

RESOLUTION R-5221

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND
MAKING A DECLARATION OF SUBSTANTIAL NEED FOR PURPOSES OF
SETTING THE LIMIT FACTOR FOR THE PROPERTY TAX LEVY FOR 2017.

1 WHEREAS, RCW 84.55.010 provides that a taxing jurisdiction
2 may levy taxes in an amount no more than the limit factor multiplied by
3 the highest levy of the most recent three years plus additional amounts
4 resulting from new construction and improvements to property; and
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6 WHEREAS, under RCW 84.55.005(2)(c), the limit factor for a
7 taxing jurisdiction with a population of 10,000 or over is the lesser of
8 101 percent or 100 percent plus inflation; and
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10 WHEREAS, RCW 84.55.005(1) defines "inflation" as the
11 percentage of change in the implicit price deflator for personal
12 consumption expenditures for the United States as published for the
13 most recent 12-month period by the Bureau of Economic Analysis of the
14 federal Department of Commerce in September of the year before the
15 taxes are payable; and
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17 WHEREAS, "inflation" for July 2016 is 0.953 percent and the limit
18 factor is 100.953 percent; and
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20 WHEREAS, RCW 84.55.0101 provides for use of a limit factor of
21 up to 101 percent with a finding of substantial need by a majority of the
22 Council Members plus one; and
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24 WHEREAS, the preliminary 2017 budget assumes that the City
25 would implement the optional levy increase of one percent; and
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27 WHEREAS, if no finding of substantial need is adopted, the
28 property tax revenues for 2017 would be reduced by \$12,953; and
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30 WHEREAS, the City faces short and long term revenue losses,
31 including reduced sales taxes from Totem Lake and Parkplace during
32 construction activities and the expiration of the Annexation Sales Tax
33 Credit in 2021.
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35 NOW, THEREFORE, be it resolved by the City Council of the City
36 of Kirkland as follows:
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38 Section 1. A finding is made of substantial need under RCW
39 84.55.0101, which authorizes a limit factor of 101 percent for the
40 property tax levy for 2017, due to the need to maintain and enhance
41 ongoing public services and to maintain the City's budgeted level of
42 revenues in 2017 recognizing the short term revenue loss posed by
43 construction at Totem Lake and Kirkland Urban and the longer term
44 financial challenge presented by the expiration of the Annexation Sales
45 Tax Credit in 2021.

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Passed by majority vote of the Kirkland City Council plus one in open meeting this 15th day of November, 2016.

Signed in authentication thereof this 15th day of November, 2016.


MAYOR

Attest:


City Clerk