



RESOLUTION NO. 41894

1 A CONNECT TACOMA: SAFE STREETS AND SIDEWALKS RESOLUTION
2 relating to utility and property taxes; superseding and replacing Resolution
3 No. 41890; transmitting a proposition to the electors at the Primary
4 Election to be held on August 4, 2026, that would authorize a 1.5 percent
5 increase in utility earnings tax and a \$0.20 per \$1,000 of assessed
6 property value increase in regular property taxes pursuant to
7 RCW 84.55.050 to secure funding over a 10-year period to improve,
8 maintain, repair, and enhance Tacoma's streets, sidewalks, and
9 multimodal infrastructure, ensuring improved safety, accessibility, and
10 connectivity, and directing the City Clerk to transmit to the Pierce County
11 Auditor a certified copy of this Resolution.

12 WHEREAS the City of Tacoma, Washington ("City") is a first-class charter
13 city, and

14 WHEREAS the City's transportation system is a critical public asset that
15 supports safety, mobility, and economic vitality, and in 2015, voters approved a
16 property tax and utility tax increase in the first Streets Initiative program ("2015
17 Streets Initiative") that lasted ten years, resulting in investments that resulted in
18 significant improvements, including the repair and maintenance of over 5,600
19 residential street blocks, arterial street improvements, expanded pedestrian and
20 bicycle infrastructure, and enhanced safety features such as crossings and traffic
21 calming, and

22 WHEREAS despite this progress, substantial needs remain, with the City's
23 pavement condition data showing continued deterioration of arterial streets, while
24 sidewalk gaps, accessibility barriers, and safety risks persist across the
25 transportation network—particularly in historically underserved areas, and
26



1 WHEREAS with the expiration of 2015 Streets Initiative funding at the end
2 of 2025 for property taxes and at the end of February 2026 for utility taxes, the City
3 faces a critical need to sustain and expand investments, and

4
5 WHEREAS the Connect Tacoma: Safe Streets and Sidewalks Levy (“Levy”)
6 proposed in this resolution builds on past success while reflecting a more
7 transparent and strategic approach, and rather than relying on a fixed project list,
8 the proposal uses a data-driven and equity-focused framework to prioritize
9 investments based on safety, system preservation, connectivity, and community
10 need, and

11
12 WHEREAS the proposed ten-year Levy is anticipated to generate
13 \$200 million of local funding, combined with an expected \$90 million in grant
14 funding, as well as \$30 million in partnership funding for an approximate
15 \$320 million program that is organized into three investment categories:

16
17 (1) Better Neighborhood Streets (approximately \$85 million |
18 26 percent) – Enhancing the quality of neighborhood streets and nearby spaces,
19 including maintaining and improving residential streets through paving, pothole
20 repair, traffic calming, greenways, and sidewalk enhancements; and

21 (2) Safe Streets for Everyone (approximately \$159 million | 50 percent)
22 – Improving the City’s busiest streets and key arterials, by maintaining and
23 improving arterial corridors and high-use streets with a focus on safety, reliability,
24 and economic connectivity; and
25
26



1 (3) Improve Connections (approximately \$76 million | 24 percent) –
2 Easier access to transit, schools, and neighborhood business districts, by
3 expanding sidewalks, ADA access, greenways and trails, safety improvements,
4 traffic calming, and multimodal connections to support walking, biking, rolling,
5 and transit use, and
6

7 WHEREAS this approach ensures that the City can continue making
8 measurable progress while remaining flexible to respond to changing conditions
9 and opportunities, including leveraging an estimated \$120 million in additional
10 grant and partnership funding, and
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12 WHEREAS in 2025, voters considered a successor measure to the original
13 Streets Initiative, and while that measure was not approved, it provided valuable
14 community insight with feedback emphasizing the need for a clearer investment
15 strategy, stronger alignment with community priorities, and greater transparency
16 around how funds would be used and what residents could expect to see, and
17

18 WHEREAS the Levy proposed herein reflects these lessons by introducing
19 a simplified, three-category investment framework focused on better neighborhood
20 streets, safer streets for everyone, and improved connections, along with a more
21 transparent and accountable approach to project prioritization and delivery, and
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23 WHEREAS, to fund the Levy, the proposal includes a 1.5 percent increase
24 in gross earnings tax on utilities including natural gas, electric, and phone utilities,
25 resulting in an increase of approximately \$23.64 more annually for the typical
26 household, or \$1.97 a month, and a regular property tax increase of \$0.20 per



\$1,000 of assessed value, which equates to an additional increase of \$101.52 per year for the average homeowner (based on a \$508,000 home), or \$8.46 a month, and

WHEREAS RCW 35.22.280 permits first-class cities to levy taxes, including those on the privilege of conducting utility businesses such as natural gas, electric, and phone utilities, and RCW 35.21.870 limits imposition of such taxes to a rate of six percent in the absence of approval by a majority of voters in the City, and

WHEREAS pursuant to RCW 84.55.050, the City may ask voters for approval to increase the amount of the regular property taxes above the 1 percent limit that would otherwise apply, by means of "levy lid lift," and

WHEREAS with voter approval, the City would raise the gross earnings tax on natural gas, electric, and phone utilities by 1.5 percent and increase the City's regular property tax levy in an amount equal to \$0.20 per \$1,000 of assessed value in 2027 and authorize the 2027 levy amount to be used as the basis for future levies, for the sole purpose of funding better neighborhood streets, safer streets for everyone, and improved connections, street repair, maintenance, and safety improvements for all street users, and

WHEREAS if such levy lid lift is approved by a majority of City voters, the total maximum regular property tax levy rate of the City for 2027 would be no more than \$1.95 per \$1,000 of assessed value, and

WHEREAS the City Council deems it necessary to submit to the voters of the City a proposition of whether or not the City shall increase: 1) the amount of



regular property taxes for collection beginning in 2027 in excess of the 1 percent limit factor and allow for the 2027 levy amount to be used as the basis for future levies, as provided for in RCW 84.55.050, and 2) the gross earnings tax on natural gas, electric, and phone utilities, as provided herein, and

WHEREAS City Council adoption is sought to allow the City to submit a proposition for the August 4, 2026, Primary Election ballot for the levy lid lift and increase in the gross earnings tax on certain utilities, and to approve the ballot language, and

WHEREAS this Connect Tacoma resolution shall supersede and replace City Council Resolution No. 41890; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

Section 1. The Pierce County Auditor's Office ("Auditor"), as *ex officio* supervisor of elections for Pierce County, is requested, pursuant to RCW 84.55.050, RCW 29A.04.330, and RCW 35.21.870, to call and conduct an special election in the City to be held on August 4, 2026, and submit to the qualified electorate of the City, at the August 4, 2026, Primary Election, for rejection or approval, a proposition authorizing the City to increase the utility earnings tax by 1.5 percent and increase the City's regular property tax by \$0.20 per \$1,000 of assessed value, to a total regular property tax levy of not to exceed \$1.95 per \$1,000 of assessed value for collection in 2027, as permitted by law, to secure funding over a ten-year period for the sole purpose to improve, maintain, repair, and enhance Tacoma's street, sidewalks, and multimodal infrastructure, ensuring improved safety, accessibility, and connectivity consistent with



Section 2 herein. The 2027 regular property tax levy amount shall be used as the basis to calculate subsequent levies through 2036 (therefore increasing the City's regular property tax levy for a total of ten years).

The taxes authorized by this proposition will be in addition to the maximum amount of regular property taxes the City would have been limited to by RCW 84.55.010, as may be amended from time to time, in the absence of voter approval under this resolution, including all other authorized lid lifts.

Section 2. If this Connect Tacoma ballot proposition is approved by the voters, revenue derived from the increases in the utility earnings tax and the City's regular property tax (approximately \$200 million), together with additional funding through anticipated grants and partnership agreements leveraged with funds from the Connect Tacoma ballot proposition (estimated at approximately \$120 million), will be allocated solely to investments in the following three primary areas of improvements and percentages:

- A. Better Neighborhood Streets: improvements to residential streets and nearby spaces where daily activities occur, focused primarily upon, maintenance, street paving, faster pothole repairs, greenways, sidewalk improvements and traffic calming measures (approximately 26 percent);
- B. Safer Streets for Everyone: improvements to Tacoma's streets and key arterials, focused primarily upon improved street surfaces, supporting freight and economic development, faster pothole



repairs, safety enhancements and expanded transportation connections (approximately 50 percent); and

C. Improved Connections: improvements to access to everyday destinations, focused primarily upon safe routes to schools, sidewalk repairs and new sidewalk links, ADA (Americans with Disabilities Act) accessibility upgrades, new and improved trails, greenways, safety improvements, traffic calming, and multimodal enhancements (walking, biking, rolling, transit) (approximately 24 percent).

Section 3. If the ballot proposition set forth herein is approved by the voters, qualifying senior citizens, disabled veterans, and other qualifying individuals shall be exempt from the tax increase resulting from such ballot measure, as authorized by RCW 84.36.381.

Section 4. The City shall submit a proposition to the electorate of the City in the form substantially as follows:



CITY OF TACOMA
PROPOSITION 1
FUNDING TRANSPORTATION SAFETY IMPROVEMENTS

The Tacoma City Council adopted Connect Tacoma: Safe Streets and Sidewalks Resolution No. 41894 concerning increases in utility and property taxes for street improvements.

This measure funds safe streets, school routes, pothole repairs, paving, sidewalks, maintenance, traffic safety, neighborhood connections, by levying an additional 1.5% utility tax on natural gas, electric, phone utilities for 10 years beginning 2027; increasing the regular property tax levy for 10 years by \$0.20/\$1,000 to a maximum rate of \$1.95/\$1,000 assessed value for 2027 collections; using the 2027 levy amount to calculate subsequent levies through 2036 (RCW 84.55). Qualifying seniors and others are exempt (RCW 84.36.381).

Should this proposition be approved?

Approved..... []

Rejected..... []

Section 5. That the ballot title may be changed as needed by the proper officers of the City, pursuant to state law.

Section 6. By May 1, 2026, the City Clerk shall send to the Auditor, as *ex officio* supervisor of elections, a certified copy of this resolution, together with the proposition substantially in the form as set forth above, for the August 4, 2026, Primary Election. The proper City officials are authorized to perform such duties as are necessary or required by law to submit the question of whether the regular property tax levy and the utility earnings tax shall be increased, as provided in this resolution, to the electors at the August 4, 2026, Primary Election.



1 Section 7. The City has chosen to participate jointly with Pierce County in its
2 voters' pamphlet. Pursuant to RCW 29A.32.220, the text for the ballot measure,
3 accompanied by an explanatory statement, shall be submitted to the Auditor's
4 Office for inclusion in the Official Voters' Pamphlet. The explanatory statement shall
5 not exceed 200 words and shall be submitted to the Auditor, as *ex officio* supervisor
6 of elections, by May 1, 2026, along with the City Council appointments to the "for"
7 and "against" committees.
8

9 Section 8. If a simple majority of the qualified voters voting in the proposition
10 vote for the approval thereof, the City shall be authorized to increase the gross
11 earnings tax on natural gas, electric, and phone utilities by 1.5 percent, effective
12 January 1, 2027.
13

14 Section 9. Pursuant to RCW 84.55.050, if a simple majority of the qualified
15 voters voting on the proposition vote for the approval thereof, the proposition shall
16 be deemed approved and shall be adopted. Thereafter the City Council shall have
17 the necessary and requisite authority to levy, in the manner provided by law, an
18 increase in the City's regular property tax levy of \$0.20 per \$1,000.00 assessed
19 value beginning in 2027 to a maximum rate of \$1.95 per \$1,000.00 and to use the
20 2027 levy amount as the basis for calculating future levies, as allowed by
21 Chapter 84.55 RCW, as may be amended from time to time, as provided in the
22 proposition and herein.
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24 If less than a simple majority of qualified voters approve the proposition,
25 then it shall be deemed rejected and the City Council shall not increase the regular
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property tax levy above the limits set forth in RCW 84.55 as provided in the proposition and herein. The City's authority to levy the existing, and heretofore approved, levies shall in no way be affected by either the approval or rejection of the proposition.

Section 10. This Connect Tacoma resolution shall supersede and replace, in its entirety, City Council Resolution No. 41890 adopted on April 14, 2026.

Section 11. That if a section, subsection, paragraph, sentence, clause, or phrase of this resolution is declared unconstitutional or invalid for any reason by any court of competent jurisdiction; such decision shall not affect the validity of the remaining portions of this resolution.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney