



CITY OF TUALATIN

Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: Sherilyn Lombos, City Manager

DATE: October 27, 2025

SUBJECT:

Consideration of Ordinance 1452-25 Imposing a 0.3% Privilege Tax on Portland General Electric Company

RECOMMENDATION:

Staff recommends approval of Ordinance 1452-25.

EXECUTIVE SUMMARY:

The City Council adopted the Community Climate Action Plan on May 28, 2024, which provides a road map the City can use to achieve net zero emissions by 2050. The final plan consists of 146 actions within seven focus areas. On October 14, 2024, the City Council adopted a two-year work plan, which included the following action:

8.1.11 Identify an ongoing funding source. By identifying a consistent funding source, the City can better plan and carry out actions that have a monetary cost or rely on consultant support. This could also be used to fund the full-time employee recommended in another implementation action.

On September 22, 2025 the City Council authorized a \$.99 optional fee that will be assessed on monthly utility bills beginning in January 2026, called Pennies for Climate Action. In addition, the City Council held first and second reading of Ordinance 1452-25 which imposes a 0.3% Privilege Tax on Portland General Electric, effective January 1, 2026.

Since the vote to adopt the Ordinance was not unanimous, Council Rules require the ordinance to come back a 2nd meeting for a final vote.

FINANCIAL IMPLICATIONS:

The 0.3% privilege tax is estimated to generate approximately \$150,000 and be an increase of approximately \$.50 per month to the average PGE residential customer.

ATTACHMENTS:

- Ordinance 1452-25