

## **Ordinance No. 6326**

**6326 - AN ORDINANCE** creating a fund to be known as the Parks and Recreational Sidewalks Utility Tax Fund.

WHEREAS, on June 22, 2004, the Olympia City Council adopted Ordinance No. **6314**, which increased the utility tax on telephone, telegraph, natural gas and electric power by 3%, subject to voter approval, for the purpose of acquiring and making improvements to parks, wildlife habitat, natural areas, open space, hiking and biking trails, walking paths, and recreation sidewalks; and

WHEREAS, at the September 2004 primary election, the qualified electors of the City of Olympia approved the 3% utility tax increase authorized by Ordinance No. **6314** ; and

WHEREAS, the 3% utility tax increase will take effect December 1, 2004; and

WHEREAS, the City of Olympia wishes to establish a separate fund from which to account for and appropriate the voter-approved 3% utility tax increase, allowing for more efficient accounting and demonstrating that the additional tax funds are utilized for the purposes approved; now, therefore,

### **THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1.** There is hereby created in Chapter 3.04 of the Olympia Municipal Code a fund to be known as the Parks and Recreational Sidewalks Utility Tax Fund. There shall be deposited into said Fund the increase of three percent (3%) utility tax authorized by Ordinance No. **6314** and approved by a majority of electors voting in the September 2004 primary election, and other monies as may be deemed appropriate by the City Council.

**Section 2.** Funds in the Parks and Recreational Sidewalks Utility Tax Fund may be used as follows:

**A.** Utility tax monies collected under Ordinance No. **6314** may be used for purposes as set forth and as allocated in Ordinance No. **6314** and as amended; and

**B.** Other monies deposited in the Fund under Section 1 above may be used for any purpose set forth in or consistent with Ordinance No. **6314** and as amended.

MAYOR \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

\_\_\_\_\_  
CITY ATTORNEY

▼ Approved by the Mayor

Yes

▼ Attest (City Clerk)

Yes

▼ Approved as to Form (City Attorney)

Yes

Passed: 10/26/2004

Approved: 10/26/2004

Published: 10/29/2004

## Ordinance No. 6314

AN ORDINANCE of the City of Olympia, Washington, providing for the submission, to the qualified electors of the City of Olympia at the September, 2004 primary election, the proposition of whether the City should increase the utility tax levied upon telephone, telegraph, natural gas, and electric light and power businesses for the purpose of acquiring and making improvements to parks, wildlife habitat, natural areas, open space, hiking and biking trails, walking paths, and recreation sidewalks.

WHEREAS, on September 23, 2003, the Olympia City Council adopted Volume One, Overview, "Chapter Seven: Parks, Arts and Recreation" of the Olympia Comprehensive Plan; and

WHEREAS, the Plan contains target outcome ratios, expressed in acres per 1,000 population for parks, open space, ball fields, trails, and other recreational facilities; and

WHEREAS, on October 14, 2003, the City Council accepted a Sidewalk Program that identifies the locations for construction of sidewalks in locations where the highest concentrations of pedestrians exist and where the lack of a sidewalk poses the greatest threat to the pedestrian; and

WHEREAS, because walking is Olympia's most popular form of active recreation, the Sidewalk Program gave those sidewalks close to parks a high priority in the scoring system; and

WHEREAS, without eliminating expenditures for other necessary public programs and services, there are not sufficient amounts in the City's General Fund to pay for acquisition of park property necessary to meet the target outcome ratios set forth in the Parks Chapter of the Comprehensive Plan, or to construct within a reasonable time the recreation-related sidewalks in locations identified in the Sidewalk Program; and

WHEREAS, the City Council desires to provide additional funding so that the target outcome ratios set forth in the Parks Chapter of the Comprehensive Plan can be achieved, and that certain recreation-related sidewalks from the Sidewalk Program can be constructed within a reasonable time;

WHEREAS, RCW 35.21.870 permits the City to impose a tax on electrical energy, natural gas, or telephone business ("utility tax") at a rate in excess of six percent if the rate is first approved by a majority of the voters voting on such a proposition; and

WHEREAS, both the Parks Chapter of the Comprehensive Plan and the Sidewalk Program identified a voter-approved increase in the utility tax as possible sources of funding; and

WHEREAS, in the spring of 2004 the City Council created a Citizens Advisory Committee to provide recommendations concerning possible methods of funding the acquisition, construction and maintenance of parks, open space, wildlife habitat, biking and walking trails, and recreation-related sidewalks; and

WHEREAS, on April 21, 2004, the City's Parks Recreation Advisory Committee ("PRAC") voted to recommend that the City Council submit to the voters a proposed three (3) percent increase in the utility tax, and that .33 of the three percent increase be devoted to funding construction of recreation-related sidewalks; and

WHEREAS, on May 6, 2004, the Citizens Advisory Committee ("CAC") considered the Parks Recreation Advisory Committee recommendation, and itself voted to recommend that the City Council submit to the voters a proposed three (3) percent increase in the utility tax, from six (6) to nine (9) percent, with .25 - .33 of the three percent increase to be devoted to funding construction of recreation-related sidewalks; and

WHEREAS, on June 1, 2004, the City Council held a duly-noticed public hearing, to solicit public comment on the advisory committee recommendations; and

WHEREAS, all of the thirty individuals who spoke at the June 1 public hearing supported submitting the proposed three (3) percent increase in the utility tax the voters to increase funding for parks and recreation facilities, including recreation sidewalks, in the fall of 2004; and

WHEREAS, the City Council deems it necessary and advisable to increase the utility tax from six (6) percent to nine (9) percent, in order to fund the acquisition, construction and maintenance of wildlife habitat, natural areas, open space, parks, hiking and biking trails, walking paths and recreation sidewalks, with .33 of the three percent increased to be reserved for construction of walking paths and recreation-related sidewalks; and

WHEREAS, it is further deemed necessary and advisable that the proposition herein provided for be submitted to such electors at the September, 2004 primary election; now, therefore,

**THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of Section 5.84.050 of the Olympia Municipal Code. Section 5.84.050 of the Olympia Municipal Code is amended to read as follows:**

**05.84.050 - Occupations subject to tax-Amount**

From and after the effective date of the ordinance codified in this section, there is levied upon, and shall be collected from, the persons on account of the business activities, license fees in the amounts to be determined by the application of the rates against gross income, as follows:

- A. Upon every person engaged in or carrying on a telephone business, or a combined telephone and telegraph business, including revenues from intrastate toll, derived from the operation of such business within the city, a fee or tax equal to (~~six (6))~~ nine (9) percent of the total gross income from such business in the city during his/her tax year for which the license is required; provided, however, that the minimum fee or tax shall not be less than one hundred (100) dollars per tax year.

- B. Upon every person engaged in or carrying on a telegraph business, a fee or tax equal to ~~((six-(6)))~~ nine (9) percent of the total gross income from such business in the city during the tax year for which the license is required; provided, however, that the minimum fee or tax shall not be less than one hundred (100) dollars per tax year.
- C. Upon every person engaged in or carrying on the business of selling or furnishing gas for hire, a fee or tax equal to ~~((six-(6)))~~ nine (9) percent of the gross income from such business in the city during his/her tax year for which the license is required; provided, however, that the minimum fee or tax shall not be less than one hundred (100) dollars per tax year.
- D. Upon every person engaged in or carrying on the business of selling or furnishing electric light and power a fee or tax equal to ~~((six-(6)))~~ nine (9) percent of the total gross income from such business in the city during his/her tax year for the license is required; provided, however, that the minimum fee or tax shall not be less than one hundred (100) dollars per tax year.
- E. Upon every person conducting or engaged in the business of supplying steam heat or power to the public for hire, a fee or tax equal to one (1) percent of the total gross income from such business in the city during his/her tax year for which the license is required; provided, however, that the minimum fee or tax shall not be less than one hundred (100) dollars per tax year.
- F. Upon every person conducting or engaged in the business of transporting passengers for hire on a regular route, a fee or tax equal to one (1) percent of the total gross income from such business in the city during the tax year for which the license is required; provided, however, that the minimum fee or tax shall not be less than one hundred (100) dollars per tax year.
- G. Upon every person conducting or engaged in the business of selling or furnishing water, collecting or processing sewage, collecting or disposing of solid waste, handling or disposing of storm water runoff, a fee or tax equal to six (6) percent of the total gross income from such business in the city during the tax year for which the license is required; provided, that the tax on city utilities shall be an in-lieu tax equal to seven (7) percent of the total gross income from such enterprise in the city during the tax year; provided further, however, that the minimum fee or tax shall not be less than one hundred (100) dollars per tax year. This section shall not apply to:
1. Gross revenue of wholesale utility providers, that is, those which obtain utility services from the city for customers located in the service area of the provider and which own the distribution system and provide maintenance, collection, meter reading, and/or other services associated with the wholesale provision of utility services;
  2. Businesses operated primarily for the purpose of recycling of solid waste.

**Section 2. Dedication of Funds for Parks and Recreation Purposes.** The three (3) percent increase in the utility tax provided for in Section 1 above shall be expended only in the amounts and for the purposes set forth below.

- A. For acquisition, construction and/or maintenance of wildlife habitat; natural areas; open space protection and preservation; waterfront, neighborhood, community, and special use parks and playgrounds; and hiking and biking trails: two (2) percent.
- B. For acquisition, construction, and/or maintenance of walking paths and recreation-related sidewalks: one (1) percent.

**Section 3. Effective Date of Utility Tax Increase.** Sections 1 and 2 of this Ordinance shall not be effective unless and until the proposition set forth in Section 3 of this Ordinance has been submitted to the qualified electors of the City and said proposition is approved by a majority of those qualified electors voting on that proposition.

**Section 4. Submission of Proposition to Voters.** The City Manager and the City Attorney are hereby authorized and directed to deliver the proposition set forth below to the Thurston County Auditor for submission to the qualified electors of the City of Olympia in the September, 2004 primary election:

**CITY OF OLYMPIA  
PARKS AND RECREATION FACILITIES**

The Olympia City Council adopted an ordinance to increase the tax on telephone, electrical, and natural gas business, for the purpose of helping fund wildlife habitat, natural areas, open space, parks, and trails and recreation-related sidewalks. This ballot measure would allow the City of Olympia to protect and preserve wildlife habitat, natural areas, and open space; acquire, develop and maintain waterfront, neighborhood, community and special use parks and playgrounds; and construct and improve hiking, biking, and walking trails and recreation-related sidewalks by increasing the tax on telephone, electrical, and natural gas business by three percent, all subject to review and recommendation by City Council-appointed citizen advisory committees. Should this measure be:

Approved .....?  
Rejected .....?

The City Clerk is hereby authorized and directed to deliver a certified copy of this ordinance to the Thurston County Auditor. The City Manager, the City Attorney, and their designees are also hereby authorized to take such additional actions as may be necessary to carry out the intent and purpose of this Section.

**Section 5. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

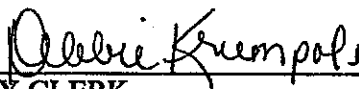
**Section 6. Severability.** If any provision of this ordinance or its application to any person or circumstances is held invalid, the remainder of this ordinance or application of the provision to other persons or circumstances, shall be unaffected.

**Section 7. Effective Date.** Except as otherwise expressly provided for herein or by law, the City Council hereby finds that the public interest requires that this Ordinance shall take effect five days after its passage and publication as required by law.

Passed at a regular open public meeting of the Olympia City Council on June 22, 2004.

  
MAYOR

ATTEST:

  
CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY

Passed: June 22, 2004  
Approved: June 22, 2004  
Published: June 25, 2004