

# Tukwila & I-1033

**If passed, Initiative 1033 (I-1033) would have a dramatic impact on the City of Tukwila's General Fund revenue.**

## PUT SIMPLY

Initiative I-1033 limits growth in city revenues deposited into the general fund. Limits will only be adjusted according to local population growth and the *national* inflation rate. Essentially, the initiative locks in all budget cuts local governments have been forced to make in response to today's economy.

## DOLLARS & CENTS

The Office of Financial Management estimates that in the first 6 years, I-1033 will divert \$5.9 billion from the state general fund; \$2.1 billion from city general funds; and \$694 million from county general funds.

## IRREVERSIBLE

The Washington State Constitution says that if a ballot measure passes, it CANNOT be amended for two years, unless there is a 2/3rds vote of the legislature.

## THE FACTS

Initiative 1033, scheduled to be on the ballot for the **November 3, 2009** general election, would limit the growth of state, county and city revenue to annual inflation and population growth.

Initiative 1033 would permanently reset Tukwila's budget to 2009 levels. During 2009 the City is experiencing historic decreases in many types of revenue, including a **23% decrease in sales tax**, the City's single largest source of revenue. Population growth for Tukwila over the last ten years has been **less than 0.5%**. The inflation rate for 2009 is projected to be **0.5%**, and the projection over the next several years is for inflation **of less than 2%**.

The combination of population growth and inflation would provide for minimal increases to the City's revenue for many years under I-1033.

## EFFECTS OF I-1033 on TUKWILA

- ▶ Severely limit the City's ability to provide essential services at current levels.

*Including, but not limited to:*

**FIRE  
POLICE  
STREET MAINTENANCE  
PARK & TRAILS  
FLOOD RESPONSE**

- ▶ Reduce Available General Fund Revenues\*
- ▶ Obstruct Economic Development
- ▶ Inhibit Redevelopment
- ▶ Hinder Annexations
- ▶ Deteriorate the Property Tax Base
- ▶ No-Growth in Revenue\*\*
- ▶ Suppress Job Growth
- ▶ Lessen Economic Recovery
- ▶ Expenditures Exceed Revenues\*\*\*
- ▶ Delay City Projects & Programs

*Including, but not limited to:*

**STREET OVERLAY  
WALK & ROLL PLAN  
RECREATIONAL OPPORTUNITIES  
TRAFFIC SIGNAL PROGRAM  
HUMAN SERVICES INITIATIVES**

## KNOW THE IMPACT OF THE FACTS

**The fiscal impact to the City of Tukwila grows to over \$7 million per year within ten years.** If forced to absorb the impact of revenue reductions at this level, the City would not be able to sustain essential services, such as police and fire protection, street maintenance, maintenance of parks and trails and unanticipated costs such as flood and storm responses. Additionally, the City would not be able to improve services to meet the needs of the residential and business community.

## Still have questions?

Contact Shawn Hunstock, City of Tukwila Finance Director,  
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*\*General fund revenue is defined as the main operating account of a government agency.*

*\*\*No-growth revenue refers to a zero increase in funding received by a government agency.*

*\*\*\*Due to increased costs and no-growth in revenues, City expenditures may exceed annual revenue intake.*