Ordinance No. 123762

Council Bill No. 117338

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 2012; and ratifying and confirming certain prior acts.

CF No. _____

Date Introduced: Nov. 14, 2011		
Date 1st Referred:	To: (committee) Special Budget	
Date Re - Referred:	To: (committee)	
Date Re - Referred:	To: (committee)	
Date of Final Passage: 11.21.11	Full Council Vote: 8-0	
Date Presented to Mayor: 11.23.11	Date Approved: Nov. 30, 2011	
Date Returned to City Clerk: Nov. 30, 2011	Date Published:	T.O. ✓ F.T. ___
Date Vetoed by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: _____
Councilmember

Committee Action:

11.21.11 Pass 9-0

11.21.11 Passed 8-0

~~Absent~~ : NL

excused :

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

Law Dept. Review	OMP Review	City Clerk Review	Electronic Copy Loaded	Indexed

Dave Hennes / Martha Lester
CBO / FAS Long Property Tax 2012_F&E Pass ORD
November 3, 2011
Version #3

ORDINANCE 123762

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 2012; and ratifying and confirming certain prior acts.

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 $420,401,422, which is calculated as $3.60 per $1,000 of estimated assessed value of all taxable property in the city. 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 2012. The following sentence is provided for information only. This levy has been calculated at the following dollar rates per $1,000 of assessed value: $3.375 for general municipal purposes as allowed by RCW 84.52.043 (which includes up to $0.225 for the Firemen's Pension Fund as allowed by RCW 41.16.060); and $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 $7,500,000 for firefighting, life-safety and other emergency response facilities in accordance with Ordinance 121230; an amount of $38,519,518, for transportation purposes in accordance with Ordinance 122232; an amount of $12,500,000 for basic infrastructure improvements to the Pike Place Market in accordance with Ordinance 122737; an amount of $24,250,000 for parks purposes in accordance with Ordinance 122749; an amount of

$20,714,286 for low-income housing purposes in accordance with Ordinance 123013; and an amount of $32,101,000 for educational and developmental services in accordance with Ordinance 123567.

B. If the total of the amounts of taxes stated in subsection 1.A or the total of the tax rate stated in subsection 1.A would be in excess of any maximum allowed by law, then such taxes shall be reduced to the maximum amount allowed. The maximum amount allowed by law includes the maximum amount of regular property taxes approved by vote of the people of The City of Seattle pursuant to RCW 84.55.050. For purposes of this subsection, the maximum amount of regular property taxes is determined by the King County Assessor as follows. First, the Assessor determines the amount of regular City property taxes that could have been levied for collection in 2012 had the voters approved none of the levy lid lift measures submitted pursuant to RCW 84.55.050 and Ordinances 121230, 122232, 122737, 122749, 123013 and 123567. This amount is computed by the Assessor by multiplying the amount of general purpose regular property taxes levied for collection in 2011 by a limit factor. The limit factor is the lesser of 101% or 100% plus the rate of inflation, unless pursuant to RCW 84.55.0101, the Council finds that there is a substantial need to use and approves the use of 101% as the regular property tax limit factor. Second, the Assessor adds the levy for tax refunds authorized by RCW 84.68.040 and RCW 84.55.070; plus the allowance authorized by RCW 84.55.010 for new construction, increases in assessed value due to construction of electric generation wind turbine facilities classified as personal property, improvements to property, and any increase in the assessed value of state-assessed property. Then, to that total amount is added the six dollar amounts set forth in the last sentence of subsection 1.A, authorized for 2012 collection in the

approvals given by the voters of the City pursuant to RCW 84.55.050 and those enumerated ordinances.

Section 2. **Voter-approved excess taxes for bonds.** In addition, a further tax is levied to raise revenue to provide for the interest on and redemption of voter-approved general obligation bonds for the fiscal year 2012 in the amount of $17,025,160. This tax is applicable to all taxable property within The City of Seattle.

Section 3. **Severability**. The several provisions of this ordinance are declared to be separate and severable and the invalidity of any clause, sentence, paragraph, subdivision, section, subsection, or portion of this ordinance, or the invalidity of the application thereof to any person, property, or circumstance, shall not affect the validity of the remainder of this ordinance or the validity of its application to other persons, property, or circumstances.

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

Section 5. **Effective date**. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by the Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 21st day of November, 2011, and signed by me in open session in authentication of its passage this 21 day of November, 2011.

President _____ of the City Council

Approved by me this 30th day of Nov., 2011.

Michael McGinn, Mayor

Filed by me this 30th day of Nov., 2011.

for Monica Martinez Simmons, City Clerk

(Seal)

Form revised: May 6, 2011

2012 BUDGET LEGISLATION FISCAL NOTE

Department:	Contact Person/Phone:	CBO Analyst/Phone:
CBO/FAS	Dave Hennes/4-0537	Dave Hennes/4-0537

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 2012; ratifying and confirming certain prior acts.

Summary of the Legislation:

This ordinance imposes the City's property tax for 2012 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 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. In most years, the inflation rate will exceed 1%. This year the rate is estimated to be 2.755%. Thus, the Council does not need to make a finding of substantial need with approval by a majority plus one vote. The Council may not increase regular property taxes above 1% without a vote of the people.

Other than 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 City's regular levy includes an increase for the renewal of the Families and Education levy from $16,684,000 in 2011 (old levy) to $32,101,000 in 2012. 2012 is also the final year of the Fire Facilities levy, which is decreasing from $11,750,000 in 2011 to $7,500,000 in 2012. This ordinance also includes $17,025,160, a slight decrease from 2011, for interest on and redemption of voter-approved general obligation bonds for the fiscal year 2012. These changes result in an overall increase from 2011 of $13,769,618, 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.

Summary of Changes to Revenue Generated Specifically from this Legislation:

Revenue Source	Fund	2012 Proposed ($000)
Property Tax	00100 General Subfund	223,269
Property Tax – lid lift	16416 2009 Low Income Housing Fund	20,714
Property Tax – lid lift	17857 2011 Families and Education Levy Fund	32,101
Property Tax – lid lift	34440 Fire Facilities Subfund	7,500
Property Tax – lid lift	10300 Transportation Operating Fund	41,229
Property Tax – lid lift	11010 Pike Place Market Renovation Fund	12,500
Property Tax – lid lift	33860 2008 Parks Levy Fund	24,250
Property Tax	20140 GO Bond Interest and Redemption Fund	17,025
	Total Fees and Charges Resulting From Passage of this Ordinance	**378,588**

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.

Revenue Change Notes:

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

Fund Name and Number	Revenue Source	Total 2012 Revenue ($000)
Various	Property Tax	378,588
TOTAL		378,588

Total Revenue Notes:

Other Implications:

a) Does the legislation have indirect financial implications, or long-term implications? Yes. Please see section b, below.

b) What is the financial cost of not implementing this 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 2011 current expense levy and Transportation levy lid lift, estimated to be $2.62 million

and an additional $700,000 levied in the Fire Facilities levy lid lift to ensure the total amount raised by the lid lift approaches more closely the total amount authorized and approved by voters. If not passed, the County Assessor will levy the same or previously authorized amounts (general expense and levy lid lifts) as levied for the 2011 tax collection year plus amounts resulting from new construction, improvements to property, construction of wind turbine facilities classified as personal property, and any increase in the value of state-assessed property.

c) Does this legislation affect any departments besides the originating department? See b) above.

d) 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.

e) Is the legislation subject to public hearing requirements? Yes. Public hearings will take place on October 4, 2011 and October 26, 2011.

f) Other Issues: None.

Please list attachments to the fiscal note below: None.

City of Seattle
Office of the Mayor

September 26, 2011

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

Dear Council President Conlin:

I am transmitting the attached proposed Council Bill for consideration with the 2012 Proposed Budget. This legislation 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 2012 Proposed Budget propose a 1 percent increase in the regular non-voted 2012 property tax levy.

Seattle's regular property tax levy provides revenue to fund a significant portion of the General Subfund. In 2011, it accounted for an estimated 28 percent of the General Subfund budget. In 2012, property tax revenue authorized by this Bill will provide significant resources for the Firefighters' Pension 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. The 2012 levy also marks the first year in the renewal of the 1998 and 2004 Families and Education levies, which the voters on November 8, 2011 elected to renew.

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

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor
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Seattle, WA 98124-4749

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mike.mcginn@seattle.gov

STATE OF WASHINGTON – KING COUNTY

--ss.

279019 No. TITLE ONLY

CITY OF SEATTLE,CLERKS OFFICE

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:123742-123764

was published on

12/09/11

The amount of the fee charged for the foregoing publication is the sum of $ 293.48, which amount has been paid in full.

JEFF B. MOSELY NOTARY PUBLIC COMMISSION EXPIRES 07-10-15 STATE OF WASHINGTON

Subscribed and sworn to before me on

12/09/11

Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication

State of Washington, King County

City of Seattle

The full text of the following legislation, passed by the City Council on November 21, 2011, and published below by title only, will be mailed upon request, or can be accessed at http://clerk.seattle.gov. For information on upcoming meetings of the Seattle City Council, please visit http://www.seattle.gov/council/calendar. Contact: Office of the City Clerk at (206) 684-8344.

ORDINANCE NO. 123742

AN ORDINANCE relating to rates and charges for water services of Seattle Public Utilities; revising water rates and charges and amending Seattle Municipal Code Chapter 21.04 in connection therewith; removing Water District 61 and Richmond Beach Area meter surcharges and amending Seattle Municipal Code 21.12 in connection therewith; and revising credits to low-income customers and amending Seattle Municipal Code Chapter 21.76 in connection therewith.

ORDINANCE NO. 123743

AN ORDINANCE relating to the Revenue Stabilization Account of the Cumulative Reserve Subfund; revising policies regarding deposits into the Subfund; amending Seattle Municipal Code Subsection 5.80.020 B in connection therewith; and superseding a portion of Resolution 31083.

ORDINANCE NO. 123744

AN ORDINANCE relating to civil service; combining the staff of the Civil Service Commission and Public Safety Civil Service Commission and amending sections 4.04.250, 4.08.050, and 4.08.070 of the Seattle Municipal Code.

ORDINANCE NO. 123745

AN ORDINANCE relating to City employment; establishing a 2012 furlough program for certain employees not covered by collective bargaining agreements.

ORDINANCE NO. 123746

AN ORDINANCE amending Chapter 20.48 of the Seattle Municipal Code in order to modify City policies pertaining to capital appropriations.

ORDINANCE NO. 123747

AN ORDINANCE relating to solid waste taxation; amending Section 5.48.055 of the Seattle Municipal Code; and increasing the transfer tax rate effective January 1, 2012.

ORDINANCE NO. 123748

AN ORDINANCE relating to the financing of the South Lake Union Streetcar project; amending Ordinance 122603, last amended by Ordinance 123164, to extend the term of an interfund loan.

ORDINANCE NO. 123749

AN ORDINANCE relating to emergency assistance for low-income Seattle Public Utilities customers and amending Section 21.76.065 of the Seattle Municipal Code.

ORDINANCE NO. 123750

AN ORDINANCE relating to the 2008 Parks and Green Spaces Levy; accepting the recommendations of the 2008 Parks and Green Spaces Levy Oversight Committee concerning the Development Category Inflation Adjustment and the Opportunity Fund category; reallocating funds from the Development Category to the Opportunity Fund Category; and creating new major maintenance projects in the Opportunity Fund Category; all by a three-fourths vote of the City Council.

ORDINANCE NO. 123751

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 bond fund; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123752

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, 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. 123753

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

ORDINANCE NO. 123754

AN ORDINANCE relating to the Seattle Department of Transportation; amending Section 11.23.120 of the Seattle Municipal Code establishing fees related to Commercial Vehicle Load Zone permits pursuant to the trucking and parking regulations of the Traffic Code.

ORDINANCE NO. 123755

AN ORDINANCE related to fees and charges for permits and activities of the Department of Planning and Development and related fees by other departments; repealing a section of Ordinance 123453; and amending Seattle Municipal Code Chapter 22.900A, Administration and Enforcement; Chapter 22.900B, General Provisions; Chapter 22.900C, Fees for Land Use Review; Chapter 22.900D, Fees for New and Altered Buildings and Equipment; Chapter 22.900E, Fees for Certificates and Registrations; Chapter 22.900F, Compliance and Other Inspections; and Chapter 22.900G, Fees Collected for Other Departments.

ORDINANCE NO. 123756

AN ORDINANCE relating to a reorganization of the Human Services Department; amending Section 3.20.040 of the Seattle Municipal Code to restructure, rename and create various divisions in the Human Services Department.

ORDINANCE NO. 123757

AN ORDINANCE relating to the City Light Department, directing the transfer of certain funds in the Light Fund into the Rate Stabilization Account in 2011, and amending SMC 21.49.086 (G) relating to the operation of said Account.

ORDINANCE NO. 123758

AN ORDINANCE adopting a budget, including a capital improvement program and position modifications, for The City of Seattle for 2012; creating positions exempt from civil service; all by a two-thirds vote of the City Council.

ORDINANCE NO. 123759

AN ORDINANCE relating to the Department of Parks and Recreation; establishing the 2012 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. 123760

AN ORDINANCE amending the 2011 Budget, including the 2011-2016 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; revising project descriptions; revising project allocations for certain projects in the 2011- 2016 CIP; making cash transfers between various city funds; creating new appropriations, amending ordinances 123442 and 123664; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

ORDINANCE NO. 123761

AN ORDINANCE relating to the Alaskan Way Viaduct and Seawall Replacement Program; authorizing the creation of a City fund; and authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the new fund.

ORDINANCE NO. 123762

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 2012; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123763

AN ORDINANCE authorizing the levy of regular property taxes by The City of Seattle for collection in 2012, representing an increase above the regular property taxes levied for collection in 2011; and ratifying and confirming certain prior acts

ORDINANCE NO. 123764

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 9, 2011.

12/9(279019)