved by the City Council. The transportation projects to be funded with the revenues from the vehicle license fee shall be established by separate legislation adopted by the City Council.

Section 4. Execution of Documents. The proper officials are authorized to execute any and all appropriate documents to effectuate this Resolution on behalf of the City of University Place.

Section 5. Savings Clause. The existing twenty-dollar (\$20.00) license fee shall remain in full force and effect until the effective date set forth in Section 2. The last sentence of Section 2 of University

Place Transportation Benefit District Resolution 2 (“The vehicle license fee ... shall cease.”) shall be of no further force and effect.

Section 6. Review. The vehicle license fee established in Section 1 above shall be reviewed on or before December 31, 2024, and every four years thereafter as part of the City’s biennial budget process.

Section 7. Legislation Effective Date. This Resolution shall be effective the day after the effective date of Ordinance No. 708.

ADOPTED BY THE CITY COUNCIL ON _____, 2018.

Kent Keel, Mayor

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Matthew S. Kaser, City Attorney

DRAFT

STUDY SESSION

Memo

DATE: August 27, 2018
TO: Steve Sugg, City Manager
FROM: Gary Cooper, Director of Public Works, Parks & Facilities
SUBJECT: Council Goal – Selling “unneeded or surplus” Public Property

Pierce County Assessor records show the City of University Place as stewards of 102 parcels consisting of parkland, storm drainage basins, green belt/tree preservation tracts, trail easement, wetland, and vacant land. Of the 102 parcels, 9 are listed as “vacant land” not restricted.

These 9 parcels, due to small size and/or steep topography, make development/obtaining a building permit challenging as such have limited monetary value.

I have attached GIS Ortho and photographs of the 9 parcels for your and City Council’s review. I also have these in PowerPoint format should you desire to discuss at a future Council meeting.

University Place Vacant Land Review

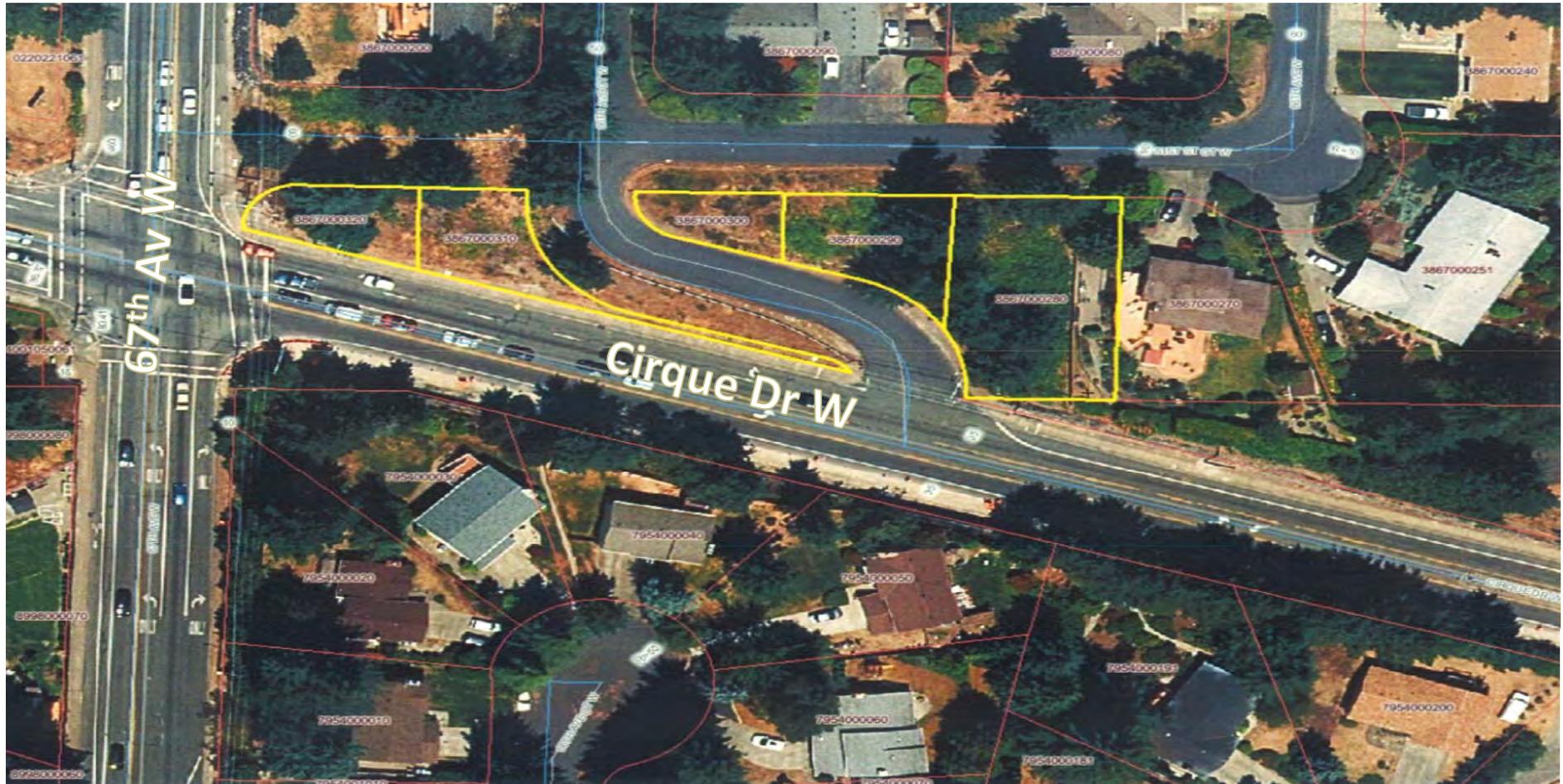
Council Goal- Unneeded property sold, returning to tax paying purposes

Parcel Number	Property Location	Description	Market Land	Market Value
R426000164	XXX 54th St W (Jeff Edward's Property)	54th ST ROW	\$500.00	\$0.00
R0220152042	3554 Bridgeport Way W	Abuts Lot 11/Town Center	\$271,200.00	\$0.00
R0220152069	3520 Bridgeport Wy W	Abuts Lot 11/Town Center	\$127,900.00	\$0.00
R9435000090	30th St Ct W	Adrianna Hess Wetland Park	\$162,300.00	\$0.00
R9435000080	2917 Morrison Rd W	Adrianna Hess Wetland Park (house)	\$143,700.00	\$111,300.00
R7720002102	XXX Brookside Wy W	Brookside Park	\$113,400.00	\$0.00
R7720002105	XXX Brookside Wy W	Brookside Park	\$220,400.00	\$0.00
R0220281034	8914 Chambers Crk Rd	Chambers Creek Wildlife Habitat	\$333,200.00	\$0.00
R4002820370	Tree Retention Area Off of 51st St W	Chateau's at Park Place	\$3,900.00	\$0.00
R4002820380	Storm Drainage Area off of 51st St W	Chateau's at Park Place	\$4,700.00	\$0.00
R0220221008	XXX Bridgeport Wy W	Cirque Park	\$298,800.00	\$0.00
R0220221018	XXX Bridgeport Wy W	Cirque Park	\$347,700.00	\$0.00
R0220221027	XXX 70th Av Ct W	Cirque Park	\$278,500.00	\$0.00
R0220221039	XXX Cirque Dr W	Cirque Park	\$266,700.00	\$0.00
R0220221036	XXX Cirque Dr W	Cirque Park - Skate Park	\$132,900.00	\$0.00
R9009660010	3609 Market Place W (City Unit)	Civic Building/City Unit	\$130,800.00	\$2,541,000.00
R9009660060	3609 Market Place W (City Unit 2)	Civic Building/City Unit 2	\$57,500.00	\$874,000.00
R9009660070	3609 Market Place W (Parking Garage)	Civic Building/Parking	\$251,300.00	\$3,781,800.00
R9009660040	3609 Market Place W (Retail Unit A)	Civic Building/Retail Unit A	\$20,800.00	\$272,000.00
R9009660050	3609 Market Place W (Retail Unit B)	Civic Building/Retail Unit B	\$18,400.00	\$249,200.00
R0220161017	8425 40th St W	Colegate Park	\$156,400.00	\$0.00
R0220224061	XXX Chambers Ln W	Conservation Park	\$89,700.00	\$0.00
R0220233012	XXX Alameda Av W	Creekside Park	\$160,800.00	\$0.00
R0220234203	XXX 57th Ave W	Creekside Park	\$360,300.00	\$0.00
R0220162004	4009 Curran Ln W	Curran Apple Orchard	\$14,000.00	\$0.00
R0220163014	4009 Curran Lane W	Curran House	\$497,500.00	\$199,900.00
R0220151106	XXX 35th St Ct W	Drain Field/Catch Basin	\$7,100.00	\$0.00
R0220232025	XXX Cirque Dr W (W of Alameda)	Drain Field/Catch Basin	\$7,600.00	\$0.00
R0220234202	5700XXX Cirque Dr W	Drain Field/Catch Basin	\$106,400.00	\$0.00
R2140110010	XXX Alameda Av W	Drain Field/Catch Basin	\$3,900.00	\$0.00
R2262000300	XXX 73rd Av Ct W	Drain Field/Catch Basin	\$3,400.00	\$0.00
R3850300250	XXX 57th St Ct W	Drain Field/Catch Basin	\$2,300.00	\$0.00
R3850300260	XXX Bridgeport Wy W	Drain Field/Catch Basin	\$3,600.00	\$0.00
R4000331060	XXX 56th St Ct W	Drain Field/Catch Basin	\$4,700.00	\$0.00
R4000331070	XXX 83rd Av W	Drain Field/Catch Basin	\$1,300.00	\$0.00
R4001910150	XXX 73rd Av W	Drain Field/Catch Basin	\$4,300.00	\$0.00
R4001950230	Grandview Dr W & Cirque	Drain Field/Catch Basin	\$4,200.00	\$0.00
R4002260490	off 54th -storm drainage	Drain Field/Catch Basin	\$188,900.00	\$0.00
R4002360640	Campus Crest Estates Tracts	Drain Field/Catch Basin	\$7,600.00	\$0.00
R4002450380	44th Street Between 67th and 69th (Ketcham Knolls Tracts)	Drain Field/Catch Basin	\$5,600.00	\$0.00
R4002460130	North side of Cirque at about 71st (Cirque Manor PDD)	Drain Field/Catch Basin	\$3,400.00	\$0.00
R4002700220	By Boulders Way W	Drain Field/Catch Basin	\$4,800.00	\$0.00
R4002700240	By 37th St Ct W	Drain Field/Catch Basin	\$5,400.00	\$0.00
R4002970120	By 54th Ave Ct W	Drain Field/Catch Basin	\$3,700.00	\$0.00
R4003090100	Creek Vista Tract A (Storm & Utilities)	Drain Field/Catch Basin	\$2,800.00	\$0.00
R4003090120	Creek Vista Tract C (Storm & Utilities)	Drain Field/Catch Basin	\$1,900.00	\$0.00
R4003150230	South Tract C (Public Storm Cyd)	Drain Field/Catch Basin	\$4,100.00	\$0.00
R5444000250	XXX 82nd Ave W	Drain Field/Catch Basin	\$3,100.00	\$0.00
R8950003680	XXX Day Island Bridge Rd W	Drain Field/Catch Basin	\$1,700.00	\$0.00
R9180810191	XXX 77th Av Ct W	Drain Field/Catch Basin	\$3,800.00	\$0.00
R9180830350	XXX 54th St W	Drain Field/Catch Basin	\$3,100.00	\$0.00
R9412030200	56th St W	Drain Field/Catch Basin	\$3,700.00	\$0.00

Parcel Number	Property Location	Description	Market Land	Market Value
R9435000110	3003 Morrison Rd W (Property Next to Adrienne Hess)	Drain Field/Catch Basin	\$8,900.00	\$0.00
R4001700680	XXX 61st St W	Greenbelt/Common Area	\$8,000.00	\$0.00
R4001720970	XXX Alameda Av W	Greenbelt/Common Area	\$7,300.00	\$0.00
R4001971120	XXX Alameda Av W	Greenbelt/Common Area	\$5,000.00	\$0.00
R4002640190	South of 86th Av W/CHAMBERS PLATEAU	Greenbelt/Common Area	\$7,000.00	\$0.00
R4002640200	South of 86th Av W/CHAMBERS PLATEAU	Greenbelt/Common Area	\$4,500.00	\$0.00
R4002910220	Chambers - End of 83rd Ave W Below Estates @ Chambers Bay	Greenbelt/Common Area	\$7,300.00	\$0.00
R9178500860	5900xxx Cirque Dr W (55th Street W)	Greenbelt/Common Area	\$5,300.00	\$0.00
R9180820300	XXX 77th Av Ct W	Greenbelt/Common Area	\$5,100.00	\$0.00
R4002560140	Homestead Park	Homestead Park	\$575,600.00	\$0.00
R4002560150	Homestead Park	Homestead Park	\$147,900.00	\$0.00
R0220271069	6420 Bridgeport Wy W	Kobayashi Park	\$18,400.00	\$0.00
R0220271072	6420 Chambers Crk W	Kobayashi Park	\$322,900.00	\$122,200.00
R4002560011	3715 Bridgeport Way W	Lot 1/WMV City Hall	\$800,800.00	\$1,929,500.00
R4002560110	3512 Bridgeport Way W	Lot 11	\$463,800.00	\$0.00
R0220154110	XXX 40th St W	Lot 11/Town Center	\$805,900.00	\$0.00
R4002560020	3725 Drexler Dr W	Lot 2/Gravel Lot	\$360,200.00	\$0.00
R4002560030	3626 Market Place W	Lot 3	\$364,400.00	\$0.00
R9009680010	3555 Market Place W (Lot 8 Condo Unit 1)	Lot 8	\$235,300.00	\$4,511,900.00
R0220104001	3124 67th Av W	Paradise Pond Park	\$942,700.00	\$0.00
R0220212070	4951 Grandview Dr W	PW Shop	\$319,800.00	\$471,600.00
R4260000020	XXX Bridgeport Way W	Riconiscuitto Park	\$8,300.00	\$0.00
R4260000030	XXX 53rd St W	Riconiscuitto Park	\$4,400.00	\$0.00
R4260000040	XXX 53rd St W	Riconiscuitto Park	\$8,900.00	\$0.00
R4260000050	XXX 53rd St W	Riconiscuitto Park	\$205,500.00	\$0.00
R4260000010	5203 Bridgeport Wy W	Riconiscuitto Park	\$232,000.00	\$0.00
R0220091076	2534 Grandview Dr W	Senior Center	\$60,800.00	\$82,300.00
R0220104169	XXX Morrison Rd W	Street ROW	\$4,000.00	\$0.00
R4001700670	XXX 61st St W	Street ROW	\$1,900.00	\$0.00
R4001720980	XXX 67th Av W	Street ROW	\$4,600.00	\$0.00
R0220101007	XXX Seaview Av W	Sunset Terrace Park	\$203,700.00	\$0.00
R0220101009	XXX 19th St W	Sunset Terrace Park	\$157,100.00	\$0.00
R4003090140	Creek Vista Tract F (Parks & Open Space)	Trail Easement	\$3,100.00	\$0.00
R0220231116	5017-57th Av Ct W	Utility Easement	\$2,500.00	\$0.00
R3355000170	XXX 81st Av Ct W	Street ROW	\$3,400.00	\$0.00
R4000270200	5017-57th Av Ct W	Woodside Pond Nature Park	\$7,400.00	\$0.00
R9127530200	5702xx 48th St W	Woodside Pond Nature Park	\$7,500.00	\$0.00
R4001460480	XXX Alameda Av W	Vacant Land - Wetlands	\$420,400.00	\$0.00
R0220237020	XXX Alameda Av W	Vacant Land - Wetlands	\$89,600.00	\$0.00
R0220151189	XXX 36th St W	Drain Field/Catch Basin	\$191,300.00	\$0.00
R3867000290	XXX 66th Av Ct W (north side of Cirque)	Vacant Land	\$55,000.00	\$0.00
R3867000300	XXX 66th Av Ct W (northside of Cirque)	Vacant Land	\$9,100.00	\$0.00
R3867000310	XXX 66th Av Ct W (north side of Cirque)	Vacant Land	\$64,100.00	\$0.00
R3867000320	XXX 51st St Ct W (north side of Cirque)	Vacant Land	\$13,300.00	\$0.00
R0220091131	XXX Vista Pl W	Vacant Land -adj to City ROW	\$85,300.00	\$0.00
R9180002173	XXX Vista Pl W	Steep Slopes/canyon	\$116,000.00	\$0.00
R0220235031	XXX Cirque Dr W	Vacant Land - Wetlands (adj City ROW)	\$174,300.00	\$0.00
R3425001060	XXX Day Island Blvd W	Vacant Land - ROW	\$182,100.00	\$0.00
R0220151160	XXX 40th St W (corner of Drexler)	Vacant Land - adj to City ROW	\$122,600.00	\$0.00

Site #1
Site #2
Site #3
Site #4
Site #5

Site #1

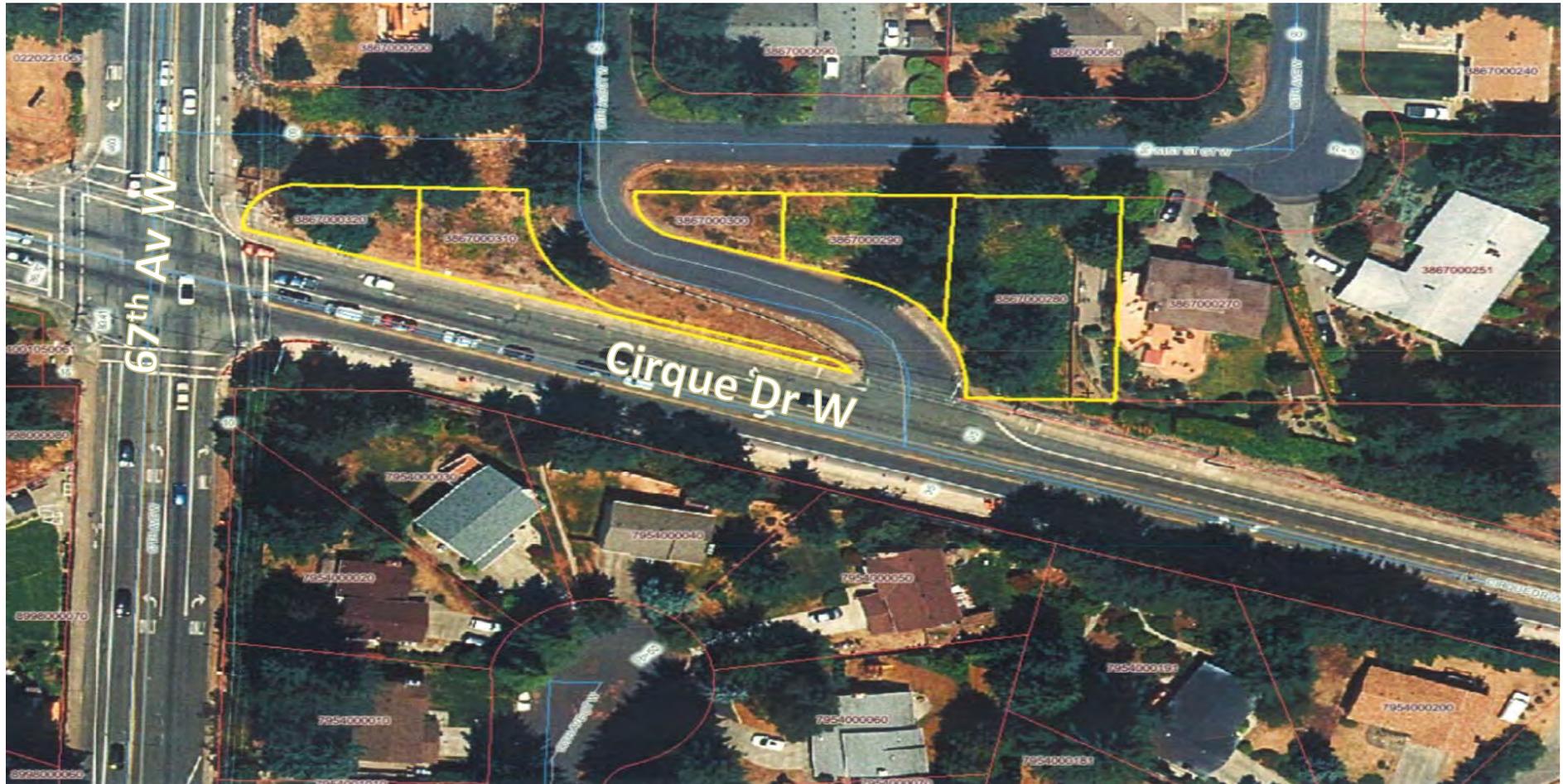


Total land – 0.16 ac





Site #1

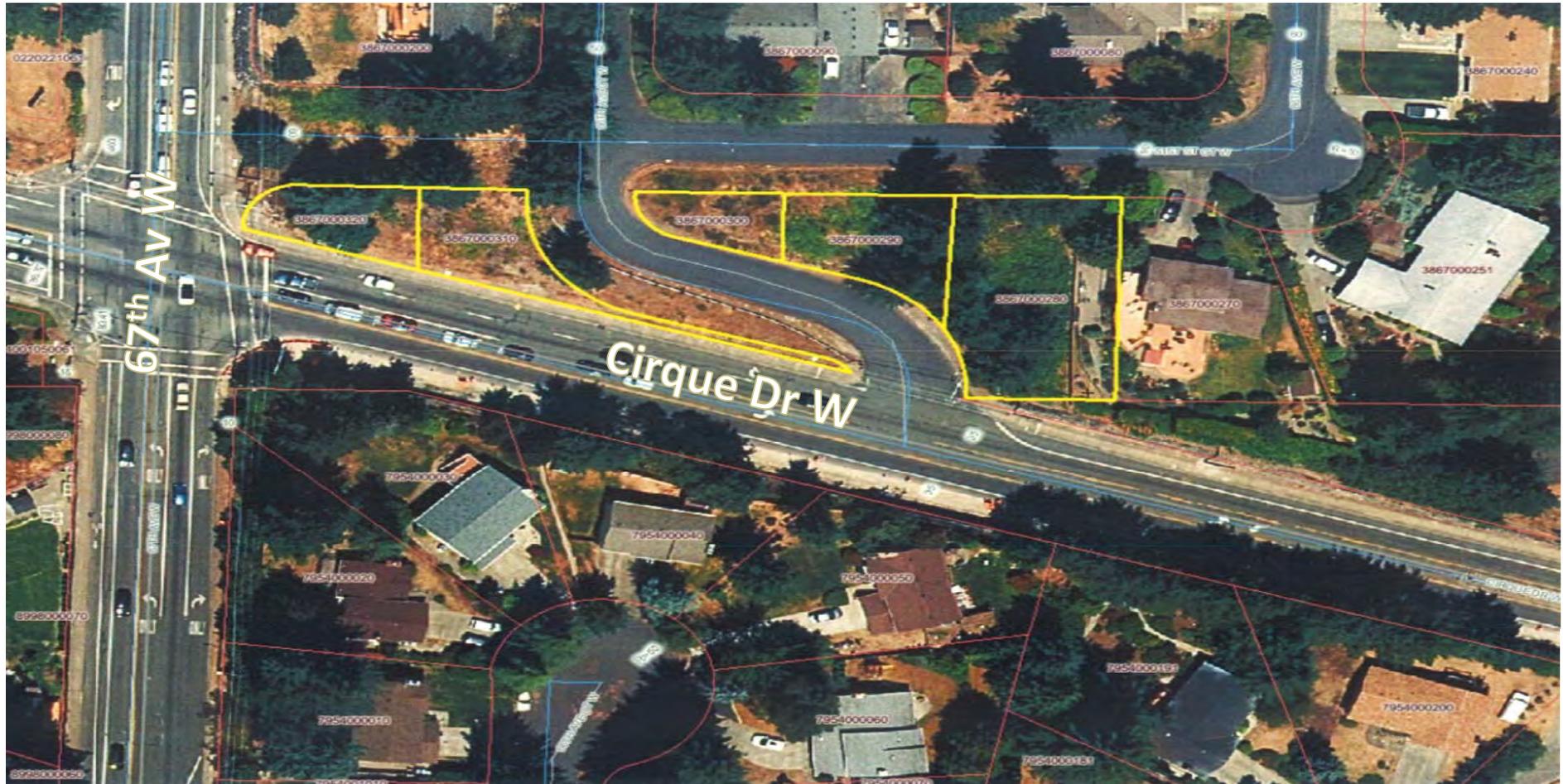


Total land – 0.35 ac





Site #1



Total land – 0.35 ac

Site #2



Total land – 2.34 ac





Site #2



Total land – 2.34 ac

Site #3



Total land – 4.04 ac





Site #3



Total land – 4.04 ac

Site #4



Total land – 0.14 ac

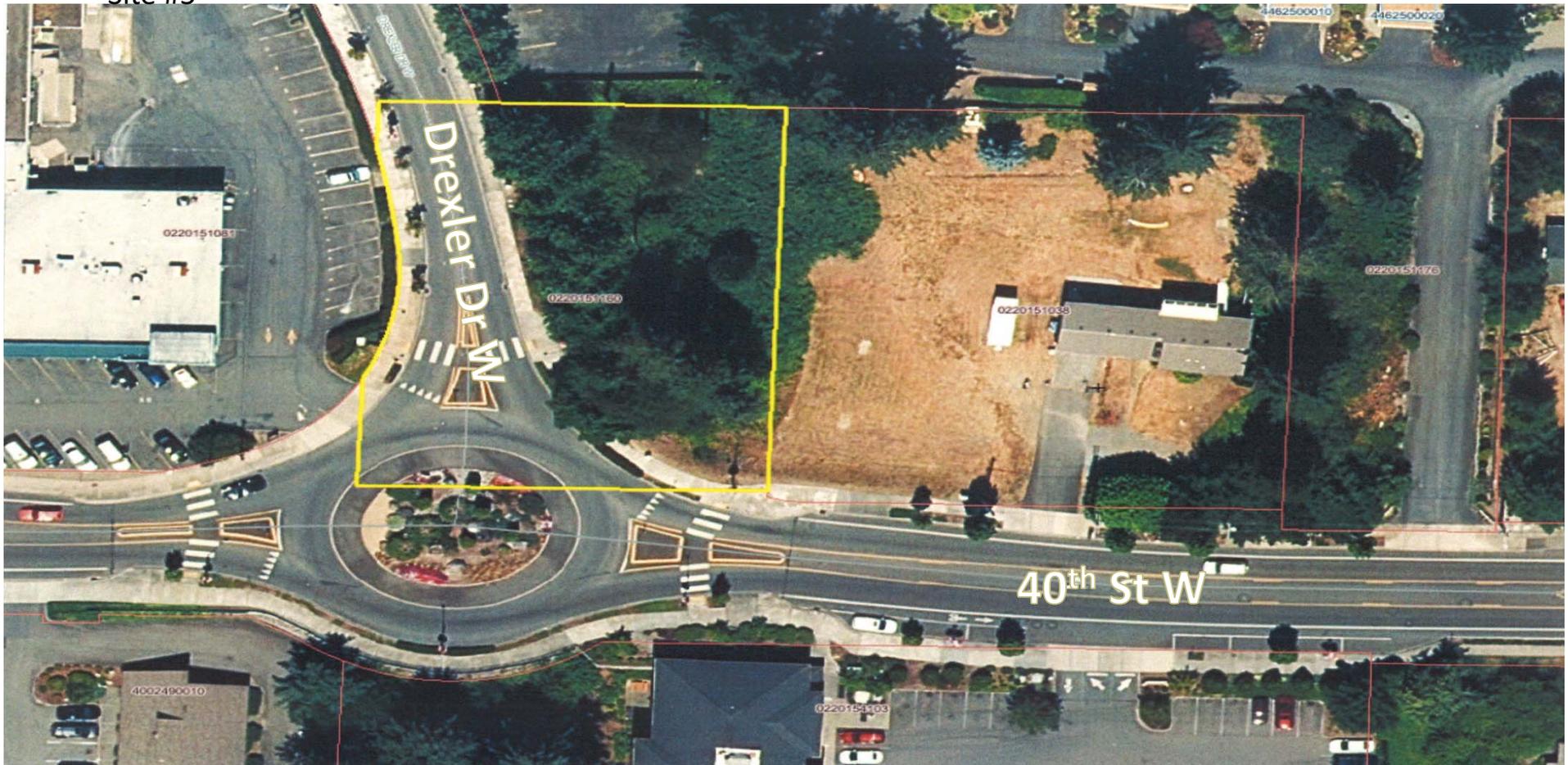


Site #4



Total land – 0.14 ac

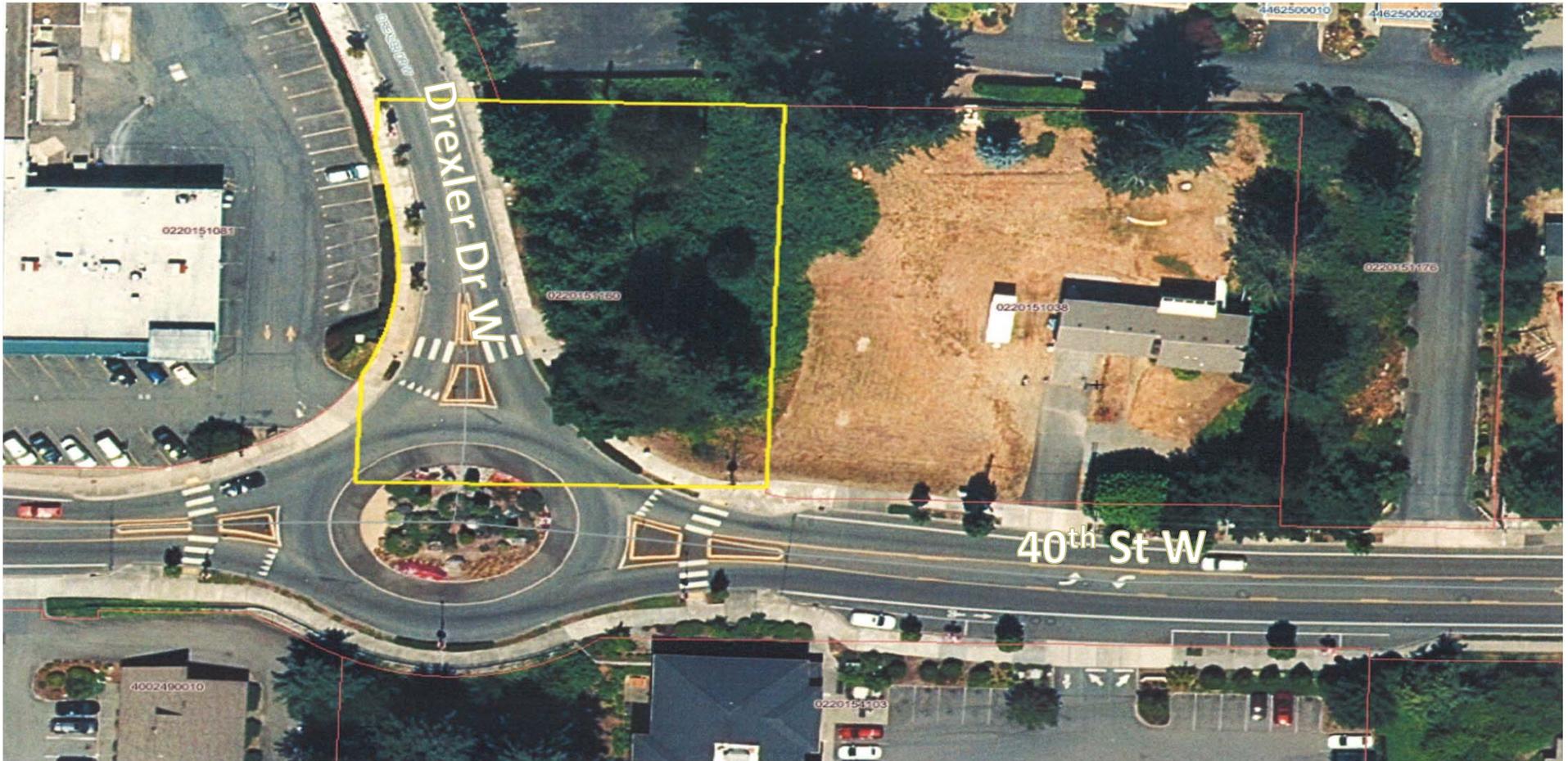
Site #5



Total land – 0.64ac



Site #5



Total land – 0.64ac

Memo

DATE: September 17, 2018
TO: City Council
FROM: Matt Kaser, City Attorney
SUBJECT: Model Business Ordinance Amendments

In the 2017 legislative session, the Legislature passed Engrossed House Bill 2005. This legislation requires action by cities, such as the City of University Place, which issue business licenses:

1. Requires cities with business licenses to establish a workgroup to create a model business license with a licensing threshold by July 2018 for adoption by all business license cities by January 1, 2019;
2. Requires all cities with business license to administer their business license through the state's Business Licensing System (BLS) by 2022 or FileLocal by 2020; and
3. Establishes a task force on local B&O tax service apportionment under RCW 35.102.130 to report to the Legislature by October 2018.

The first of these three requirements require Council action; the City currently has an agreement with the state BLS and the City does not impose a B&O tax.

The Association of Washington Cities (AWC) has produced a summary of the changes and frequently asked questions associated with the model business ordinance. A copy of their information together with the model ordinance is attached.

Enclosed is a draft ordinance which implements the changes associated with the model ordinance.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, AMENDING CHAPTER 5.05 OF THE UNIVERSITY PLACE MUNICIPAL CODE; RELATING TO BUSINESS LICENSES

WHEREAS, in the 2017 Legislative Session, the Washington Legislature passed EHB 2005, which is now codified as RCW 35.90.080; and

WHEREAS, RCW 35.90.080 requires cities with business licenses, which includes the City of University Place, to establish a workgroup to create a model business license with a licensing threshold by July 2018 for adoption by all business license cities by January 1, 2019; and

WHEREAS, the workgroup has completed its work and has drafted model changes addressing two areas: a model threshold for licensing and a definition of “engaging in business”; and

WHEREAS, it is now appropriate to amend the municipal code to include the revisions to the model business licensing ordinance those provisions.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Section 5.05.010 University Place Municipal Code entitled, “Definitions, is amended to read as follows:

The following words, terms, and phrases, when used in this chapter, shall have the meanings ascribed in this section, except where the context clearly indicates a different meaning:

- A. “Business” shall mean and include vocations, occupations, professions, enterprises, and establishments and all other activities and matters conducted for private profit or benefit, either directly or indirectly, anywhere within the City.
- B. “Designee” shall mean the City Manager’s designee.
- C. “Engaging in business” means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.
 - (1) This subsection sets forth examples of activities that constitute engaging in business in the City, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimus business activities in the City without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of "engaging in business" in this section. If an activity is not listed, whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.
 - (2) Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license.
 - (a) Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City.

- (b) Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the City.
 - (c) Soliciting sales.
 - (d) Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.
 - (e) Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.
 - (f) Installing, constructing, or supervising installation or construction of, real or tangible personal property.
 - (g) Soliciting, negotiating, or approving franchise, license, or other similar agreements.
 - (h) Collecting current or delinquent accounts.
 - (i) Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.
 - (j) Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.
 - (k) Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.
 - (l) Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.
 - (m) Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers.
 - (n) Investigating, resolving, or otherwise assisting in resolving customer complaints.
 - (o) In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.
 - (p) Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.
- (3) If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license.
- (a) Meeting with suppliers of goods and services as a customer.
 - (b) Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.
 - (c) Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.
 - (d) Renting tangible or intangible property as a customer when the property is not used in the City.
 - (e) Attending, but not participating in a "trade show" or "multiple vendor events". Persons participating at a trade show shall review the City's trade show or multiple vendor event ordinances.
 - (f) Conducting advertising through the mail.
 - (g) Soliciting sales by phone from a location outside the City.
- (4) A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection (3). The

City expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the license fee under the law and the constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.

~~C~~D. "Person" shall mean any individual, corporation, company, firm, joint stock company, co-partnership, joint venture, trust, business trust, club, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, receiver, administrator, executor, assignee, or trustee in bankruptcy.

~~D~~E. "Premises" shall mean and include all lands, structures and places, and also any personal property which either is affixed to, or is used in connection with, any such business conducted on such premises.

Section 2. Section 5.05.060 University Place Municipal Code entitled, "Exemptions, is amended to read as follows:

The following shall be exempt from the registration, license and/or license fee provisions of this chapter:

- A. Casual or isolated sales made by persons who are not engaged in the ongoing business of selling the type of property involved, providing that not more than four such sales events are made during any tax year.
- B. All businesses with gross annual revenues of less than \$12,000.
- C. All businesses which are exempt from tax registration endorsement under WAC 458-20-101(2)(a).
- D. Minors engaged in babysitting, delivery of newspapers, lawn mowing, car washing, and similar activities.
- E. Any instrumentality of the United States, state of Washington, or any political subdivision thereof, with respect to the exercise of governmental functions.
- F. All special events sponsored by the City, but not to include participating commercial vendors.
- G. Nonprofit organizations, including but not limited to religious, civic, charitable, benevolent, nonprofit, cultural or youth organizations.
- H. Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit.

Section 3. Corrections by City Clerk or Code Reviser. Upon approval of the city attorney, the city clerk or the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 4. Severability. If any portion of this Ordinance or its application to any person or circumstances is held invalid, the remainder of the Ordinance or the application of the provision to other persons or circumstances shall not be affected.

Section 5. Effective Date. This Ordinance will be in full force and effect five (5) days after publication of the Ordinance Summary.

PASSED BY THE CITY COUNCIL ON _____, 2018.

Kent Keel, Mayor

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Matt Kaser, City Attorney

Published: xx/xx/xx
Effective Date: xx/xx/xx

Model Business License Threshold Final Version

June 2018

Model business license threshold options: (cities would adopt one of the options)

1. Threshold Exemption:

To the extent set forth in this section, the following persons and businesses shall be exempt from the registration, license and/or license fee requirements as outlined in this chapter:

- (1) Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 (or higher threshold as determined by city) and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit.

2. Threshold with Fee-free License/Registration-only Option:

For purposes of the license by this chapter, any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 (or higher threshold as determined by city) and who does not maintain a place of business within the city, shall submit a business license registration to the Director or designee. The threshold does not apply to regulatory license requirements or activities that require a specialized permit.

[City would list this fee-free license in its business license rates section as \$0 or no fee.]

Engaging in business model definition:

"Engaging in business"

(1) The term "engaging in business" means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

(2) This section sets forth examples of activities that constitute engaging in business in the City, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimus business activities in the City without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of "engaging in business" in subsection (1). If an activity is not listed, whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.

(3) Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license.

(a) Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City.

(b) Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the City.

(c) Soliciting sales.

(d) Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.

(e) Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.

(f) Installing, constructing, or supervising installation or construction of, real or tangible personal property.

(g) Soliciting, negotiating, or approving franchise, license, or other similar agreements.

(h) Collecting current or delinquent accounts.

(i) Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.

(j) Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.

(k) Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.

(l) Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.

(m) Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers.

(n) Investigating, resolving, or otherwise assisting in resolving customer complaints.

(o) In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.

(p) Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.

(4) If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license.

(a) Meeting with suppliers of goods and services as a customer.

(b) Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.

(c) Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

(d) Renting tangible or intangible property as a customer when the property is not used in the City.

(e) Attending, but not participating in a "trade show" or "multiple vendor events". Persons participating at a trade show shall review the City's trade show or multiple vendor event ordinances.

(f) Conducting advertising through the mail.

(g) Soliciting sales by phone from a location outside the City.

(5) A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection (4).

The City expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the license fee under the law and the constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.



Published on Jul 18, 2018

Final city business license model threshold

Contact: [Victoria Lincoln](#), [Andrew Pittelkau](#), [Sheila Gall](#)

Business license and city B&O tax simplification

In the 2017 session, [EHB 2005](#) (RCW 35.90) passed requiring three actions by cities with business licenses and local B&O taxes. The law:

- Requires cities with business licenses to establish a workgroup to create a model business license with a licensing threshold by July 2018 for adoption by all business license cities by January 1, 2019;
- Requires all cities with business license to administer their business license through the state's Business Licensing System (BLS) by 2022 or FileLocal by 2020; and
- Establishes a task force on local B&O tax service apportionment under RCW 35.102.130 to report to the Legislature by October 2018.

Final model ordinance for local business licenses – minimum threshold

Cities were required to develop a model ordinance for business licensing by July 1, 2018. The ordinance includes a mandatory definition of “engaging in business” and a minimum threshold (or occasional sale) exemption to establish when out-of-town or transient businesses are required to be licensed. All business license cities must adopt it by the end of the year ([RCW 35.90.080](#)).

[Model threshold language](#)

What is in the model?

The [model threshold](#) has two pieces: a model threshold and a definition of “engaging in business.”

- The model business license threshold language would:
 - Apply a minimum threshold of \$2,000 per year in the city for businesses that do not have a location in the city;
 - Require a license for businesses with a location in the city without regard to the threshold;
 - Allow cities the option to require registration with no fee for businesses under the threshold; and
 - Only apply to general business licenses, not regulatory licenses or local taxes.

- The definition of “engaging in business” includes examples of what constitutes business activities in cities that would subject a business to license requirements, as well as those activities that would not. The model language is adapted from the definition that the 45 cities with local B&O taxes have already adopted for the definition of “engaging in business” in the B&O tax model ordinance.

What are the deadlines for all cities with business licenses to adopt the model?

Cities with a business license must adopt the model by January 1, 2019. However, cities that currently partner with the state’s Business Licensing Service (BLS) for business licensing administration have a deadline of October 17, 2018, because they must provide BLS 75-day notice of any changes to their business licenses (including this mandatory change).

Where can I learn more about implementing the threshold?

AWC is hosting a webinar to tell you everything you need to know to comply with the mandatory model threshold.

[Prepare to streamline your business license](#) webinar recording

AWC also held a presentation on this topic at its [Annual Conference](#) in June and will present at the WFOA Annual Conference on September 19 and EWFOA on October 12.

What happens if we don't enact the threshold by the deadline?

RCW 35.90.090 provides that a city cannot enforce its business license after January 1, 2019, until it has adopted the mandatory threshold.

RCW 35.90.090: “A city that has not complied with the requirements of this section by January 1, 2019, may not enforce its general business licensing requirements on any person until the date that the mandatory provisions of the model ordinance take effect within the city.”

What if my city wants a higher threshold?

Cities can choose to enact a higher threshold. The \$2,000 threshold level per city per year for out-of-city businesses is the minimum level that every city must enact.

How was the business license threshold developed?

Section 8 of **EHB 2005** required cities to work through the Association of Washington Cities (AWC) to develop a model business license threshold by July 1, 2018 with a focus on determining a threshold for when a license should be required for out-of-city businesses. The bill also required input from the business community.

AWC convened a task force of city business license officials to begin drafting a model license threshold in August 2017. The group met monthly in person or via conference call to research city business license systems and existing options for establishing a model threshold and to review feedback on the proposed model from cities and the business community. AWC sent a survey to cities last fall on preferences for approaching the model threshold and sent a draft for review to cities in March 2018. In April-June 2018, AWC sent drafts of the model to the business community for comment, and the task force met in person with business community representatives.

In response to business community concerns about the level of the threshold, the committee proposed doubling its initial proposed level to \$2,000 per year in the city for businesses without a location in the city. The committee agreed to review the threshold level in four years when the model B&O tax model ordinance will also be due for review and more information on impacts of the license threshold is known. In late June, the committee finalized the model language.

Business license model threshold implementation timeline

July 2017 – EHB 2005 takes effect

August 2017 – First meeting of city workgroup

July 1, 2018 – Deadline for city work group to develop model ordinance with minimum threshold to get a license

August 8, 2018 – AWC webinar on implementing model threshold

October 17, 2018 – Deadline for current BLS partner cities to adopt model minimum threshold and notify DOR of changes to business license for threshold adoption (Cities on BLS plan but not yet onboarded would have later deadline of January 1, 2019)

January 1, 2019 – Deadline for all other cities to adopt model minimum threshold

How many cities does this impact?

More than 230 cities issue local business licenses.

Where can I find more information on the Business Licensing Service or FileLocal?

[Business licensing service](#)

[FileLocal](#)

What about the provision of EHB 2005 and the scope of work for the B&O service apportionment task force?

The two-factor formula for B&O tax service apportionment was required by RCW 35.102.130, effective in 2008. The two factors, payroll and service income, have complicated multi-part tests to determine how much of business service revenues should be apportioned to a city.

EHB 2005 created a seven-member task force to make recommendations to simplify two-factor service apportionment by October 2018 with the following members:

- One Department of Revenue, non-voting chair
- Three cities with local B&O taxes

- Three business representatives

The task force has been meeting monthly since August 2017, and the deadline by which it must submit a report to the Legislature is October 31, 2018. The city representatives are:

- Chris Bothwell, Lake Forest Park
- Joseph Cunha, Seattle
- Danielle Larson, Tacoma

How did this legislation come about?

During the 2016 legislative session, lawmakers passed [HB 2959](#), establishing a task force to evaluate options to continue local business tax and licensing simplification. On December 30, 2016, the task force released its final report on local tax and licensing simplification with four main recommendations. The task force did not recommend that all cities with a business license be required to participate in the state's Business Licensing Service, nor did it recommend any centralized collection of city B&O tax at the state level. However, some of the items recommended represented a significant compromise on the part of cities.

Where can I find more information on the 2016 task force?

The report included four recommendations related to licensing, establishing a business license threshold, recommending a task force on service income apportionment, and providing for data sharing between DOR and FileLocal. Read the [full report](#).

[Back to Advocacy news by category](#)