CITY OF ALBANY CITY ATTORNEY'S IMPARTIAL ANALYSIS OF BALLOT MEASURE "____" (Utility Users' Tax)

The City of Albany ("City") currently imposes a utility users' tax ("UUT") of seven percent (7%) for gas and electricity. The City currently does not impose a tax on water service. The gas and electric UUT currently provides approximately \$887,000.00 annually to the General Fund to pay for general City services and programs.

Measure "____" was placed on the ballot by the Albany City Council and, if approved by a majority of Albany voters, will amend the Municipal Code to increase the maximum gas and electric UUT rate from seven percent (7%) to nine and one half percent (9.5%) and apply the UUT to water service at a maximum rate of seven and one half percent (7.5%). It is projected that the UUT rate increase on gas and electricity and the new UUT on water service will together generate an additional \$675,600.00 in new revenues annually.

The UUT is typically computed on the basis of monthly usage and collected by the utility services provider in accordance with the service provider's regular billing practices. The increased gas and electric UUT rates and the new water UUT rate would remain in effect until modified or repealed by Albany voters.

Measure "___" would be a "general tax". All revenue from this tax would be deposited into the City's General Fund and could be used for general City operations and services. The Measure expresses an intent that the City spend at least one-third (1/3) of the UUT revenue on implementing the City's Climate Action and Adaptation Plan and supporting environmental sustainability programs.

A "yes" vote on Measure "___" will approve the increased UUT rate for gas and electric service and the new UUT rate for water service.

A "no" vote on Measure "____" <u>will not approve</u> the increased UUT rate for gas and electric service and the new UUT rate for water service.

The above statement is an impartial analysis of Measure "____". If you desire a copy of the ordinance or measure, please call the City Clerk's office at (510) 528-5710 and a copy will be mailed at no cost to you.

/s/ Malathy Subramanian, City Attorney