

RESOLUTION R- 4167

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND PURSUANT TO RCW 84.55.092 TO PROTECT FUTURE PROPERTY TAX LEVY CAPACITY AND DECLARING A SUBSTANTIAL NEED TO DO SO.

WHEREAS, under RCW Chapter 84.55 the regular property tax that the City of Kirkland may levy in any one year is determined by multiplying the amount of regular property taxes lawfully levied for the highest of the three most recent years, together with the increase in assessed value resulting from new construction for the preceding year by the applicable limit factor as defined in RCW 84.55.005(2); and

WHEREAS, for the City to levy less than the maximum allowable tax levy in any year reduces the property tax revenue base upon which the levy may be calculated in future years and;

WHEREAS, RCW 84.55.092 is designed to remove the incentive for a taxing district, such as Kirkland, to maintain its tax levy at the maximum level permitted under RCW 84.55 and to protect the future levy capacity of a taxing district that reduces its tax levy below the level that it otherwise could impose under RCW 84.55, by removing the adverse consequences to future levy capacities resulting from such levy reduction; and

WHEREAS, the maximum limit factor permitted under RCW Chapter 84.55 for the City of Kirkland when approved by the affirmative vote of five council members upon the finding of a special need is 106%.

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. Pursuant to RCW 84.55.092, the City Council declares its policy to protect future property tax levying capacity at the amount which would be allowed otherwise under RCW Chapter 84.55, as if the regular property tax levy for the City for taxes due in prior years, beginning with the tax due for 1997, had been set at the full amount allowed under said Chapter.

Section 2. The City Council hereby finds and declares a substantial need to give future Councils the opportunity to levy taxes to the City's full tax levy capacity for any of the following purposes:

1. To provide funding for operating costs of new future facilities.
2. To replace the emergency medical service levy revenue due to expire in the year 2001.
3. To maintain levels of service in the existing and new areas in the event that annexations occur and annexation revenue does not support adequate service levels.

4. To meet future economic downturn that may significantly affect revenues and the City's ability to maintain service levels in the future.

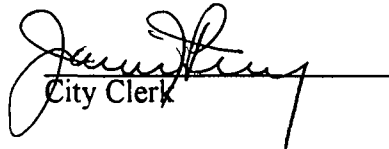
Section 3. A copy of this Resolution shall be sent to the King County Assessor.

Passed by the affirmative vote of five or more members of the Kirkland City Council in regular, open meeting this 15th day of December, 1998.

Signed in authentication thereof this 15th day of December, 1998.


MAYOR

Attest:


City Clerk
Reso1taxlevy