"The UUT is a local tax, passed by local residents, used for local services"

Capital Improvement Program (CIP) funded by the UUT

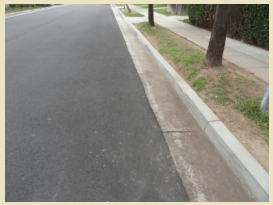
In the past 5 years, over **$12** million has been allocated toward street and sidewalk repair projects.

The City has a backlog of approximately $60 million in street improvement repair needs. The City Council has been committed to addressing the issue of our aging infrastructure.

UUT funded CIP projects have included the following:

- Orange Grove Street Improvements
- Glendon Way / El Centro
- Moffat, Mound Rollin Street Improvements
- Mission, Oxley Park Street Improvements
- Hanscom Street Improvements Phase II
- Hawthorne Street Improvements
- Foothill, Mission and San Pasqual Street Improvements
- Citywide Street Name Sign Replacement
- Collis, Hill, Chelton Way, El Centro Street Rehabilitation
- Pavement Management System Upgrade

BEFORE



AFTER

Hawthorne Street

For more information about the UUT and what it means to South Pasadena residents and businesses, visit www.southpasadenaca.gov/UUT or contact the City Manager's Office at (626) 403-7210.

City of South Pasadena
1414 Mission Street
South Pasadena, CA 91030
www.southpasadenaca.gov

Printed on Recycled Paper

Utility Users Tax FACT SHEET

City of South Pasadena

PRESERVING THE PAST,
CELEBRATING THE PRESENT,
REACHING FOR THE FUTURE

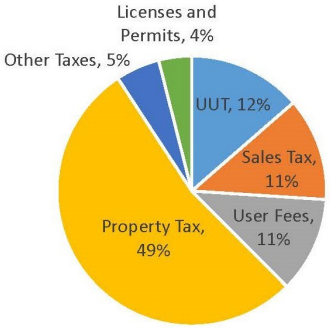
What is the UUT?

Approved by South Pasadena voters, the City collects Utility Users Tax (UUT) on cable, cellular telephone, electric, gas, water, and telecommunications services.

The UUT helps fund a wide array of vital City services, including police, fire, library, parks, and public works services.

How much revenue does the UUT generate annually for the City?

Currently, the UUT generates $3.4 million annually for the City, which is 12% of the General Fund. The UUT is the second largest revenue source for the City, after property taxes. It generates millions to help pay for integral services that the City provides to its 26,011 residents on a daily basis.



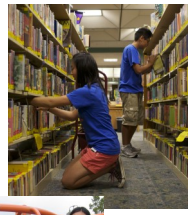
FY 2017-18
General Fund Budget
$27,691,146

DID YOU KNOW...

The City receives only 24 cents from every dollar of property taxes. The City receives 100% of the UUT. These unrestricted funds are a vital element in the funding of critical city services.

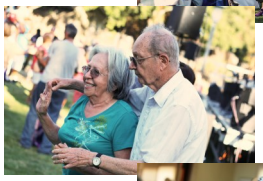
History of the UUT

The need for the UUT came in part from the post-Proposition 13 effects on local governments. The State of California was retaining property taxes from Cities and not returning those taxes. Many local cities had enacted local taxes to make up for the shortfall and to maintain services at existing levels. Currently, there are 154 cities and 4 counties in the State of California that have UUTs.



Since 1983, the City of South Pasadena has had a tax on utilities which has fluctuated between 5% to 8% over the years. The UUT has continuously been approved by the community throughout its over 30 year existence. South Pasadena residents last considered the extension of the UUT in 2011. A majority of voters approved a ballot measure which reduced the UUT rate from 8% to 7.5%, beginning July 1, 2012, and, extended the tax for 10 years, until June 30, 2022.

Unlike federal or state taxes, the benefits arising from local taxes are apparent at the community level. The revenues stay 100% in the city and are used to provide services directly to the residents.



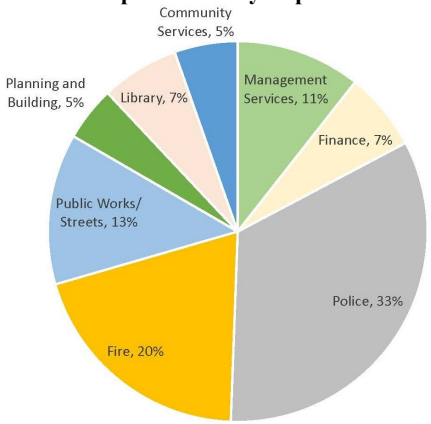
Is there an exemption for low-income residents?
Yes, there is a low-income program for residents who have income at or below 80% of the area median income as determined by the US Dept. of Housing and Urban Development regulations.

An online application is available at www.southpasadenaca.gov/UUT

What is the Purpose of the UUT?

Many residents choose to live in South Pasadena because it offers a high quality of life and outstanding city services. UUT funds help our City maintain police officer and firefighter staffing levels, street and road maintenance and pothole repair. It also supports senior services and programs such as meals-on-wheels, all of which make South Pasadena a desirable place to live and do business.

GF Expenditures by Department



Losing UUT funds...
will jeopardize the quality of life for South Pasadena residents, with reduction or elimination of vital services, projects, programs and amenities:

- Staffing levels in all departments would be significantly reduced.
- Essential public safety services, police & fire/ paramedics, will be at risk for major cutbacks.
- The City's ability to meet the needs of the community in improving, rehabilitating, and replacing the aging infrastructure would be hindered.
- The Library, parks and city facilities, and all recreational programming and community events may be eliminated.