ORDINANCE NO. 562

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON MAKING A DECLARATION OF SUBSTANTIAL NEED FOR PURPOSES OF SETTING THE LIMIT FACTOR FOR THE PROPERTY TAX LEVY FOR THE CITY OF SHORELINE IN KING COUNTY FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2010.

WHEREAS, RCW 84.55.010 provides that a taxing jurisdiction may levy taxes in an amount no more than the limit factor multiplied by the highest levy of the most recent three years plus additional amounts resulting from new construction and improvements to property, and any increase in the value of state-assessed utility property; and,

WHEREAS, under RCW 84.55.005(2)(c), the limit factor for a taxing jurisdiction with a population of 10,000 or over is the lesser of 101 percent or 100 percent plus inflation; and,

WHEREAS, RCW 84.55.005(1) defines “inflation” as the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent 12-month period by the Bureau of Economic Analysis of the federal Department of Commerce in September of the year before the taxes are payable; and,

WHEREAS, “inflation” for July 2009 is -0.848 percent and the limit factor is 99.152, meaning the taxes levied in the City of Shoreline in 2009 for collection in 2010 will decrease except for the amounts resulting from the new construction and improvements to property, and any increase in the value of state-assessed utility property; and,

WHEREAS, RCW 84.55.0101 provides for use of a limit factor of 101 percent or less with a finding of substantial need by a majority plus one councilmembers; and

WHEREAS, the City Council desires to maintain the current contract with the King County Sheriff’s Office for police services which totals approximately $9.7 million, a $509,000 increase from the 2009 budget; and,

WHEREAS, the City’s General Fund revenues, excluding the use of beginning fund balance, are projected to decrease from 2009 to 2010 by $690,500; and,

WHEREAS, to balance the 2010 budget the City Council will authorize the use of $980,000 from the City’s Revenue Stabilization Fund; and,

WHEREAS, the City Council of the City of Shoreline has determined that, due to general maintenance and operation expenses, the City Council finds that there is a substantial need to set the levy limit factor at one hundred one percent; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DO ORDAIN AS FOLLOWS:
Section 1. Substantial Need. A finding is made of substantial need under RCW 84.55.0101, which authorizes the use of a limit factor of 101 percent for the property tax levy for 2010. The City Council also finds substantial future financial need to bank the difference between a 100 percent and a 101 percent limit factor.

Section 2. Notice to King County. This ordinance shall be certified to the proper County officials, as provided by law, and taxes herein levied shall be collected to pay to the Finance Department of the City of Shoreline at the time and in the manner provided by the laws of the State of Washington for the collection of taxes for non-charter code cities.

Section 3. Effective Date. This ordinance shall be in full force five days after publication of this ordinance, or a summary consisting of its title, in the official newspaper of the City, as provided by law.

Section 4. Severability. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be preempted by State or Federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

PASSED BY THE CITY COUNCIL ON NOVEMBER 23, 2009.

Mayor Cindy Ryu

ATTEST:

Scott Passey
City Clerk

APPROVED AS TO FORM:

Ian Sievers
City Attorney

Date of Publication: November 23, 2009
Effective Date: December 1, 2009