

Ordinance No. 121988

Council Bill No. 119436

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 2006; 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:	NOV 7 - 2005	
Date 1st Referred:	To: (committee)	BUDGET
Date Re - Referred:	NOV 7 - 2005	
Date Re - Referred:	To: (committee)	
Date of Final Passage:	Full Council Vote:	
11-28-05	90	
Date Presented to Mayor:	Date Approved:	
11-28-05	11/30/05	
Date Returned to City Clerk:	Date Published:	T.O. <input type="checkbox"/>
12/2/05	SPR	F.T. <input checked="" 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: _____ Councilmember McIVER

Committee Action:

11/14/05 Pass BM, JC, RC, PD, JD, TR, PS

11/28/05 Passed 90

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

Law

Budget

ORDINANCE 121988

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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 2006; 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. (i) There is hereby 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 Three Hundred Forty-four Million Three Hundred Ninety-eight Thousand Eight Hundred Twenty-four Dollars (\$344,398,824), which is calculated as \$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 2006. 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 Three Million Seven Hundred Four Thousand Seven Hundred Twenty-two Dollars (\$3,704,722) for low-



1 income housing that is not restricted to serving very low-income households, in accordance with
2 Ordinance 120823; an amount of Sixteen Million Six Hundred Eighty-four Thousand Dollars
3 (\$16,684,000) for educational and developmental services in accordance with Ordinance 121529;
4 an amount of Two Million Dollars (\$2,000,000) to improve the Opera House, replace the Flag
5 Pavilion, and expand nine Parks Department community recreation centers in accordance with
6 Ordinance 119522; an amount of Twenty-six Million Seven Hundred Ninety-two Thousand Nine
7 Hundred Eighty-nine Dollars (\$26,792,989) for neighborhood parks, green spaces, trails, and the
8 Woodland Park Zoo in accordance with Ordinance 120024; and an amount of Twenty-five
9 Million Dollars (\$25,000,000) for firefighting, life-safety and other emergency response facilities
10 in accordance with Ordinance 121230.
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13 (ii) In addition, there is also hereby levied a tax on all taxable property, both real and
14 personal, within the City of Seattle and subject to taxation under the laws of the State of
15 Washington, in the amount of Eight Million Five Hundred Eighty Thousand Nine Hundred
16 Ninety-two Dollars (\$8,580,992), such tax being levied for the purpose of financing affordable
17 housing for very low-income households pursuant to RCW 84.52.105 and pursuant to Ordinance
18 120823, which tax levy shall be outside of and in addition to the limitations in RCW 84.52.043.
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21 B. If the total of the amounts of taxes stated in subsections 1.A (i) and (ii), or the total of
22 the tax rate stated in subsection 1.A (i) and the rate necessary to generate the amount of taxes
23 stated in subsection 1.A (ii), would be in excess of any maximum allowed by law or approved by
24 vote of the people of the City of Seattle pursuant to RCW 84.55.050, then such taxes shall be
25 reduced to the maximum amount allowed or approved or the amount computed by applying the
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1 maximum rate to the value of the taxable property. The maximum amount of regular property
2 taxes approved by vote of the people shall be determined for purposes of this subsection as
3 follows: There shall be determined the amount of regular City property taxes that could have
4 been levied for collection in 2006 had the voters approved none of the levy lid lift measures
5 submitted pursuant to RCW 84.55.050 and Ordinances 120823, 121529, 119522, 120024, and
6 121230. This amount shall be computed as One Hundred One percent (101%) of the general
7 purpose regular property taxes levied for collection in 2005, plus the levy for tax refunds
8 authorized by RCW 84.68.040 and RCW 84.55.070, plus the allowance for new construction and
9 increases in state-assessed property value authorized by RCW 84.55.010 as calculated by the
10 King County Assessor. Then, to that total amount shall be added the five (5) dollar amounts set
11 forth in the last sentence of subsection 1.A (i) as authorized for 2006 collection in the approvals
12 given by the voters of the City pursuant to RCW 84.55.050 and those enumerated ordinances,
13 plus the dollar amount set forth in subsection 1.A (ii).

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18 Section 2. Pursuant to Chapter 3, Laws of 1997, as approved by the voters of the state on
19 November 4, 1997, and pursuant to Resolution 30708 adopting the City Council's top budget
20 goals for the 2005 and 2006 budgets and in order to carry out those budget goals and the 2006-
21 2011 Capital Improvement Program, the City Council finds that there is a substantial need to use
22 and hereby does use One Hundred One percent (101%) as the regular property tax limit factor for
23 regular property taxes to be collected in 2006.

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26 Section 3. Voter-approved excess taxes for bonds. In addition, a further tax is hereby
27 levied to raise revenue to provide for the interest on and redemption of voter-approved general
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1 obligation bonds for the fiscal year 2006 in the amount of Twenty-six Million Two Hundred Five
2 Thousand Three Hundred Forty-one Dollars (\$26,205,341). This tax is applicable to all taxable
3 property within the City of Seattle.

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5 Section 4. Severability. The several provisions of this ordinance are declared to be
6 separate and severable and the invalidity of any clause, sentence, paragraph, subdivision, section,
7 subsection, or portion of this ordinance, or the invalidity of the application thereof to any person,
8 property, or circumstance, shall not affect the validity of the remainder of this ordinance or the
9 validity of its application to other persons, property, or circumstances.
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12 Section 5. Ratification and confirmation of prior acts. Any act consistent with the
13 authority and prior to the effective date of this ordinance is hereby ratified and confirmed.
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1 Section 6. Effective date. This ordinance shall take effect and be in force thirty (30) days
2 from and after its approval by the Mayor, but if not approved and returned by the Mayor within
3 ten (10) days after presentation, it shall take effect as provided by Municipal Code Section
4 1.04.020.
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7 Passed by a vote of at least a majority plus one of the City Council the 28th day of
8 November, 2005, and signed by me in open session in authentication of its passage
9 this 28th day of November, 2005.

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11 Jan Duro
President _____ of the City Council

12 Approved by me this 30th day of November, 2005.

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14 Gregory J. Nickels
15 Gregory J. Nickels, Mayor

16 Filed by me this 2nd day of December, 2005.

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18 Julien E. Peppin
City Clerk

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20 (Seal)

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City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

September 26, 2005

Honorable Jan Drago
President
Seattle City Council
City Hall, 2nd Floor

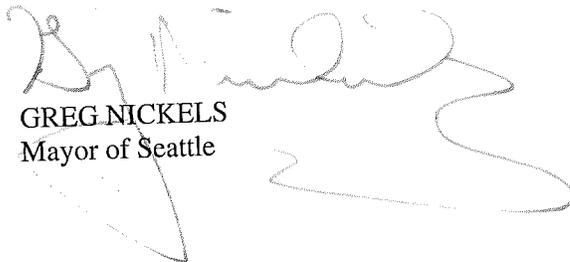
Dear Council President Drago:

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. Both this legislation and the 2006 Proposed Budget reflect an increase in the regular non-voted 2006 property tax levy of 1%.

Seattle's regular property tax levy provides revenue to fund a significant portion of the General Subfund base. In 2005, property tax revenue accounted for 30% of the General Subfund budget. Property tax revenue provides significant resources for the Firemen's Pension Fund and, through voter-approved levy lid lifts, funds programs that support emergency medical services, neighborhood parks, green spaces, trails, low-income housing, educational and development services, community centers, the McCaw Hall, and fire facilities.

Thank you for your consideration of this legislation. Should you have questions please contact JoEllen Kuwamoto at 684-0225.

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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2004 BUDGET LEGISLATION FISCAL NOTE

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Department of Finance	JoEllen Kuwamoto/684-0225	JoEllen Kuwamoto/684-0225

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 2006; 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 2006 to pay for City government activities, and for general obligation bond interest and redemption.

• Background:

The legislative authority of a taxing district may provide for the use of a limit factor of up to 101% under RCW 84.55.0101, as most recently amended by State Initiative 747. In order to use the opportunity in RCW 84.55.0101 to increase the property tax levy by a limit factor that is greater than inflation (measured by the implicit price deflator for the United States published in September), an ordinance, with a finding of substantial need to use the higher limit factor, must be authorized by a majority plus one vote of the City Council. Although this year, as most years, inflation will exceed 1%, this finding and the 101% limit factor are routinely included in this ordinance so that the Council will consider each year what limit factor it wishes to use, within the constraints of state law.

• *Please check one of the following:*

This legislation does not have any financial implications. (Stop here and delete the remainder of this document prior to saving and printing.)

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



Anticipated Revenue/Reimbursement (in \$1,000s): (For budget legislation that raises fees, please provide detail on each fee that is being raised, when it was last raised, how the proposed fee compares with similar fees in the region, etc.)

Fund Name and Number	Revenue Source	2006 Revenue
00100 General subfund	property tax	187,562
16414 Housing lid lift	property tax	12,286
17856 Families & Education lid lift	property tax	16,684
33800 Seattle Center & Community Centers lid lift	property tax	2,000
33850 2000 Parks lid lift	property tax	26,793
34440 Fire Facilities lid lift	property tax	25,000
20140 GO Bond Redemption	property tax	26,205
TOTAL		296,530

- What is the financial cost of not implementing this legislation? (Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs if the legislation is not implemented)

The cost of not passing this legislation would be the loss of all City property taxes in 2006. By State law, the City Council must approve an ordinance, by a majority plus one vote in order to increase Seattle's regular levy by a maximum of 1%. With the exception of those taxes resulting from the addition of new construction and improvements to property, and increases in the value of state-assessed property, no 2006 property taxes or increase in property tax revenue would be authorized without this ordinance. The cost of not implementing this legislation with at least six affirmative Council votes is the 1% increase of the 2005 current expense levy, estimated to be \$1.9 million.

- What are the possible alternatives to the legislation that could achieve the same or similar objectives? (Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.) Without voter approval, there is no other mechanism to increase property tax revenue.
- Is the legislation subject to public hearing requirements? (If yes, what public hearings have been held to date) Yes, but as of this writing, the date has not been set.
- Other Issues (including long-term implications of the legislation):



STATE OF WASHINGTON – KING COUNTY

--SS.

No.

192503
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.

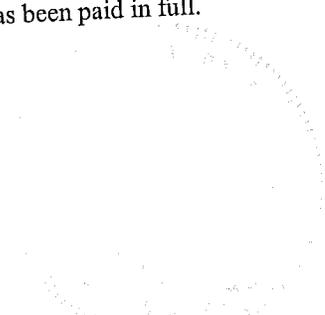
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:121988 ORDINANCE

was published on

12/07/05

The amount of the fee charged for the foregoing publication is the sum of \$ 225.25, which amount has been paid in full.



Subscribed and sworn to before me on
12/07/05 *Jennifer Pugh*

Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication

State of Washington, King County

City of Seattle

ORDINANCE 121988

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 2006; 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.

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low-income households, in accordance with Ordinance 120823; an amount of Sixteen Million Six Hundred Eighty-four Thousand Dollars (\$16,684,000) for educational and developmental services in accordance with Ordinance 121529; an amount of Two Million Dollars (\$2,000,000) to improve the Opera House, replace the Flag Pavilion, and expand nine Parks Department community recreation centers in accordance with Ordinance 119522; an amount of Twenty-six Million Seven Hundred Ninety-two Thousand Nine Hundred Eighty-nine Dollars (\$26,792,989) for neighborhood parks, green spaces, trails, and the Woodland Park Zoo in accordance with Ordinance 120024; and an amount of Twenty-five Million Dollars (\$25,000,000) for firefighting, life-safety and other emergency response facilities in accordance with Ordinance 121230.

(ii) In addition, there is also hereby 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 Eight Million Five Hundred Eighty Thousand Nine Hundred Ninety-two Dollars (\$8,580,992), such tax being levied for the purpose of financing affordable housing for very low-income households pursuant to RCW 84.52.105 and pursuant to Ordinance 120823, which tax levy shall be outside of and in addition to the limitations in RCW 84.52.043.

B. If the total of the amounts of taxes stated in subsections 1.A (i) and (ii), or the total of the tax rate stated in subsection 1.A (i) and the rate necessary to generate the amount of taxes stated in subsection 1.A (ii), would be in excess of any maximum allowed by law or approved by vote of the people of the City of Seattle pursuant to RCW 84.55.050, then such taxes shall be reduced to the maximum amount allowed or approved or the amount computed by applying the maximum rate to the value of the taxable property. The maximum amount of regular property taxes approved by vote of the people shall be determined for purposes of this subsection as follows: There shall be determined the amount of regular City property taxes that could have been levied for collection in 2006 had the voters approved none of the levy lid lift measures submitted pursuant to RCW 84.55.050 and Ordinances 120823, 121529, 119522, 120024, and 121230. This amount shall be computed as One Hundred One percent (101%) of the general purpose regular property taxes levied for collection in 2005, plus the levy for tax refunds authorized by RCW 84.68.040 and RCW 84.55.070, plus the allowance for new construction and increases in state-assessed property value authorized by RCW 84.55.010 as calculated by the King County Assessor. Then, to that total amount shall be added the five (5) dollar amounts set forth in the last sentence of subsection 1.A (i) as authorized for 2006 collection in the approvals given by the voters of the City pursuant to RCW 84.55.050 and those enumerated ordinances, plus the dollar amount set forth in subsection 1.A (ii).

Section 2. Pursuant to Chapter 3, Laws of 1997, as approved by the voters of the state on November 4, 1997, and pursuant to Resolution 30708 adopting the City Council's top budget goals for the 2005 and 2006 budgets and in order to carry out those budget goals and the 2006-2011 Capital Improvement Program, the City Council finds that there is a substantial need to use and hereby does use One Hundred One percent (101%) as the regular property tax limit factor for regular property taxes to be collected in 2006.

Section 3. Voter-approved excess taxes for bonds. In addition, a further tax is hereby levied to raise revenue to provide for the interest on and redemption of voter-approved general obligation bonds for the fiscal year 2006 in the amount of Twenty-six Million Two Hundred Five Thousand Three Hundred Forty-one Dollars (\$26,205,341). This tax is applicable to all taxable property within the City of Seattle.

Section 4. 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 5. Ratification and confirmation of prior acts. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and confirmed.

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

Passed by a vote of at least a majority plus one of the City Council the 28th day of November, 2005, and signed by me in open session in authentication of its passage this 28th day of November, 2005.

Jan Drago

President of the City Council

Approved by me this 30th day of November, 2005.

Gregory J. Nickels, Mayor

Filed by me this 2nd day of December, 2005.

(Seal) Judith Pippin

City Clerk

Publication ordered by JUDITH RIPPIN, City Clerk

Date of publication in the Seattle Daily Journal of Commerce, December 7, 2005.

12/7(192503)