

Ordinance No. 123180

Council Bill No. 116723

AN ORDINANCE relating to the levy of property taxes; fixing the rates and/or amounts of taxes to be levied, and levying the same upon all taxable property, both real and personal, in the City of Seattle, to finance the departments and activities of City government and to provide for the general obligation bond interest and redemption requirements for the year beginning on the first day of January 2010; ratifying and confirming certain prior acts; and by a vote of a majority plus one of the Seattle City Council, finding a substantial need to use, and providing for the use of, 101% as the regular property tax limit factor.

CF No. _____

Date Introduced:	<u>11.9.09</u>	
Date 1st Referred:		To: (committee) <u>Budget</u>
Date Re - Referred:		To: (committee)
Date Re - Referred:		To: (committee)
Date of Final Passage:	<u>11-23-09</u>	Full Council Vote: <u>9-0</u>
Date Presented to Mayor:	<u>11-23-09</u>	Date Approved: <u>12.1.09</u>
Date Returned to City Clerk:	<u>12.3.09</u>	Date Published: T.O. <input checked="" type="checkbox"/> F.T. <input type="checkbox"/>
Date Vetoed by Mayor:		Date Veto Published:
Date Passed Over Veto:		Veto Sustained:

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: Godden

Councilmember

Committee Action:

11-23-09 Budget Committee

Pass

11-23-09 Full Council Passed 9-0

This file is complete and ready for presentation to Full Council. Committee: _____ (initial/date)

Law Department

Law Dept. Review

OMP Review

City Clerk Review

Electronic Copy Loaded

Indexed

ORDINANCE 123180

AN ORDINANCE relating to the levy of property taxes; fixing the rates and/or amounts of taxes to be levied, and levying the same upon all taxable property, both real and personal, in the City of Seattle, to finance the departments and activities of City government and to provide for the general obligation bond interest and redemption requirements for the year beginning on the first day of January 2010; ratifying and confirming certain prior acts; and by a vote of a majority plus one of the Seattle City Council, finding a substantial need to use, and providing for the use of, 101% as the regular property tax limit factor.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. General Municipal and Firefighters' Pension.

A. There is levied a tax on all taxable property, both real and personal, within the City of Seattle and subject to taxation under the laws of the State of Washington in the amount of Four Hundred Forty-five Million Seven Hundred Forty-eight Thousand Six Hundred Seventy-four Dollars (\$445,748,674), which is calculated as Three Dollars and Sixty cents (\$3.60) per thousand dollars of estimated assessed value of such property. This tax is levied for the purpose of raising revenue to finance the various departments and activities of the municipal government of the City of Seattle for the fiscal (calendar) year 2010. The following sentence is provided for information only. This levy has been calculated at the following dollar rates per thousand dollars of assessed value: Three Dollars and Thirty-seven and one-half cents (\$3.375) for general municipal purposes as allowed by RCW 84.52.043 (which includes up to Twenty-two and one-half cents (\$0.225) for the Firemen's Pension Fund as allowed by RCW 41.16.060); and Twenty-two and one-half cents (\$0.225) for general municipal purposes and the Firemen's Pension Fund as allowed by RCW 41.16.060. This levy includes an amount of Sixteen Million Six Hundred Eighty-four Thousand Dollars (\$16,684,000) for educational and developmental services in



1 accordance with Ordinance 121529; an amount of Eleven Million Seven Hundred Fifty
2 Thousand Dollars (\$11,750,000) for firefighting, life-safety and other emergency response
3 facilities in accordance with Ordinance 121230; an amount of Thirty-seven Million Seven
4 Hundred Sixty Thousand Five Hundred Thirty-two Dollars (\$37,760,532), for transportation
5 purposes in accordance with Ordinance 122232; an amount of Twelve Million Five Hundred
6 Thousand Dollars (\$12,500,000) for basic infrastructure improvements to the Pike Place Market
7 in accordance with Ordinance 122737; an amount of Twenty-four Million Two Hundred Fifty
8 Thousand Dollars (\$24,250,000) for parks purposes in accordance with Ordinance 122749; and
9 an amount of Twenty Million Seven Hundred Fourteen Thousand Two Hundred Eighty-six
10 Dollars (\$20,714,286) for low-income housing purposes in accordance with Ordinance 123013.
11

12 B. If the total of the amounts of taxes stated in subsection 1.A, or the total of the tax rate
13 stated in subsection 1.A would be in excess of any maximum allowed by law, then such taxes
14 shall be reduced to the maximum amount allowed. The maximum amount allowed by law
15 includes the maximum amount of regular property taxes approved by vote of the people of the
16 City of Seattle pursuant to RCW 84.55.050. For purposes of this subsection, the maximum
17 amount of regular property taxes is determined by the King County Assessor as follows. First,
18 the Assessor determines the amount of regular City property taxes that could have been levied
19 for collection in 2010 had the voters approved none of the levy lid lift measures submitted
20 pursuant to RCW 84.55.050 and Ordinances 121529, 121230, 122232, 122737, 122749 and
21 123013. This amount is computed by the Assessor by multiplying the amount of general
22 purpose regular property taxes levied for collection in 2009 by a limit factor. The limit factor is
23 the lesser of 101% or 100% plus the rate of inflation, unless pursuant to RCW 84.55.0101, the
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1 Council finds that there is a substantial need to use and approves the use of 101% as the regular
2 property tax limit factor. Second, the Assessor adds the levy for tax refunds authorized by RCW
3 84.68.040 and RCW 84.55.070; plus the allowance authorized by RCW 84.55.010 for new
4 construction, increases in assessed value due to construction of electric generation wind turbine
5 facilities classified as personal property, improvements to property, and any increase in the
6 assessed value of state-assessed property. Then, to that total amount is added the six dollar
7 amounts set forth in the last sentence of subsection 1.A, authorized for 2010 collection in the
8 approvals given by the voters of the City pursuant to RCW 84.55.050 and those enumerated
9 ordinances.
10

11 Section 2. Pursuant to RCW 84.55.0101, and pursuant to Resolution 31134 adopting the
12 City Council's top budget goals for the 2010 budget, and in order to carry out those budget goals
13 and the 2010-2015 Capital Improvement Program, the City Council finds that there is a
14 substantial need to use and approves the use of 101% as the regular property tax limit factor for
15 regular property taxes to be collected in 2010.
16

17 Section 3. Voter-approved excess taxes for bonds. In addition, a further tax is levied to
18 raise revenue to provide for the interest on and redemption of voter-approved general obligation
19 bonds for the fiscal year 2010 in the amount of Sixteen Million Five Hundred Sixty-eight
20 Thousand Three Hundred Ten Dollars (\$16,568,310). This tax is applicable to all taxable
21 property within the City of Seattle.
22

23 Section 4. Severability. The several provisions of this ordinance are declared to be
24 separate and severable and the invalidity of any clause, sentence, paragraph, subdivision, section,
25 subsection, or portion of this ordinance, or the invalidity of the application thereof to any person,
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1 property, or circumstance, shall not affect the validity of the remainder of this ordinance or the
2 validity of its application to other persons, property, or circumstances.

3 Section 5. Any act pursuant to the authority of this ordinance taken after the passage of
4 this ordinance is ratified and confirmed.

5
6 Section 6. Effective date. This ordinance shall take effect and be in force thirty (30)
7 days from and after its approval by the Mayor, but if not approved and returned by the Mayor
8 within ten (10) days after presentation, it shall take effect as provided by the Seattle Municipal
9 Code Section 1.04.020.

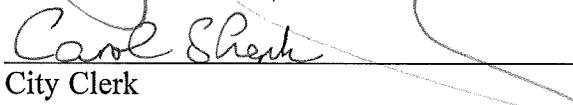
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11 Passed by a vote of at least a majority plus one of the City Council the 23rd day of
12 November, 2009, and signed by me in open session in authentication of its passage
13 this 23rd day of November, 2009.

14
15
16 
17 President _____ of the City Council

18 Approved by me this 1st day of December 2009.

19
20 
21 Gregory J. Nickels, Mayor

22 Filed by me this 3rd day of December, 2009.

23 
24 Acty City Clerk

25
26 (Seal)



2010 BUDGET LEGISLATION FISCAL NOTE

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Finance	Dave Hennes/684-0537	Dave Hennes/684-0537

Legislation Title:

AN ORDINANCE relating to the levy of property taxes; fixing the rates and/or amounts of taxes to be levied, and levying the same upon all taxable property, both real and personal, in the City of Seattle, to finance the departments and activities of City government and to provide for the general obligation bond interest and redemption requirements for the year beginning on the first day of January 2010; ratifying and confirming certain prior acts; and by a vote of a majority plus one of the Seattle City Council, finding a substantial need to use, and providing for the use of, 101% as the regular property tax limit factor.

- **Summary of the Legislation:** This ordinance imposes the City's property tax for 2010 to pay for City government activities and for general obligation bond interest and redemption.
- **Background:** RCW 84.55.010 provides that the City may, with a simple majority vote of the City Council, levy a property tax increase equal to inflation but not greater than a 1% increase over the prior year's regular property tax collection. If inflation is lower than 1%, the law requires a majority plus one vote, with a finding of substantial need, to have a tax increase exceed inflation to the maximum of 1%. Inflation is measured by the implicit price deflator for the United States published in September. As the rate of inflation is projected to be less than 1% in 2009 and the City is aggressively adjusting its expenditure plan to the significantly reduced revenue forecasts in 2009 and 2010, this Council Bill proposes a Council finding of substantial need to use the 101% regular property tax limit factor to support the City's Capital Improvement Program and other budget goals established in Resolution 31134. The Council may not increase regular property taxes above 1% without a vote of the people.

In addition to the 1% increase in the regular non-voted property tax levy proposed in the attached Bill and the same percentage increase for the Bridging the Gap Transportation levy lid lift, the levy includes a new voter-approved amount of \$20,714,286 from the renewal of the Low-Income Housing levy lid lift. At the same time, the 2003-2009 regular and special Low-Income Housing levy lid lift (\$12,286,000) expires, and the Fire Facilities levy amount is scheduled to decrease. This all results in an overall increase from 2009 of \$11,351,046, which does not include changes in the excess levy for redemption of general obligation bonds, the "refund fund levy" or additional taxes resulting from new construction, construction of wind turbine facilities classified as personal property, improvements to property, or increases in the value of state-assessed property.



X This legislation has financial implications. (Please complete all relevant sections that follow.)

Anticipated Revenue/Reimbursement: Resulting From This Legislation:

Fund Name and Number	Revenue Source	2009 Revenue (in \$000's)
00100 General subfund	Property Tax	\$213,355
16416 2009 Low Income Housing Fund	Property Tax	\$20,714
17856 Families & Education lid lift	Property Tax	\$16,684
34440 Fire Facilities lid lift	Property Tax	\$11,750
10300 Transportation Fund	Property Tax	\$39,149
35300 Pike Place Market lid lift	Property Tax	\$12,500
35400 Parks lid lift	Property Tax	\$24,250
20140 GO Bond Redemption	Property Tax	\$16,568
TOTAL		\$354,970

Note: Due to the levy's design, the transportation lid lift also receives a portion of new construction revenues, which accounts for the difference between the numbers reflected in the ordinance and fiscal note.

Anticipated Total Revenue from Entire Program, Including Changes Resulting From This Legislation:

Fund Name and Number	Revenue Source	Total 2009 Revenue (In \$000's)
	Property Tax	\$354,970
TOTAL		\$354,970

- **What is the financial cost of not implementing the legislation?** Without this legislation, no increase in property tax revenue, other than that resulting from the addition of new construction, improvements to property, construction of wind turbine facilities classified as personal property, and any increase in the value of state-assessed property, may be authorized. The cost of not implementing this legislation is the 1% increase over the 2009 current expense levy, estimated to be \$2.12 million plus the additional \$20.714 million in taxes for low-income housing purposes as approved by the voters.
- **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** Without voter approval, there is no other mechanism to increase property tax revenue.
- **Is the legislation subject to public hearing requirements:** Yes. Public hearings will take place on October 7, 2009, October 14, and October 26, 2009.





City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

September 25, 2009

Honorable Richard Conlin
President
Seattle City Council
City Hall, 2nd Floor

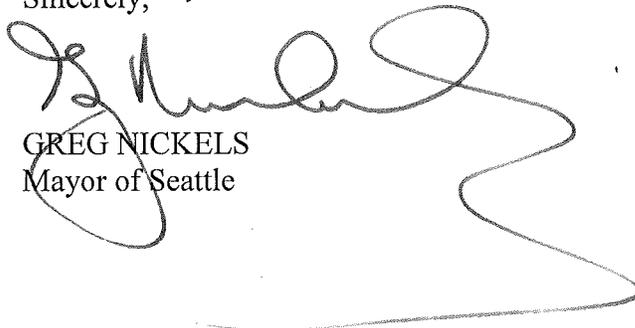
Dear Council President Conlin:

I am transmitting the attached proposed Council Bill, which fulfills the legal requirement for the collection of property tax levies to finance activities of City government and general obligation bond interest and redemption. This legislation and the 2010 Proposed Budget propose a one percent increase in the regular non-voted 2010 property tax levy.

Seattle's regular property tax levy provides revenue to fund a significant portion of the General Subfund. In 2009, it accounted for an estimated 28 percent of the General Subfund budget. In 2010, property tax revenue authorized by this Bill will provide significant resources for the Firemen's Pension Fund and, through voter-approved property taxes, fund programs that support emergency medical services, low-income housing, educational and development services, fire facilities, the City's transportation system, neighborhood park and recreation facilities, and the Pike Place Market.

Thank you for your consideration of this legislation. Should you have questions please contact Dave Hennes at 684-0537.

Sincerely,



GREG NICKELS
Mayor of Seattle

600 Fourth Avenue, 7th Floor, Seattle, WA 98104-8154

Tel: (206) 684-4000, TDD: (206) 684-8811 Fax: (206) 684-5360, E:mail: mayors.office@ci.seattle.wa.us

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STATE OF WASHINGTON – KING COUNTY

--SS.

248065
CITY OF SEATTLE, CLERKS OFFICE

No. 73-75,77,79-80,85

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

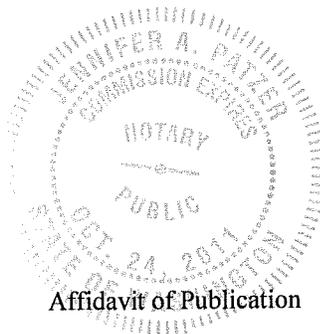
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:123156-59,63-66,68-69

was published on

12/10/09

The amount of the fee charged for the foregoing publication is the sum of \$ 254.70, which amount has been paid in full.



Affidavit of Publication

[Signature]
Subscribed and sworn to before me on
12/10/09
[Signature]
Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on November 23, 2009, and published here by title only, will be mailed upon request, or can be accessed at <http://clerk.ci.seattle.wa.us>. For further information, contact the Seattle City Clerk at 684-8344.

ORDINANCE NO. 123156

AN ORDINANCE relating to contracting indebtedness; authorizing and providing for the issuance and sale of limited tax general obligation bonds to pay all or part of the cost of financing elements of the City's capital improvement program, issuing and selling the bonds; and other City purposes approved by ordinance; providing for terms and sale of the bonds; creating a project fund; amending Ordinance 122848; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123157

AN ORDINANCE related to funding from non-City sources; authorizing City Department Heads and certain Directors governed by SMC Chapter 3.14 to accept certain grants in amounts not to exceed Fifteen Thousand Dollars, to negotiate and execute contracts and agreements in order to receive funding under those grants and make associated expenditures in accordance with the terms of the applicable grants; and creating a new chapter 5.33 in the Seattle Municipal Code.

ORDINANCE NO. 123158

AN ORDINANCE relating to jail services; authorizing the Mayor to execute with the City of Bellevue a proceeds distribution and hold harmless agreement for Seattle's share of real property sale proceeds to be used to facilitate the reduction of Seattle's jail population housed by King County; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123159

AN ORDINANCE relating to the Department of Parks and Recreation; establishing the 2010 fee schedule for the use of park properties and other park and recreation facilities and services; superseding previous park and recreation fee schedules; and amending Section 18.28.010 of the Seattle Municipal Code.

ORDINANCE NO. 123163

AN ORDINANCE relating to the Seattle Department of Transportation's financing of certain capital activities for street paving purposes; and amending Ordinance 122641 to extend the term of an interfund loan.

ORDINANCE NO. 123164

AN ORDINANCE relating to the financing of the South Lake Union Streetcar project; amending Ordinance 122603 to extend the term of an interfund loan.

ORDINANCE NO. 123165

AN ORDINANCE relating to City employment; authorizing the Mayor to sign and execute a memorandum of understanding between the City of Seattle and certain City unions, and a memorandum of understanding between the City of Seattle and the Seattle Municipal Court and certain City unions, both memoranda establishing a furlough program in 2010; and ratifying and confirming prior acts.

ORDINANCE NO. 123166

AN ORDINANCE relating to City employment; establishing a 2010 furlough program for certain employees not covered by collective bargaining agreements; extending the time employees laid off in 2009 and 2010 would be in Project Hire and on reinstatement lists from one year to two; and ratifying and confirming prior acts.

ORDINANCE NO. 123168

AN ORDINANCE relating to the municipal water system of The City of Seattle; adopting a system or plan of additions or betterments to or extensions of the existing municipal water system; authorizing the issuance and sale of water system revenue bonds, in one or more series, for the purposes of paying part of the cost of carrying out that system or plan, providing a bond reserve and paying the costs of issuing and selling the bonds; providing for the terms, conditions, covenants and manner of sale of those bonds; describing the lien of the bonds; creating certain accounts of the City relating to those bonds; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123169

AN ORDINANCE relating to the electric system of The City of Seattle; authorizing the issuance and sale of municipal light and power revenue bonds for the purposes of providing funds for certain additions and betterments to and extensions of the existing municipal light and power plant and system of the City, capitalizing interest on and paying the costs of issuing and selling those bonds and providing for the reserve fund requirement; providing for the terms, conditions, covenants and manner of sale of those bonds; describing the lien of those bonds; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123173

AN ORDINANCE relating to compensation for certain City officers and employees not covered by collective bargaining agreements; and providing salary increases effective January 5, 2011.

ORDINANCE NO. 123174

AN ORDINANCE relating to City employment; authorizing the Mayor to execute a memorandum of understanding between the City of Seattle and certain individual unions in the Coalition of City Unions, a memorandum of understanding between the City of Seattle and the Pacific Northwest Regional Council of Carpenters, and a memorandum of understanding between the City of Seattle and the International Association of Machinists and Aerospace Workers District Lodge 160, Local 289, all amending collective bargaining agreements expiring December 31, 2010.

ORDINANCE NO. 123175

AN ORDINANCE amending the 2009 Adopted Budget, including the 2009-2014 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; creating a new Budget Control Level; adding a new project and revising project allocations for certain projects in the 2009-2014 CIP; making cash transfers between funds; and ratifying and confirming certain prior acts, all by a three-fourths vote of the City Council.

ORDINANCE NO. 123177

AN ORDINANCE adopting a budget, including a capital improvement program and position modifications, for the City of Seattle for 2010; creating a barrier fund; creating positions exempt from civil service; and finding that 2010 General Fund contributions to the Park and Recreation Fund exceed the requirements set forth under Article XI, Section 3 of the City Charter; all by a two-thirds vote of the City Council.

ORDINANCE NO. 123179

AN ORDINANCE authorizing the levy of regular property taxes by the City of Seattle for collection in 2010, representing an increase above the regular property taxes levied for collection in 2009; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123180

AN ORDINANCE relating to the levy of property taxes; fixing the rates and/or amounts of taxes to be levied, and levying the same upon all taxable property, both real and personal, in the City of Seattle, to finance the departments and activities of City government and to provide for the general obligation bond interest and redemption require-

ments for the year beginning on the first day of January 2010; ratifying and confirming certain prior acts; and by a vote of a majority plus one of the Seattle City Council, finding a substantial need to use, and providing for the use of, 101% as the regular property tax limit factor.

ORDINANCE NO. 123185

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Publication ordered by the City Clerk
Date of publication in the Seattle Daily Journal of Commerce, December 10, 2009.

12/10(248065)