

## CITY COUNCIL MINUTES

City Council Chambers, 7:00 P. M.  
Tuesday, December 26, 1961

Council met in regular session. Present on roll call 8: Cvitanich, Easterday, Murtland, Olson, Potter, Price, Steele and Mayor Hanson. Absent 1: Mr. Bott

Mr. Easterday moved that the minutes of December 12, 1961 be approved as submitted. Seconded by Mr. Cvitanich. Voice vote was taken.  
Motion carried

PETITIONS

a. Petition of Albert F. Vierthaler requesting the rezoning of property located at the area generally bounded by So. 42nd St. extended, Prospect Street, So. 43rd and So. Houghton Way from an "R-2" to a "R-4" District.

b. Petition of Chester A. Hogan requesting the rezoning of property located at North 45th to No. 46th; No. Pearl to No. Visscher from a "C-1" to a "C-2" District.

Referred to the Planning Department.

RESOLUTIONS:Resolution No. 6866:

Authorizing the settlement of a claim to Margaret B. Howe in the amount of \$750.00.

It was moved by Mr. Easterday that the Resolution be adopted. Seconded by Mr. Steele.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16867:

Awarding contract to Montgomery Motorcycle Co. for (8) Solo and (2) three-wheel Police Motorcycles for the amount of \$13,293.28 including trade in value.

It was moved by Mrs. Price that the Resolution be adopted. Seconded by Mr. Steele.

Mr. Bott coming in at 7:10 P. M.

City Council Minutes - Page 2 - December 26, 1961

Mr. Rowlands explained that the solo motorcycles have been awarded for \$17.55 over last year's price and an increase of \$142.00 on the three-wheel police motorcycles, however, it will be four years before they need replacing. He stated that the Montgomery Motorcycle Co. is a local dealer and submitted the only bid. They have supplied the City with the Harley-Davidson Motorcycles for many years.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16868:

Fixing Monday, January 22, 1962 at 4:00 P. M. as the date for hearing on L I D 4702 for paving on various streets between So. 17th and So. 59th Street and between So. D and Hosmer Streets.

It was moved by Mrs. Price that the Resolution be adopted. Seconded by Mr. Steele.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16869:

Fixing Monday, January 22, 1962 at 4:00 P. M. as the date for hearing on L I D 4703 for paving of the alley between No. 32nd & No. 33rd from Junett to Cedar; and between No. 30th & No. 31st from Lawrence to Warner Street.

It was moved by Mr. Bott that the Resolution be adopted. Seconded by Mr. Cvitanich.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16870:

Authorizing a temporary loan from the L I D Quaranty Fund to the General Fund in the amount of \$250,000 or so much as may be necessary.

MC 377 - Temporary Loan-Public Works Revolving Fund, Equipment Rental Fund.

It was moved by Mrs. Price that the Resolution be adopted. Seconded by Mr. Murtland.

City Council Minutes - Page 3 - December 26, 1961

Mr. Rowlands explained that an MC-377 was sent out to the City Council explaining the reason for this Resolution. He said this particular Resolution is comprised of two parts. The Public Works Revolving Fund is money coming from accounts receivable from other departments and from outside the City. At the present time this fund has a temporary loan of \$150,000 from the City Street Fund which must be repaid as the City Street Fund needs funds for carrying on its street program. The accounts receivable of the Revolving Fund are far in excess of the loan requested, and this loan will be repaid in 1962. In the Equipment Rental Fund there was a \$100,000 deficit in 1961, as the result of increases of labor costs, gas taxes, insurances and additional repairs necessary, repairs due to the run down equipment which made it necessary to spend \$43,000 more during the year than was anticipated since the beginning of the year.

In addition, funds budgeted for the purchase of new equipment - Account B - totaling \$57,000 will not be transferred to the Equipment Rental Fund until after the first of the year.

This loan of \$100,000 will be repaid from unexpended appropriations totaling \$40,000 in and from unanticipated State-collected Liquor Taxes, totaling \$60,000.00.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

It was moved by Mr. Cvitanich that Resolution No. 16871 and Resolution No. 16872 which does not appear on the Agenda be taken up at this time. Seconded by Mr. Steele. Voice vote taken. Motion carried.

Resolution No. 16871:

An agreement between the City of Tacoma and the Tacoma Humane Society, as amended, is modified by adding a new section to be known as II (a), providing \$1,000 additional consideration to the Tacoma Humane Society for this year 1961 for the performance of its functions.

It was moved by Mr. Easterday that the Resolution be adopted. Seconded by Mr. Cvitanich.

Mr. Rowlands explained that the Council had taken tentative action on this matter on March 30, 1961 which was necessary due to the increases of wages for the personnel in the Humane Society. At that time the City Council and the Humane Society Board agreed that they would wait until end of the year to make up the amount needed. This will make a slight change in the contract which is noted under II (a), that the parties shall annually re-evaluate the functions and duties and the cost of performing the same by the Tacoma Humane Society.

Voice vote was taken on the Resolution.

City Council Minutes - Page 4 - December 26, 1961

The Resolution was then declared adopted by the Chairman.

Resolution No. 16872:

Authorizing the proper officers of the City to transfer \$1,000 from the Cumulative Reserve Fund for the purpose of providing additional funds for the operation and functions of the Tacoma Humane Society's animal shelter for the year 1961.

It was moved by Mr. Steele that the Resolution be adopted. Seconded by Mr. Easterday.

Mr. Rowlands said this Resolution is the mechanics of making the money available.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

FIRST READING OF ORDINANCES:

Ordinance No. 16961:

Amending the Official Code of the City by adding a new Chapter 6.77 and (7) new sections in reference to the licensing of Magazine sales people. Read by title.

Mr. Walter West, Manager of the Better Business Bureau, said that Marshall McCormick, City Attorney, and his staff should be complimented on the manner in which this Ordinance was drawn. This should not create a hardship on anyone as there are a few people in Tacoma who make their living selling magazine subscriptions. However, the \$10.00 license fee and the minimum bond of \$1,000 set up in the Ordinance will not work a hardship on them, in fact, it will assist them materially because it will eliminate these vagrants coming through the City. According to a survey taken by his office, there has been an increase of boys and girls selling magazine subscriptions in the past four years who are under no control in Tacoma and are not required to have a business license. He stated, Police Chief Hager enforces this Ordinance wholeheartedly.

Mr. Bott asked Mr. West how do they propose to take care of the Department stores who handle subscriptions over the phone.

Mr. West said they would come under this Ordinance.

Mr. Frank Strouts, 818 So. Oakes, asked how this Ordinance will affect religious denominations and if their people would have to be bonded.

Mayor Hanson said, it was his understanding that anyone who is selling subscriptions to magazines will come under the regulations of this Ordinance.

Mayor Hanson further pointed out that it would give protection to

**City Council Minutes - Page 5 - December 26, 1961**

the home owner who wishes to make a purchase in this manner and also it would assist the salesman. At present a bonified salesman can go to a door in an area that has been covered by people who have previously given fictitious contracts in return for money. If they are not licensed, the Ordinance would assist the bonified salesman in proving that he is a reputable businessman and licensed to do business.

The Ordinance was then placed in order of final reading.

**Ordinance No. 16962:**

**By Request of Murtland**

Amending the Official Code of the City by adding a new section 6.68.225 by levying a tax on businesses whether such business activities occur or take place within or without the City. Read by title.

Mr. Murtland said he had brought this subject up for discussion last week. This Ordinance is limited to those individuals who enter into contracts with the City of Tacoma, although the performance is to be had outside the City. At the present time they do not pay a City B & O Tax. Inasmuch as additional revenue is necessary in order to meet the budget for 1962, he had requested certain sources that might be available and this would bring in approximately \$50,000.00.

Mr. Rowlands said he had a call from Mr. Erdahl, Utilities Director, asking that a meeting be held with the City Council and Utility Board within the next two weeks to discuss this problem and also some other matters. If this would be in order, Mr. Rowlands added, he would suggest that this Ordinance be put over for one month so that this can be explained more thoroughly before final reading.

Mrs. Price moved that this Ordinance be held over until January 23, 1962. Seconded by Mr. Steele. Voice vote taken. Motion carried.

**Ordinance No. 16963:**

Amending the Official Code of the City by deleting subsection (h) which removes from the list of tax exempt items amounts derived from the sale of liquor. Read by title.

It was moved by Mr. Easterday that this Ordinance be tabled. Seconded by Mr. Cvitanich.

Voice vote was taken.

Ayes 8; Nays 1, Murtland.

The Ordinance was then tabled by the Chairman.

Mayor Hanson said although the motion to table is undebatable, he thought some explanation should be made to the citizens in attendance for this

**City Council Minutes - Page 6 - December 26, 1961**

action. He said, it certainly is subject to a difference of opinion, but there is a very decided legal question as to the authority of the City to impose this type of tax. First of all, he added, the actual legality could not be determined for perhaps a full year which would not help the forthcoming budget, and secondly, we have been contacting members of the legislature and have been assured that if we attempt this method of taxation, the law would be amended so as to absolutely preclude the City from this type of a tax since the legislature has imposed the taxes upon this particular avenue of business, and they feel they have precluded Municipalities.

**Ordinance No. 16964:**

**Authorizing the condemnation of property described and specified in the Urban Renewal Plan to be acquired in the Center Street Wash. R-1 project. Read by title.**

Mr. Rowlands said this particular Ordinance was discussed very carefully with Mr. McCormick, City Attorney and Mr. Maffin, Urban Renewal Director, before the green light was given. He added, the reason the Ordinance was presented at this time was to save time subsequent to the State Supreme Court rendering a decision according to the constitutionality of the Washington State Urban Renewal Act. No decision has been handed down by the Court as yet. The Center Street project will be speeded up as far as project execution is concerned in about one month. This is the minimum time usually necessary to prepare and adopt an Ordinance of this type. These steps will be taken, but the City does not expect to institute any condemnation proceedings until, and unless, the Supreme Court hands down a favorable decision.

Mr. Bott asked if all of these properties have been negotiated upon.

Mr. Rowlands said that they had, and at the present time approximately 85% of the properties have been assembled in the Center Street Urban Renewal area. However, from past experience whether we are trying to buy right-of-way for a street or acquire a site for some public building, it has generally been true that once condemnation is possible, perhaps half of the 15% remaining will come to terms because of that possibility of going into condemnation.

Mr. Porter said he would like to know if this includes all the sections of the property in the Center Street area that have not been negotiated upon successfully.

Mr. Rowlands said, this includes all except the owner participant and the owner participants were not involved. This involves about 36 lots. Approximately 110 lots have already been acquired. The City has acquired approximately 85% of the property, he added.

Mrs. Olson asked, how many owner participants there were in the Center Street Urban Renewal.

Mr. Rowlands said there were approximately twenty.

Mrs. Olson asked if everyone in the Center Street area had been given an opportunity to be an owner participant.

Mr. Rowlands said he could not answer that question.

Mr. Maffin said there were several in public right-of-ways in areas to be used for public purposes who were not given the opportunity to be owner participants.

Mrs. Olson said she raised this question for the reason they had not adopted this as a policy until a few weeks ago and knew that they had already acquired many parcels of land in the Center Street Project. She wondered if they had that right before the policy was adopted. Mrs. Olson asked if the map of the Center Street Project area would be available to the Council next week when they vote on this Ordinance so they might see what parcels might be included.

Mr. Easterday asked in the event the Supreme Court does not give the City the right of eminent domain in the matter of acquiring Urban Renewal property, what is the next decision.

Mr. Rowlands said, in the Court's decision, probably some of the short comings of the law will be pointed out, for example, today we were discussing that very point and probably in two or three other states out of the 46 now having Urban Renewal, that did take place. The State Legislature then had to re-enact Urban Renewal laws so that this would more or less conform with the State Constitution. He added, that the Federal Government authorized the City of Tacoma to proceed with the acquisition of these properties with the thought in mind that if something like this did materialize or if for some reason the decision was not favorable, or the decision did not uphold the Superior Court's decision which was favorable, they still felt confident enough to give the Legal Department and the Urban Renewal Department the green light in proceeding with the project.

Mr. Peckenpaugh, 2909 South M, said he owns property in partnership directly behind his business classified as owner participant. They purchased the land about 6 or 7 years ago and they have been notified orally that this piece of property is going to be condemned. He has been approached and they would like 10 feet of his parking lot. He desires to obtain all of that property. He said he has acquired a building on the property and would consider having it torn down or removed. How, he added, he has been asked to sell his property to the City and could move back on it or bid on some of the other surrounding properties. He said he would like to keep his own property as he has use for it.

Mayor Hanson said he would have Mr. Maffin look into the matter before any decision is made.

Mr. Murtland said he felt that this condemnation is a little premature. He realized they have gone quite far into the matter already not knowing where they will wind up, particularly in the Center Street Urban Renewal area. He said negotiated sales is one matter, but he felt until the City had the power to condemn, a citizen should not be told he should negotiate, or his property would be condemned. He thought a month's postponement of the Ordinance would not make any difference, thereby allowing time for the Supreme Court to hand down their opinion on the legality of condemnation.

Mayor Hanson said this Ordinance is up for first reading at this

time and, perhaps, the Council will see fit to continue the Ordinance at a later date or have it come up next week for final action.

Mr. Murtland asked Mr. McCormick how this could be handled. If the Ordinance could be continued to a certain date or be continued to a certain time pending the decision of the Supreme Court.

Mr. McCormick said he would suggest that it be stricken from the Agenda and at the time of the decision, it can be resubmitted.

Mr. Murtland then moved that the Ordinance be stricken from the Agenda. Seconded by Mr. Cvitanich. Voice vote taken. Motion carried.

Mr. Bott requested that a report be made stating what negotiations have been made on each piece of property in that area.

The Ordinance was then stricken from the Agenda.

FIRST READING OF ORDINANCES:

Ordinance No. 16949: (postponed from the meeting of Dec. 12, 1961)

Amending the Official Code of the City relating to zoning by adding one new section 13.06.117 to include property in the area generally bounded by So. 43rd, Tacoma, Freeway, So. 48th & Pine St. in a "C-P-R" Planned Regional Shopping Center District. Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 9; Nays 0; Absent 0.

The Ordinance was then declared passed by the Chairman.

Ordinance No. 16956:

Creating an "Equipment Rental Fund" in the Treasury of the City and amending Ordinance No. 16108. Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 9; Nays 0; Absent 0.

The Ordinance was then declared passed by the Chairman.

Ordinance No. 16957:

Amending Sec. 11.34.130 of the Official Code of the City in reference to designating Arterial Streets. Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 9; Nays 0; Absent 0.

The Ordinance was then declared passed by the Chairman.



**Ordinance No. 16958:**

Amending Section 6.64.050 of the Official Code of the City by increasing the Business & Occupation Tax on persons engaged in carrying on a telephone business and for the transmitting, distributing and selling of Natural Gas. Read by title.

Mayor Hanson stated, numerous letters have been received objecting the increase to the Natural Gas tax. Discussions and presentations from representatives of the Natural Gas Company and also the Telephone Company have been held.

Mr. Rowlands said this Ordinance consists of two parts. The first portion refers to the increase of the telephone tax from 8 to 9% on the gross sales. A 1% increase would result in a \$65,000 revenue to the City. Under Section (B) which refers to the increase of taxes on the Gas Company, there is a 2% franchise tax at present for the reason of using the streets of the City. This 2% franchise tax is absorbed by the Gas Company through its operation. They pay a 3% B & O tax and altogether they pay a 5% tax. The proposal is to increase the tax from 5% to 8%. He pointed out that all other Utilities except the Belt Line pay 8% on gross earnings which include lights, water, sewer, garbage and refuse. This proposal will put the Washington Natural Gas Co. on a par, from the standpoint of tax, with the other four utilities. The Light, Water and Gas Utility companies are not competing companies. If the Ordinance is passed, it would result in an additional income of \$54,000.00; roughly a 1% increase would yield approximately \$18,000.

Richard Hodge, Attorney, representing the Gas Company, said the Gas Company feels that they are in a business which sells fuel and it is unfair to tax at the rate the City proposes to tax the users of gas. Since the business tax, by law, is passed directly onto the customers, he said the City is unfairly asking the users of one type of fuel, a small minority of the City's taxpayers, to absorb the entire tax increase burden. He added, the dealers of other fuels are paying indirectly .1 of 1%. He felt the proposal is discriminatory.

More than 20 members in the audience spoke against the Gas Tax boost, mostly following the general theme outlined by Mr. Hodge.

Mr. Bott said, he feels very much like "Daniel in the lion's den" because, unfortunately he is an oil dealer and he is among a group of Gas users. He feels there are certain points that the Gas users should know because certain remarks have been made which might indicate this is a tax that might amount to (X) number of dollars as far as the Gas Companies are concerned. He said he agrees that on the surface, it might seem to be an unfair tax if it were put on a certain group of people. Mr. Bott continued, he felt the public is not aware of this tax. The Gas Company by law passes it on to the customer, but if this tax were put on other fuels, by law, it cannot be passed onto the customer. A 3% increase on a gas bill of \$20.00 a month would amount to 60 cents. On the other hand an oil dealer is not permitted to pass it on to a customer. If the City expects to raise approximately \$82,000

City Council Minutes - Page 10 - December 26, 1961

and there are approximately 80 Oil Fuel dealers in the City of Tacoma, that would mean that each and every Oil Dealer on an average would have to pay \$1,000 more which they could not pass on to their customers.

Mr. Murtland said he felt the same as some of the members of the audience that this tax of 3% is discriminatory. An attempt to say that the Natural Gas is the same as lights, they are both utilities, but felt that the City Light Dept. has certain advantages that the Natural Gas Co. will never achieve. He said it's for this reason he has sought other sources of revenue which had to do with taxing City contracts for work to be performed outside the City which was given a first reading at tonight's meeting which was continued to January 23, 1962. He felt this particular tax imposed on the Gas Company is not proper and urged the Council to substitute the Ordinance which was postponed. He stated he felt the tax imposed on the Gas Company is different than the Fuel Oil dealers tax because of the additional taxes that are imposed against the Fuel Oil users; they are taxed for their vehicles, etc.

Mr. Cvitanich's comments Verbatim:

Mr. Cvitanich: "Unfortunately somebody in the audience made some remark "would this go toward City employee's salaries." Perhaps, a part of it would, however, one thing I think the audience should bear in mind, is that the City employees in Tacoma are being asked more and more to perform more and varied functions, in addition to that, we do not have total personnel in all the departments. Proposals have been made to cut the City employees' salaries, we are asking the City employees to do additional work. I think they are being underpaid at the present time. Rather than to look about for unfair taxes, which I consider this is one, I feel that the Council should be a little more discreet in the projects they vote in favor of that cost a half a million dollars, which only will benefit a handful of people."

Mr. Easterday moved that this Ordinance be amended to strike out the entire portion of Section(b) which refers to the Natural Gas Co. Seconded by Mr. Cvitanich. No roll call taken.

Mrs. Olson said the Council discussed at the study session to review all other tax possibilities, and talked of attempting to cut expenses in the budget. She said any budget as thick as the one which is adopted by the City Council every year which involves the expenditure and budgeting in excess of \$50,000,000 and is discussed by the City Council in the short period of only three or four weeks, many areas cannot be thoroughly and completely explored. She thought, perhaps, before levying additional taxes the budget should be explored to see if \$20 or \$30,000 can be found by a real belt-tightening process. Therefore, she moved that the Ordinance be postponed until January 23, 1962, when the Ordinance proposed by Mr. Murtland will be considered. Seconded by Mr. Porter.

Roll call was taken on Mrs. Olson's motion.

Ayes 6; Nays 3; Cvitanich, Easterday and Murtland. Motion carried.

**City Council Minutes - Page 11 - December 26, 1961**

Mr. Rowlands pointed out in conjunction with taxes, that the property taxes in Tacoma for 1962 will be \$7.00 per \$1,000 assessed valuation. Because of certain special levies which were voted upon in previous years, the tax on property will be reduced. Another item he mentioned was that all of the Cities in the United States about 95 to 100 of 100,000 population or over Tacoma, ranks 94 with the lowest property tax per family.

**Ordinance No. 16959:**

Vacating streets and alleys within that area generally bounded by Pine St; So. 43rd; Tacoma Freeway and So. 48th St. (petition of Southcenter Corp.) Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 9; Nays 0; Absent 0.

The Ordinance was then declared passed by the Chairman.

**Ordinance No. 16960:**

Amending the Official Code of the City relating to zoning by adding a new section 13.06.130-16 to include property located in the area bounded generally by the future Narrows Freeway, Mildred St.; 6th Ave. and Vassault St. extended from an "R-2" to a "C-2" Commercial District. (petition of Leon J. Kleiner) Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 9; Nays 0. Absent 0.

The Ordinance was then declared passed by the Chairman.

**UNFINISHED BUSINESS:**

The Director of Public Works presents the following assessments for hearing:

- a. L I D 4670 for grading and permanent paving on So. 57th & G; A, So. 48th to So. 50th Street.
- b. L I D 4668 for paving on So. D from So. 55th to 60th and from So. 63rd to So. 64th.
- c. L I D 6781 for street lighting on No. 22nd; Stevens to Huson; Panorama Park and vicinity.

Mr. Easterday moved that Monday, February 26, 1962 at 4:00 P. M. be set as the date for hearing. Seconded by Mr. Cvitanich.

City Council Minutes - Page 12 - December 26, 1961

Voice vote taken. Motion carried.

COMMENTS:

Mr. Steele said Mr. Bud Bond, our P. L. O, presented a memorandum to the Council relating to the activity of Mr. Howard Anderson, of Washington Transit Advertising, who has the lease for car-card advertising on City buses and has requested Council approval on a revised rate schedule.

Mr. Bond stated that after talking to the City Attorney, this matter could be handled by a motion.

Mr. Steele then moved that the proposed inside space rates and the proposed outside space rates as reflected on Pages 1, 2, and 3 of the memorandum be approved by the Council. Seconded by Mr. Cvitanich.

Voice vote taken. Motion carried.

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Mr. Murtland said he felt he should have had at least the acknowledgement to speak in favor or to oppose Ordinance 16963 which he had proposed. He felt it was discourteous on the part of the other Council members by not allowing him an opportunity to speak.

Mayor Hanson said he realized Mr. Murtland should have been given an opportunity to speak and will award him or any other Councilman that privilege hereafter.

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Mr. Cvitanich said he wanted to compliment Mr. Buehler and the Planning Staff for the nice maps made available for use in the Council meetings.

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Mr. Carlborn a Candidate for Councilman, talked on various subjects..

Mr. Bott said he would like to make a motion that any Candidate running for Public Office be denied the Council floor for public forum between the time he files for office and the time of election.

Mrs. Price said she feels regardless of who they are if they have anything to bring before this Council to discuss, and it is germane to the subject, she feels that they should have an opportunity to speak whether they are a Candidate or not.

Mr. Bott said he would retract his motion.

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There being no further business to come before the Council, upon motion duly seconded and passed, the meeting adjourned at 10:00 P. M.

*Paul Hanson*  
Mayor of the City Council

Attest: *Josephine Melton*  
City Clerk