

RESOLUTION R-5167

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND  
MAKING A FINDING OF SUBSTANTIAL NEED FOR PURPOSES OF  
SETTING THE LIMIT FACTOR FOR THE PROPERTY TAX LEVY FOR 2016.

1           WHEREAS, RCW 84.55.0101 provides that a taxing jurisdiction  
2 may levy taxes in an amount that does not exceed the limit factor  
3 multiplied by the highest levy of the most recent three years plus  
4 additional amounts resulting from new construction and improvements  
5 to property; and  
6

7           WHEREAS, under RCW 84.55.005(2)(c), the limit factor for a  
8 taxing jurisdiction with a population of 10,000 or over is the lesser of  
9 101 percent or 100 percent plus inflation; and  
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11           WHEREAS, RCW 84.55.005(1) defines "inflation" as the  
12 percentage of change in the implicit price deflator for personal  
13 consumption expenditures for the United States as published for the  
14 most recent 12-month period by the Bureau of Economic Analysis of the  
15 federal Department of Commerce in September of the year before the  
16 taxes are payable; and  
17

18           WHEREAS, "inflation" for July 2015 is 0.251 percent and the limit  
19 factor is 100.251 percent, meaning the taxes levied in the City of  
20 Kirkland in 2015 for collection in 2016 will decrease from the budgeted  
21 level except for the amounts resulting from new construction and  
22 improvements to property; and  
23

24           WHEREAS, RCW 84.55.0101 provides for use of a limit factor of  
25 up to 101 percent with a finding of substantial need by a majority of  
26 the Council Members plus one; and  
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28           WHEREAS, the adopted 2016 budget assumed that the City  
29 would implement the optional levy increase of one percent; and  
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31           WHEREAS, if no finding of substantial need is adopted, the  
32 property tax revenues for 2016 would be reduced by \$201,326; and  
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34           WHEREAS, Resolution R-5163 supports the addition of an  
35 ongoing firefighter position at Fire Station 25 in 2017, for deployment  
36 at the new Fire Station 24 when it is constructed, which represents a  
37 new on-going cost; and  
38

39           WHEREAS, the City faces short and long term revenue losses,  
40 including reduced sales taxes from Totem Lake and Parkplace during  
41 construction activities and the expiration of the Annexation Sales Tax  
42 Credit in 2021.  
43

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

46            Section 1. A finding is made of substantial need under RCW  
47 84.55.0101, which authorizes a limit factor of 101 percent for the  
48 property tax levy for 2016, due to the need to maintain and enhance  
49 ongoing public safety services, including the addition of an ongoing  
50 firefighter position at Fire Station 25, and to maintain the City's  
51 budgeted level of revenues in 2016 recognizing the short term revenue  
52 loss posed by construction at Totem Lake and Parkplace and the longer  
53 term financial challenge presented by the expiration of the Annexation  
54 Sales Tax Credit in 2021.

55  
56            Passed by majority vote of the Kirkland City Council plus one in  
57 open meeting this 17th day of November, 2015.

58  
59            Signed in authentication thereof this 17th day of November,  
60 2015.

  
MAYOR

Attest:

  
City Clerk