RESOLUTION NO. 1956

A RESOLUTION of the City Council of the city of Kent, Washington, providing for the submission to the city's qualified electors at an election to be held on April 24, 2018, of a proposition authorizing the city to increase the existing utility tax by two percent (2%) for a total utility tax of eight percent (8%) on the total gross income derived from revenues of companies operating in Kent that provide electricity, manufactured and natural gas, telephone, and cable television services in order to provide funds to be used exclusively for additional police officers and associated criminal justice programs impacted by the addition of police officers in the city of Kent.

RECITALS

A. Kent has experienced dramatic growth in recent years. The city now encompasses approximately thirty-five square miles in area, and its population is the sixth largest in Washington State. With this growth has come pressure on the city's general fund as it strives to continue to provide all city services to this dramatically increased population and service area. A number of factors have contributed to issues with continued funding of these services, including a property tax limitation of one percent per year which causes a continuing structural revenue shortfall because the one percent cap generally runs one to two percent below the annual inflation rate. Also, due to Washington's Streamlined Sales Tax legislation, the city, according to the latest study, has incurred an annual loss of expected sales tax revenue of approximately \$12.7 million per year.

B. Of all city services, police and criminal justice services are primary to its citizens. The city has strived to maintain its level of delivery for these services, but staffing levels are challenged as the city grapples with its recent growth. Police officers are working overtime, and more officers are needed to adequately address criminal justice demands. Adding more than 20 commissioned police officers would significantly improve the city's ability to deliver services critical to public safety. The city needs these officers to maintain a level and quality of service that the public needs and deserves.

C. Police officers are a significant part of the city's public safety network, but adding additional officers will also impact service and staffing levels in police support services, the city's municipal court, its municipal jail, its prosecution division, and its public defender office. As a result, if this additional funding becomes available, some part of that funding will also be dedicated to these other critical branches of the city's police and criminal justice network.

D. The Kent City Council finds that it is in the public interest and is imperative to public health, safety and welfare to increase the number of Kent police officers and fund services that support the addition of police officers

E. As authorized by law, the city currently imposes a six percent (6%) utility tax on the total gross income derived from revenues of companies operating in Kent that provide electricity, manufactured and natural gas, telephone, and cable television services. Under state law, the voters in the city may vote on a proposition to raise the utility tax over that six percent (6%) amount.

F. In order to maintain and improve its police and criminal justice operations at a service level that the citizens of Kent deserve and expect, the Kent City Council has determined to ask the voters to increase the six percent (6%) utility tax by two percent (2%), resulting in a total utility tax of eight percent (8%) on the total gross income derived from revenues of companies operating in Kent that provide electricity, manufactured and natural gas, telephone, and cable television services.

G. All funds derived from the two percent (2%) increase in utility tax will be exclusively used to pay for the addition of police officers, as well as to fund the impacts of additional police officers on police support services, the city's municipal court, its municipal jail, its prosecution division, and its public defender office. The funds derived from this additional two percent (2%) utility tax will be segregated and dedicated exclusively for public safety purposes and accounted for separately from other city funds.

H. These conditions require the holding of an election in the city.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

RESOLUTION

SECTION 1. <u>Findings</u>. The City Council hereby adopts the foregoing Recitals as its findings and determines that it is in the best interests of the residents of Kent to provide additional funds to pay costs of improving its police and criminal justice services.

SECTION 2. <u>Increased Tax on Electricity, Manufactured and</u> <u>Natural Gas, Telephone, and Cable Television Companies</u>. The Kent City Council finds and declares that, in order to preserve and protect the public

health, safety, and welfare, it is in the best interest of the city to submit to the qualified electors of the city for their approval or rejection at the special election to be held on April 24, 2018, a proposition authorizing an increase from six percent (6%) to eight percent (8%) on the total gross income derived from revenues of companies providing electricity, manufactured and natural gas, telephone, and cable television services, to be collected beginning July 1, 2018, or as soon thereafter as allowed by law, and every calendar year after that. The King County Department of Elections, as the ex officio supervisor of elections in King County, Washington, is requested to call and conduct this election in the city and to submit the proposition in the form substantially presented below to the city's electors on that date. Upon the voters' approval of this proposition, the city may use the proceeds of the utility tax increase exclusively to hire additional police officers and other criminal justice personnel and equipment and will account for the funds separately from other city funds.

SECTION 3. <u>Ballot Proposition</u>. The City Clerk is authorized and directed to certify the following proposition to the King County Records and Elections Division, as *ex officio* supervisor of elections in King County, Washington, in substantially the following form:

CITY OF KENT PROPOSITION A

2% UTILITY TAX INCREASE FOR POLICE AND CRIMINAL JUSTICE SERVICES

In order to fund additional police officers and criminal justice services in Kent, Proposition A would authorize the city to levy a 2% utility tax increase, from 6% to 8%, on the total gross revenues of companies providing electricity, manufactured and natural gas, telephone, and cable television services in the city. The additional revenue will establish police officer staffing levels consistent with comparable jurisdictions,

and fund other criminal justice services impacted by additional officers.

Should this proposition be:

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APPROVED	
REJECTED	

SECTION 4. <u>Changes</u>. The Mayor and City Attorney may make minor adjustments to the wording of this proposition as may be recommended by the King County Department of Elections or the Office of the King County Prosecuting Attorney, as long as the intent of the proposition remains clear and consistent with the intent of this ordinance as approved by the City Council.

SECTION 5. <u>Notice Relating to Ballot Proposition</u>. For purposes of receiving notice of the exact language of the ballot proposition required by RCW 29A.36.080, the City Council hereby designates the City Clerk.

SECTION 6. <u>Request for Local Voter's Pamphlet</u>. The city requests that the King County Department of Elections include the city's ballot measure, explanatory statement, pro and con statements and rebuttals, and all other appropriate materials in the local voter's pamphlet, if one is already planned. If the County does not intend to publish a local voter's pamphlet for the April 24 special election, the city asks that one be published for this ballot measure. In either event, the city understands and acknowledges that it is responsible to pay the cost of publication and delivery.

SECTION 7. Effective Date. This resolution will take effect immediately upon passage, as provided by law.

PASSED by the City Council of the city of Kent, Washington, at a regular open public meeting held this 6^{TN} day of February, 2018.

CONCURRED in by the Mayor of the city of Kent this 10^{10} day of February, 2018.

DANA RALPH, MAYOR



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APPROVED AS TO FORM: ARTHUR "PAT" FITZPATRICK, CITY ATTORNEY