

RESOLUTION R-5515

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND DETERMINING THE ANTICIPATED SHORTFALL IN REVENUES FOR PROVIDING MUNICIPAL SERVICES TO THE ANNEXATION AREA AS REQUIRED BY RCW 82.14.415.

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WHEREAS, RCW 82.14.415 authorizes the City to impose a sales and use tax as a credit against the state tax to assist the City in providing municipal services to newly annexed areas; and

WHEREAS, on April 7, 2009, the City Council passed Resolution R-4751, which directed the City Clerk to file a notice of intent to annex the Finn Hill, Kingsgate and North Juanita Annexation Area ("Annexation Area") with the King County Boundary Review Board ("BRB"); and

WHEREAS, the BRB held a public hearing on the proposed annexation on June 8, 2009, and approved the annexation on July 9, 2009; and

WHEREAS, the City Council passed Resolution R-4763, calling for an election which was thereafter held pursuant to state statute; and

WHEREAS, the King County Council transmitted a certified abstract of the vote in the November 3, 2009, general election reflecting that the annexation was approved by the voters; and

WHEREAS, the City Council passed Ordinance No. 4229 on December 15, 2009, annexing the Annexation Area, which had a population of at least twenty thousand people; and

WHEREAS, on February 16, 2010, the City Council passed Ordinance No. 4237, creating Chapter 5.07 of the Kirkland Municipal Code and imposing the sales and use tax at the rate of 0.2 percent; and

WHEREAS, the annexation sales tax credit revenues for the fiscal year July 1, 2020 to June 30, 2021 were necessary to support the true and actual costs to provide municipal services to the Annexation Area; and

WHEREAS, the City Council certifies the true and actual costs to provide municipal services to the Annexation Area totaled \$33.742 million for the period corresponding to the State's fiscal year July 1, 2020, to June 30, 2021 and the revenue from the Annexation Area,

41 excluding gambling and sales tax revenues for the same period totaled  
42 \$24.815 million, resulting in a deficit difference of \$8.927 million. The  
43 gambling tax revenue from the Annexation Area of \$569 thousand  
44 during this same period reduced this gap to \$8.358 million, and the  
45 annexation sales tax credit received from the State was \$4.395 million.

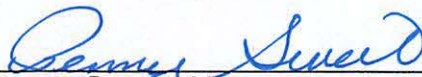
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47 NOW, THEREFORE, be it resolved by the City Council of the  
48 City of Kirkland as follows:  
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50 Section 1. Purpose. The Kirkland City Council certifies that  
51 annexation sales tax credit revenues for the fiscal year July 1,  
52 2020 to June 30, 2021 were necessary to support the true and  
53 actual costs to provide municipal services to the Annexation Area.  
54 The City Council previously imposed a sales and use tax at the  
55 rate of 0.2 percent through the passage of Ordinance O-4237 on  
56 February 16, 2010.

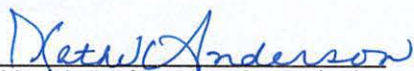
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58 Section 2. Implementation. The City Manager is authorized  
59 to implement such administrative procedures as may be necessary  
60 to carry out the directions of this Resolution.

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62 Passed by majority vote of the Kirkland City Council in open  
63 meeting this 15 day of February, 2022.

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65 Signed in authentication thereof this 15 day of February,  
66 2022.

  
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Penny Sweet, Mayor

Attest:

  
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Kathi Anderson, City Clerk