## **RESOLUTION NO. 735**

A RESOLUTION OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, OPPOSING TACOMA PROPOSITION NO. 1, AND ANY RELATED ACTION OF THE TACOMA CITY COUNCIL TO THE EXTENT THAT SUCH ACTION RESULTS IN UNIVERSITY PLACE RESIDENTS IN EFFECT PAYING AN INCREASED TACOMA UTILITY TAX TO REPAIR TACOMA STREETS, WITHOUT THE AFFIRMATIVE VOTE OF A MAJORITY OF UNIVERSITY PLACE RESIDENTS

WHEREAS, the Tacoma City Council has placed Tacoma Proposition No. 1 on the ballot for Tacoma voters in the November 5, 2013, election; and

WHEREAS, Tacoma Proposition No. 1 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. 1; and

WHEREAS, if Tacoma Proposition No. 1 is approved the Tacoma City Council proposes to use the increased tax revenue to repair Tacoma streets; and

WHEREAS, if Tacoma Proposition No. 1 is approved, the Tacoma City Council could, by separate action, pass the 2% increase on to Tacoma Power customers both inside and outside Tacoma through a rate increase, including customers in University Place; and

WHEREAS, though a rate increase cannot be classified as a tax, the practical effect would be to pass the cost of the 2% Tacoma tax increase on to the University Place and other non-Tacoma Power customers; and

WHEREAS, in the event that a 2% Tacoma Power rate increase is adopted by the Tacoma City Council to pass through a new Tacoma utility tax to customers, University Place customers would in effect be paying to repair Tacoma's streets, with no benefit to University Place streets or any other benefit within University Place; and

WHEREAS, the City Council of the City of University Place desires to express its opposition to any action by the Tacoma City Council that results in University Place residents in effect paying an increased Tacoma utility tax to repair Tacoma streets, without the affirmative vote of a majority of University Place residents:

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

Section 1. <u>Expression of Opposition.</u> The City Council of the City of University Place expresses its opposition to Tacoma Proposition No. 1, and any related action by the Tacoma City Council to the extent that such action results in University Place residents in effect paying an increased Tacoma utility tax to repair Tacoma streets, without the affirmative vote of a majority of University Place residents.

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

ADOPTED BY THE CITY COUNCIL ON OCTOBER 7, 2013.

Ken Grassi, Mayor

J. Grassi

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Steve Victor, City Attorney