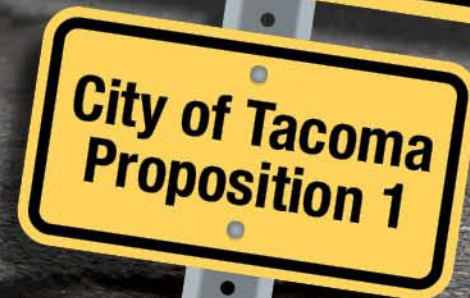


Proposition 1 Facts & Information



Agenda

- **Background**
 - 2013-2014 Budget / PW General Fund Budget
 - Streets & Infrastructure
 - Citizen Engagement
- **Sustainable Transportation Funding**
 - Dedicated Revenues
 - Potential Rate Impact Clarification
- **Proposed Improvements**
- **Transparency and Financial Accountability**
- **Facts and Information Sessions Calendar**



2013 – 2014 Budget Development

City's Commitment:

“Back to Basics”

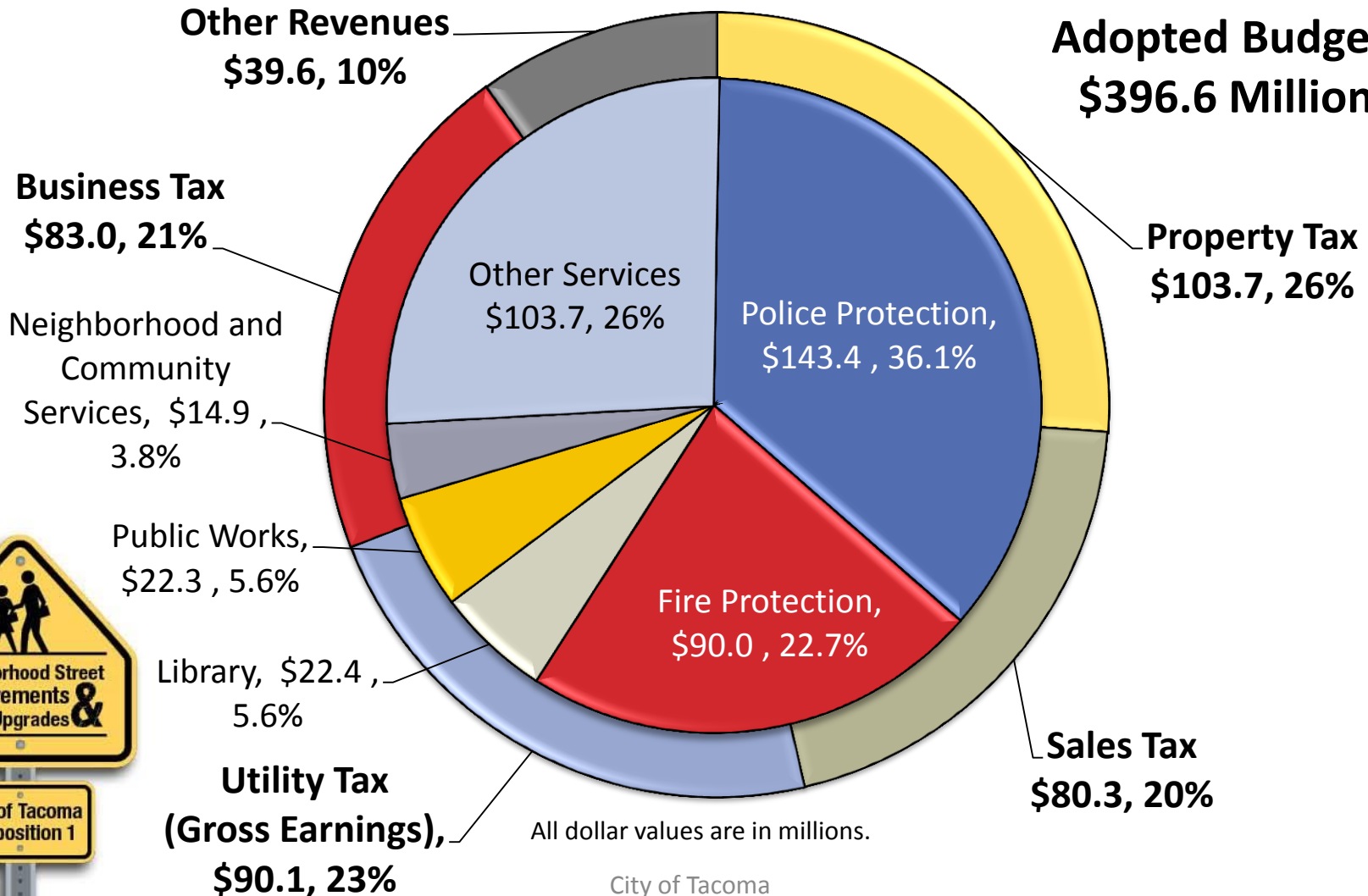
- Core Services
- Continuous Improvement
- Credibility



City of Tacoma
Proposition 1

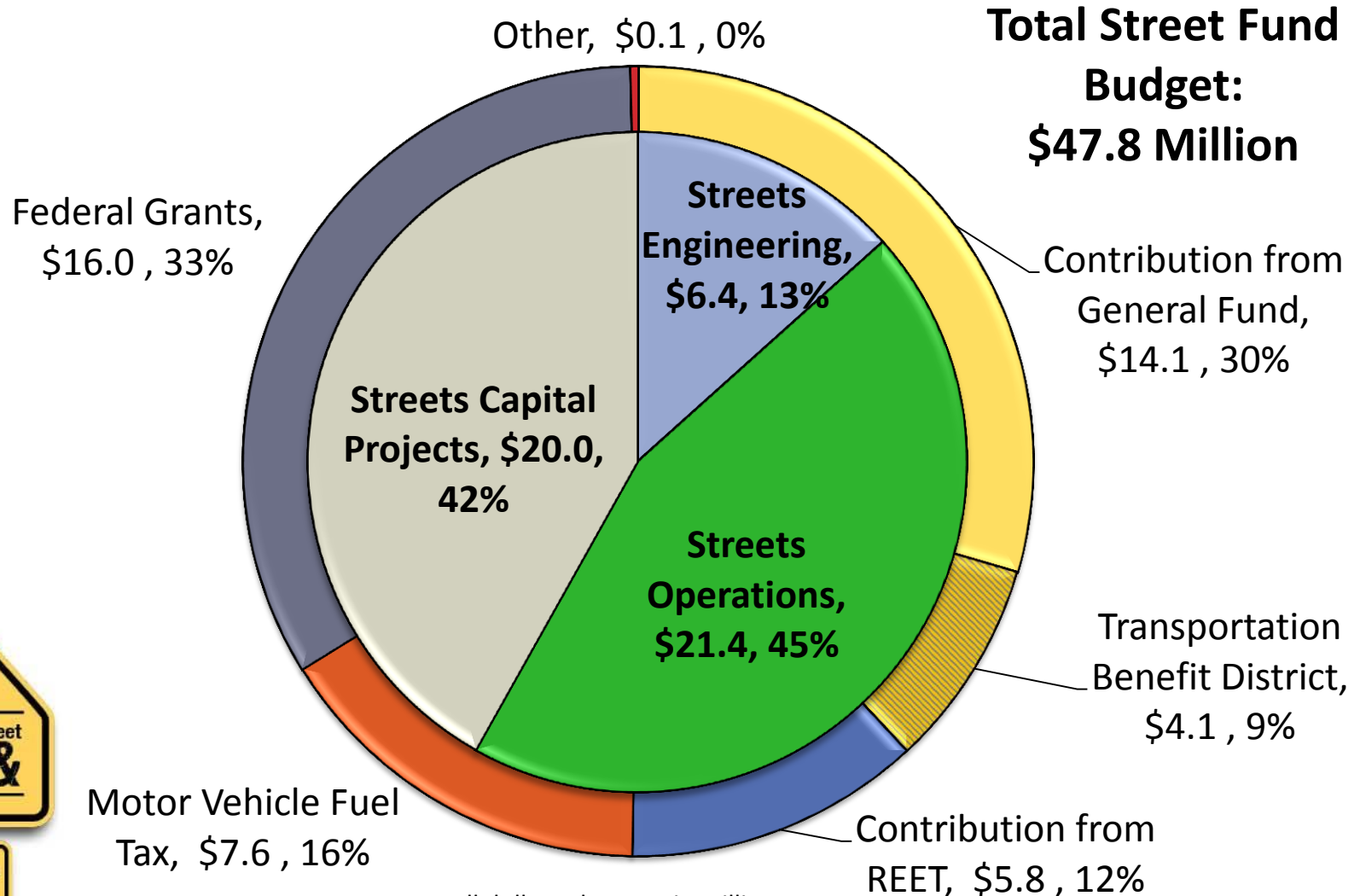
2013 – 2014 General Fund Budget

**Total General Fund
Adopted Budget:
\$396.6 Million**



City of Tacoma
Proposition 1

2013-2014 Adopted Street Fund



All dollar values are in millions.

City of Tacoma



City of Tacoma
Proposition 1

Streets & Infrastructure

Tacoma's Transportation Network Responsibilities

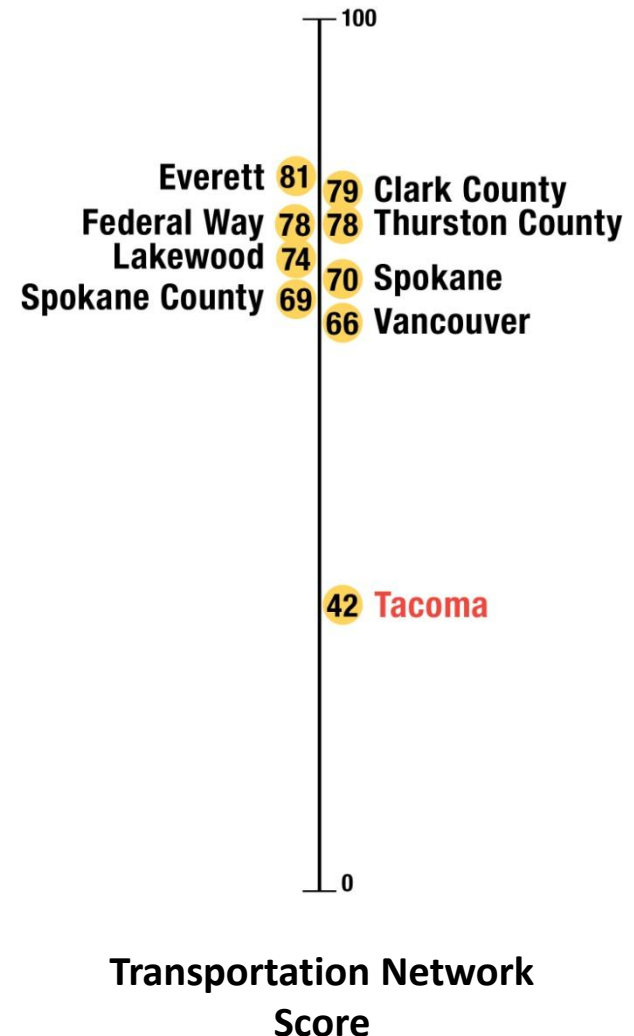
- 8,610 residential blocks
- 857 lane miles of arterial streets
- 21,000 street lights
- 335 traffic signals
- 41 miles of bicycle infrastructure
- 160 flashing pedestrian safety beacons
- 245 school crosswalks
- 75,000 street signs



Streets & Infrastructure

Street Conditions

- Many Tacoma streets are over 100 years old
- The last time Tacoma voters approved a funding proposition for streets was 1968
- Tacoma's transportation network score of 42 ranks much lower than nearby comparable communities



Citizen Recommendations

Mobility Stakeholder Funding Task Force Recommendations (2011)

- **Maintain or increase existing programs & funding**
- Submit Levy Lid Lift ballot measure to Citizens
- Issue utility revenue bonds for replacement of aging infrastructure
- Establish a Transportation Benefit District Fund

Citizens Neighborhood Street Improvement & Safety Task Force Recommendations (2012)

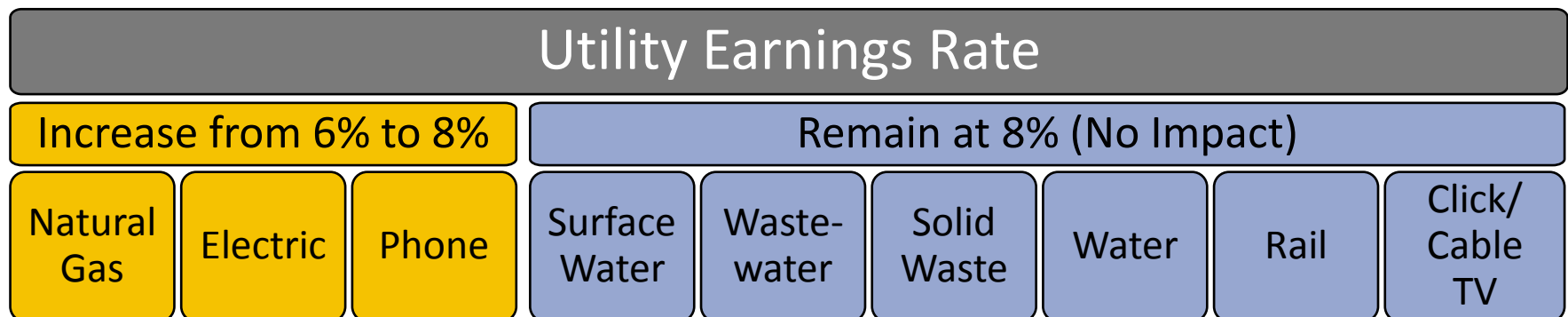
- **Dedicate sustainable funding to address the growing maintenance needs**
 - **Focus improvements on school safety, residential road maintenance and arterial maintenance**



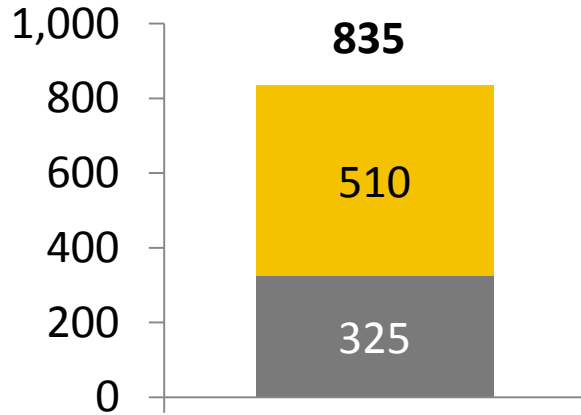
Sustainable Transportation Funding

Proposition 1

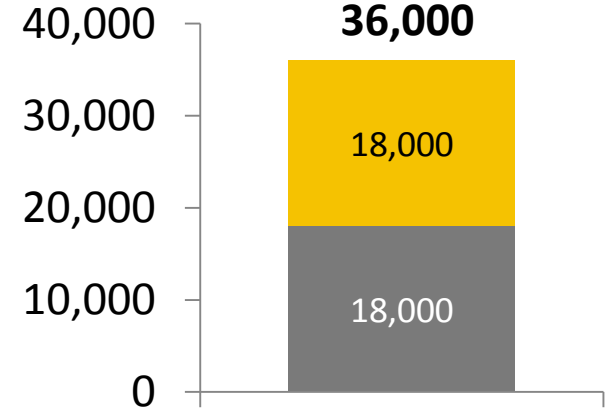
- Additional 2% tax on natural gas, electric, and phone company earnings
- Sole purpose of funding basic neighborhood street improvements and safety upgrades
- Generates an additional \$10-11 Million annually
- Estimated household impact is less than \$5 per month



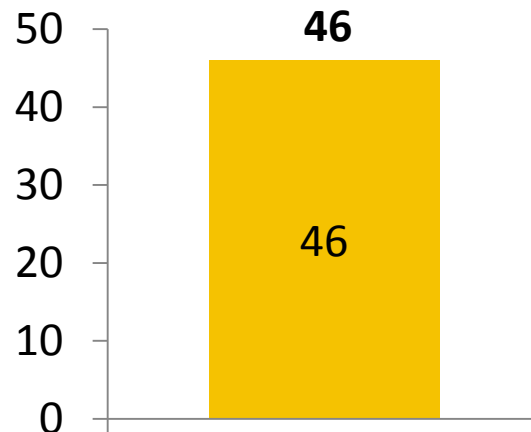
Proposed City-wide Street Improvements & Safety Upgrades Over the Next 5 Years



Residential Blocks
Resurfaced/Repaved





Permanent Pothole
Repair



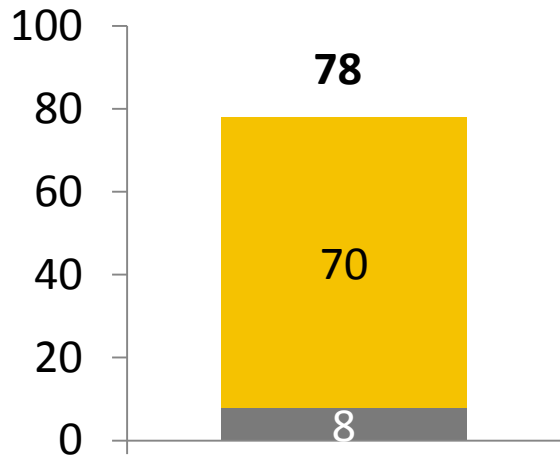
School Zone Safety
Improvements

Over the next five years:

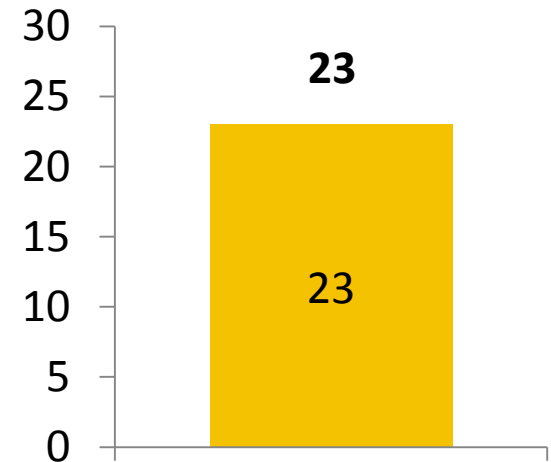
-  Existing Funding
-  Prop. 1 Improvements



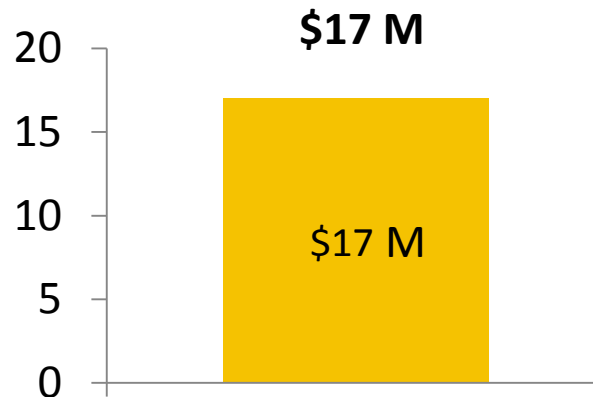
Proposed City-wide Street Improvements & Safety Upgrades Over the Next 5 Years



Intersections with Traffic Signal Repair and Synchronization





Intersections Receiving New Crosswalks with ADA Sidewalk Ramps



Matching Funds for Federal and State Grants and Utility Improvements

Over the next five years:

-  Existing Funding
-  Prop. 1 Improvements



Proposed City-wide Street Improvements & Safety Upgrades Over the Next 5 Years

	Existing Funding	Prop 1 Funded Improvements	Potential Total
Residential Blocks Resurfaced or Repaved	325	510	835
Permanent Pothole Repair	18,000	18,000	36,000
School Zone Safety Improvements	0	46	46
Intersections with Traffic Signal Repair & Synchronization	8	70	78
Intersections receiving new crosswalks with ADA sidewalk ramps	0	23	23
Matching Funds to secure State & Federal Grants and coordinate with Utility Improvements	\$0 M	\$17 M	\$17 M
Maintenance/Missing Link Sidewalks	0	28 blocks	28 blocks
Annual City-Wide Lane Striping	Half the City	Entire City	Entire City
Local Improvement Districts	8	12	20
Bridge Maintenance	\$0.6 M	\$1.0 M	\$1.6 M

Proposition 1 Proposed Improvements

Over the next 5 years in District 1:



9 school zone safety improvements

- Downing Elementary, Point Defiance Elementary School, Truman Middle School, and Sherman Elementary School



6 arterial lane miles and **111** residential blocks resurfaced or repaved



10 intersections receiving traffic signal detection repairs



4 neighborhood Local Improvement Districts funded



City of Tacoma
Proposition 1



Potential Impact on Tacoma Electric Rates

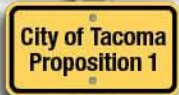
- If Proposition 1 is approved by voters, additional expense to the utility will, as with all utility expenses, be considered in developing future utility rates
- Under City Charter, rate changes are initiated by Utility Board, and must be presented to the City Council for approval
- Both Utility Board and City Council are committed to exploring options to mitigate impacts to ratepayers



Potential Impact on Average Tacoma Household (Based on Usage)

Utility	Average Monthly Utility Charges	Additional 2% Utility Tax	Potential New Total Monthly Bill
Electricity	\$71.00	\$1.42	\$72.42
Natural Gas	\$79.56	\$1.59	\$81.15
Telephone	\$37.50	\$0.75	\$38.25
Wireless Phone	\$47.16	\$0.94	\$48.10
Total	\$235.22	\$4.70	\$239.92

Less than \$5 per month



Assistance for Low Income Residents

Programs available to TPU Power customers:

- Residential Rate Discount (30% ongoing discount)
- Family Need and Power Aid Grant Programs
- Conservation Programs
- Budget Billing
- Federal Low Income Home Energy Assistance Program

Puget Sound Energy also offers low income assistance programs.

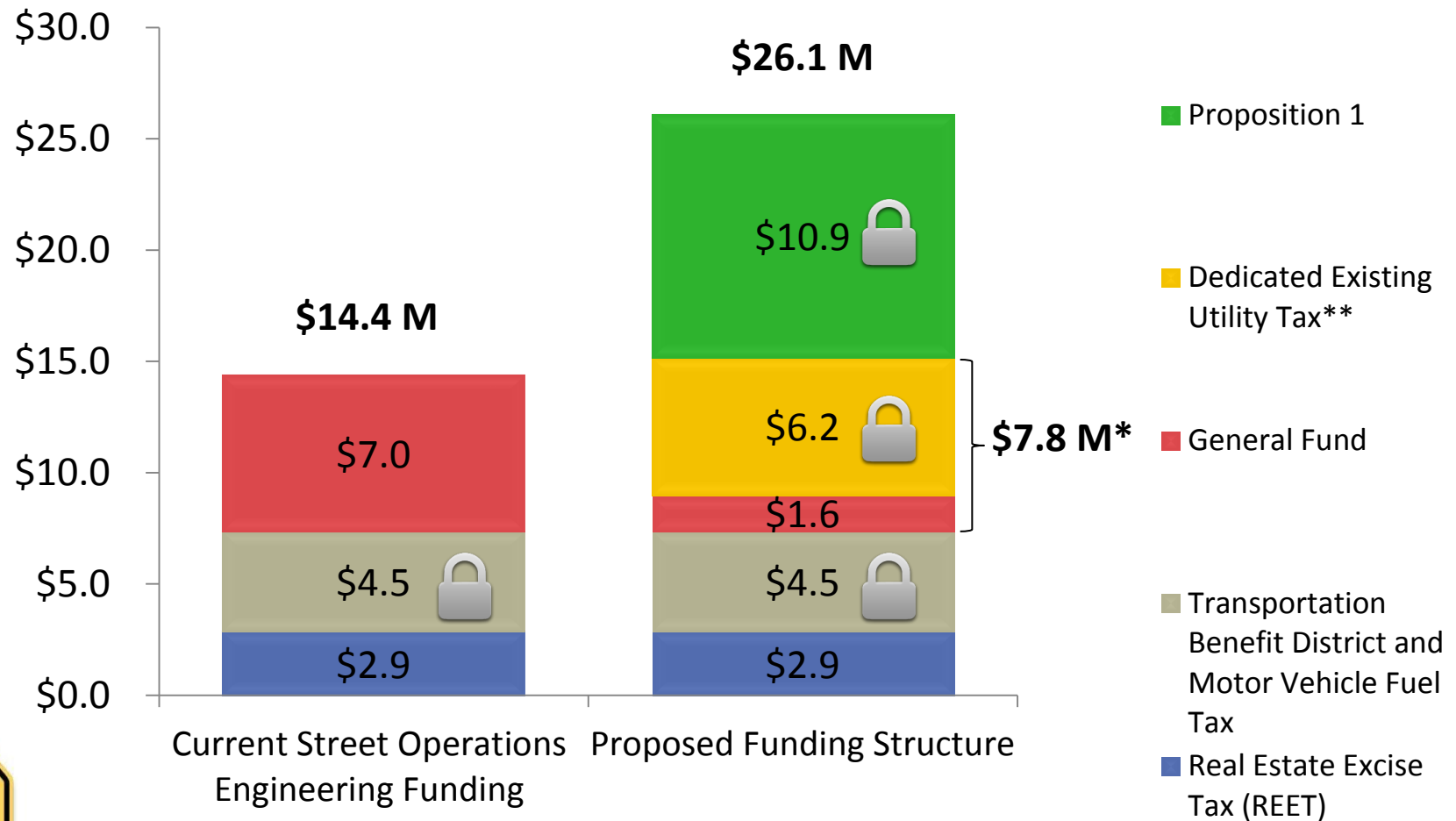


Transparency and Financial Accountability

- Creation of new fund dedicated for management of Proposition 1 revenues
- Establish systems to separate funds upon receipt
 - 6% to General Fund
 - 2% to Proposition 1 Fund
- Develop Six Year Infrastructure Management Plan (IMP)
- Provide quarterly updates on project progress
- For utilities current at the 8% Utility Earnings Tax rate, commit 2% Utilities Earnings Tax rate to street maintenance and safety upgrades (\$6.2M in 2014).



Proposed Funding Structure (2014 Estimate – in Millions)



*\$7.0 M previously General Fund Contribution
 **2% of Existing Gross Earnings Tax Revenues
 Padlock icon: Dedicated funding for streets



City of Tacoma
Proposition 1

Summary

Current Funding and Service

- Funding insufficient to cover maintenance and safety needs

Proposition 1

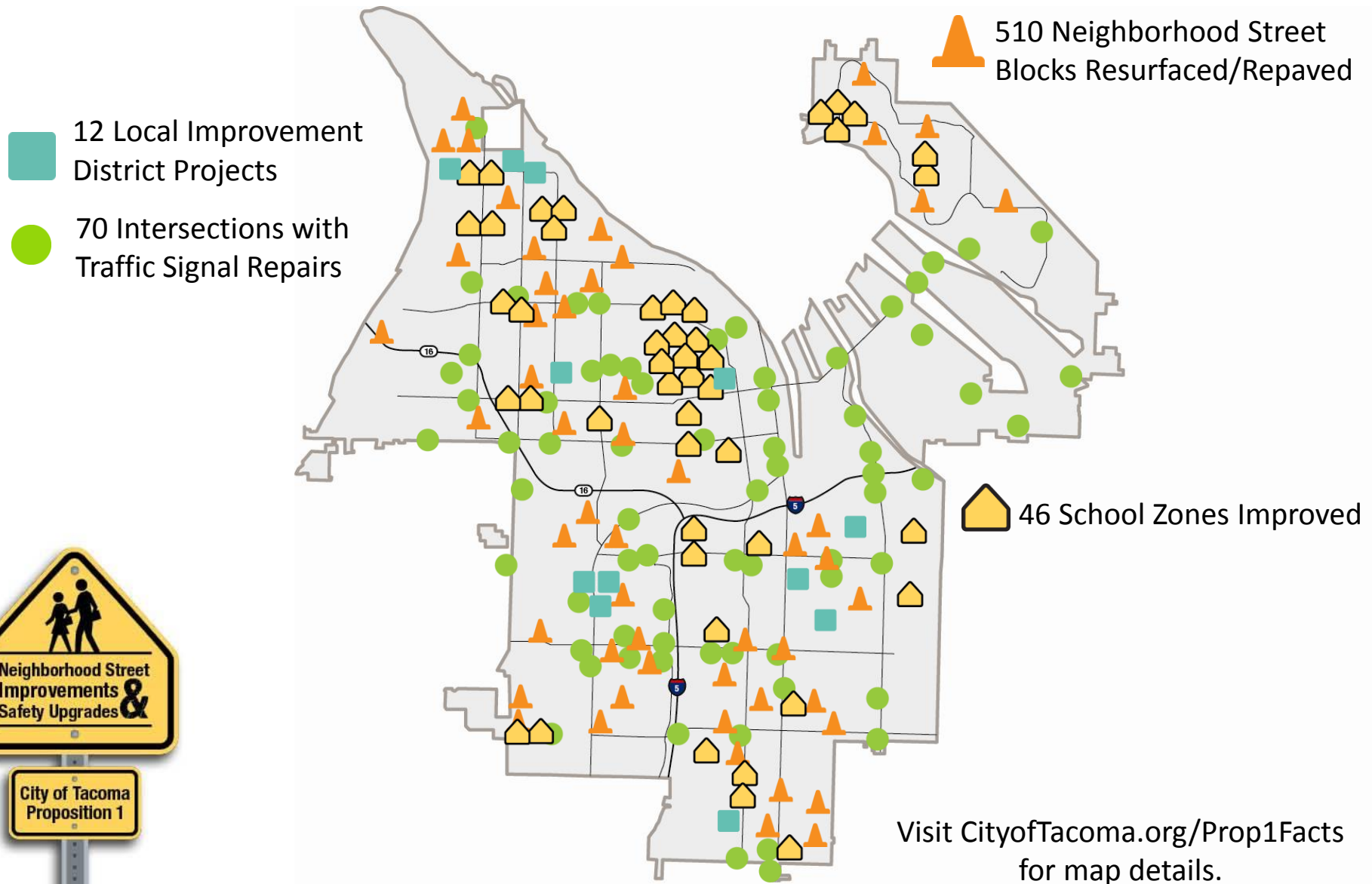
- Dedicated and sustainable funding to address backlog of needs, approximately \$10-11 M per year

Credibility

- Transparency and financial accountability



Proposition 1 Funded Street & Safety Improvements Over the Next 5 Years



Facts and Information Sessions

All sessions will begin at 6 PM

[August 26, 2013](#)

Lincoln High School
District 4

[October 2, 2013](#)

Tacoma Main Library
District 3

[September 4, 2013](#)

Wheelock Library
District 1

[October 9, 2013](#)

Moore Library
District 4

[September 11, 2013](#)

Fern Hill Library
District 5

[October 10, 2013](#)

Jason Lee Middle School
District 2

[September 16, 2013](#)

Meeker Middle School
District 2

[October 14, 2013](#)

Gray Middle School
District 5

[September 23, 2013](#)

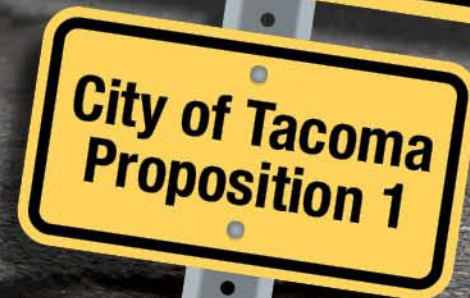
Truman Middle School
District 1

[October 30, 2013](#)

Tacoma Nature Center
District 3



Proposition 1 Facts & Information



CityofTacoma.org/Prop1Facts



Proposition 1 Overview

CITY OF TACOMA SPECIAL ELECTION - PROPOSITION NO. 1 2% UTILITY COMPANY EARNINGS TAX FOR TACOMA STREET IMPROVEMENTS

The City Council of the City of Tacoma adopted Substitute Resolution No. 38700 concerning an additional 2% earnings tax on utility companies for streets. If passed, Proposition No. 1 would authorize the City to levy an additional 2% earnings tax on natural gas, electric, and phone companies for the sole purpose of funding basic maintenance and safety upgrades City-wide, for roads, arterials, and bridges; permanent pothole repairs; pedestrian safety improvement to crosswalks near schools, sidewalks, and intersections; repaving neighborhood streets; and improved signal timing; all as provided in Substitute Resolution No. 38700. Should Proposition No. 1 be enacted into law?

