



## ORDINANCE NO. 28173

1 BY REQUEST OF MAYOR STRICKLAND AND COUNCIL MEMBERS LONERGAN,  
2 MELLO, AND THOMS

3 AN ORDINANCE relating to the budget of the City of Tacoma; creating two new  
4 funds in the Treasury of the City of Tacoma, to be known and designated as  
5 the "Street Operations and Maintenance Fund" and the "Transportation  
6 Capital and Engineering Fund"; declaring the purpose for which said funds  
7 are created, directing the manner in which said funds are expended, and  
8 providing for the keeping of records and accounts thereof.

9 WHEREAS the City of Tacoma is committed to core services that it is  
10 uniquely able to provide, is dedicated to providing these services as efficiently and  
11 cost effectively as possible, and is focused on clearly communicating with the  
12 citizens of Tacoma how resources are expended and the benefits that are provided  
13 to citizens that the City serves, and

14 WHEREAS the City's streets and transportation infrastructure have  
15 documented deficiencies, and the citizens of Tacoma have consistently stated that  
16 repair and maintenance of City and neighborhood streets is a top concern and  
17 priority for funding, and

18 WHEREAS the City seeks to provide a sustainable, transparent, and  
19 dedicated source of revenue to address the deficiencies with the City's streets and  
20 transportation infrastructure, and

21 WHEREAS the City currently funds a large portion of the costs of street and  
22 infrastructure maintenance from the General Fund and seeks to maintain the  
23 General Fund commitment to funding costs associated with street maintenance and  
24 safety upgrades, and

25 WHEREAS it is the intent of the City to establish a new and separate fund,  
26 named the "Street Operations and Maintenance Fund," to segregate the revenues



1 collected from 2 percent of the 8 percent tax on utilities gross earnings (for those  
2 utilities taxed at an 8 percent rate) and to pay for costs associated with basic  
3 maintenance and safety improvements to the City's streets and transportation  
4 infrastructure, and

5 WHEREAS, because the Street Operations and Maintenance Fund is  
6 restricted for the sole purpose of funding basic street maintenance and safety  
7 upgrades, the City will be creating a six-year Infrastructure Management Plan to  
8 show where the money will be spent and to provide public updates on project  
9 progress each quarter, and

10 WHEREAS it is the intent of the City to establish a new and separate fund,  
11 named the "Transportation Capital and Engineering Fund," to segregate capital and  
12 grant funding related to maintenance and safety improvements to the City's streets  
13 and transportation infrastructure, to use said funds to pay for maintenance and  
14 safety improvements to the City's streets and transportation infrastructure, and to  
15 pay for engineering costs associated with capital and grant-funded transportation  
16 projects; Now, Therefore,

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18 **BE IT ORDAINED BY THE CITY OF TACOMA:**

19 Section 1. That there is hereby created in the Treasury of the City of  
20 Tacoma a new fund, to be known and designated as the "Street Operations and  
21 Maintenance Fund," to pay for costs associated with basic maintenance and safety  
22 improvements to the City's streets and transportation infrastructure.

23 Section 2. That the proper officers of the City of Tacoma are hereby directed  
24 to deposit into said fund:  
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A. Of the revenues received from utilities upon which a tax is levied pursuant to Tacoma Municipal Code (“TMC”) 6A.40 (Phone/Cellphone) at a rate of 8 percent on gross income, moneys collected equal to 2 percent of the 8 percent tax rate shall be deposited into said fund.

B. Of the revenues received from utilities upon which a tax is levied pursuant to TMC 6A.50 (Private Electricity/Solid Waste) at a rate of 8 percent on gross income, moneys collected equal to 2 percent of the 8 percent tax rate shall be deposited into said fund.

C. Of the revenues received from utilities upon which a tax is levied pursuant to TMC 6A.90 (Natural or Manufactured Gas Tax) at a rate of 8 percent on gross income, moneys collected equal to 2 percent of the 8 percent tax rate shall be deposited into said fund.

D. Of the revenues received from public utilities upon which a tax is levied pursuant to TMC 6A.100 (Utilities Gross Earnings Tax-Public Utilities - Power/Water/Rail/Sewer/Solid Waste/Surface) at a rate of 8 percent on gross income, moneys collected equal to 2 percent of the 8 percent tax rate shall be deposited into said fund.

E. All moneys, loans, or appropriations legally made and available for the purposes defined herein.

F. All gifts, grants, donations, or other funds received from any source for the purposes defined herein.

Section 3. That, effective March 1, 2013, such sums as are deposited within said fund shall be used only for the purpose of basic maintenance and safety improvements to the City’s streets and transportation infrastructure; that the



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Treasurer of the City of Tacoma is hereby designated as the custodian of said funds and disbursements of all moneys therefrom shall be made in the manner provided by law; and until withdrawn for such use, the moneys accumulated in said fund may be invested in interest bearing securities by the City Treasurer in any manner authorized by law.

Section 4. That there is hereby created in the Treasury of the City of Tacoma a new fund, to be known and designated as the "Transportation Capital and Engineering Fund," to segregate capital and grant funding related to maintenance and safety improvements to the City's streets and transportation infrastructure, to use said funds to pay for maintenance and safety improvements to the City's streets and transportation infrastructure, and to pay for engineering costs associated with capital and grant-funded transportation projects.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Deputy City Attorney