

RESOLUTION NO. 795

A RESOLUTION OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, REGARDING CITY OF TACOMA PROPOSITION NO. 3 WHICH INCLUDES A 1.5% UTILITY COMPANY EARNINGS TAX FOR TACOMA STREET IMPROVEMENTS, CALLING ON THE TACOMA CITY COUNCIL TO TAKE NO ACTION THAT RESULTS IN UNIVERSITY PLACE RESIDENTS PAYING AN INCREASED TACOMA UTILITY TAX WITH NO BENEFIT IN UNIVERSITY PLACE

WHEREAS, the Tacoma City Council has placed Tacoma Proposition No. 3 on the ballot for Tacoma voters in the November 3, 2015, election; and

WHEREAS, Tacoma Proposition No. 3 would, if approved, increase Tacoma's utility tax on the earnings of telephone, natural gas, and electric utilities, including the City of Tacoma-owned Tacoma Power, which provides electric service to customers in University Place; and

WHEREAS, only Tacoma residents will vote on Tacoma Proposition No. 3; and

WHEREAS, if Tacoma Proposition No. 3 is approved, the Tacoma City Council proposes to use the increased tax revenue to repair Tacoma streets; and

WHEREAS, if Tacoma Proposition No. 3 is approved, the Tacoma City Council could, by separate action, pass the 1.5% increase on to Tacoma Power customers both inside and outside Tacoma through a rate increase, including customers in University Place; and

WHEREAS, the effect of such an action would be to pass the cost of the 1.5% Tacoma tax increase on to the University Place and other non-Tacoma electricity customers, who could not vote on the measure, and University Place customers would in effect be paying a tax to repair Tacoma's streets with no benefit in University Place; and

WHEREAS, the City Council understands Tacoma's need for funding for street repairs and improvements, because University Place has the same needs; and

WHEREAS, a decision by Tacoma to pass through a utility tax to University Place customers to repair Tacoma's streets will likely make it significantly more difficult to secure funding to repair University Place streets;

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

Section 1. Expression of Intent. The City Council of the City of University Place calls on the Tacoma City Council and asks that in the event Tacoma Proposition No. 3 passes, the Tacoma City Council refrain from taking any action that results in University Place residents in effect paying an increased Tacoma utility tax to repair Tacoma streets with no benefit in University Place.

Section 2. Effective Date. This resolution shall take effect immediately upon its adoption.

ADOPTED BY THE CITY COUNCIL ON OCTOBER 19, 2015.


Denise McCluskey, Mayor

ATTEST:



Eufelita Genetia, City Clerk

APPROVED AS TO FORM:



Steve Victor, City Attorney

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