

ORDINANCE NO. 23-780

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MAPLE VALLEY, WASHINGTON, PROVIDING FOR THE FORM OF THE BALLOT PROPOSITION AND SPECIFYING CERTAIN OTHER DETAILS CONCERNING SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY AT A SPECIAL ELECTION TO BE HELD THEREIN ON NOVEMBER 7, 2023, OF A PROPOSITION AUTHORIZING THE CITY TO LIFT THE LEVY LIMIT ESTABLISHED IN RCW 84.55.010 IN ORDER TO FUND PUBLIC SAFETY.

WHEREAS, the City of Maple Valley (the “City”) contracts with the King County Sheriff’s Office (“KCSO”) for public safety and police services (as further defined herein, “Public Safety”); and

WHEREAS, the City is seeing a large increase in the KCSO’s contract cost for Public Safety due in part to an increase in labor and benefit costs largely related to recent labor agreements, which are primarily driven by inflation and wage growth in comparable jurisdictions; and

WHEREAS, inflation has been at historical highs over the last couple of years, topping 9% in 2022, and has yet to return to the federal target rates of 2.5% annually; and

WHEREAS, the City expects to continue to see increases in the KCSO contract over the next few years as the liability/risk insurance cost increases are fully implemented and the KCSO implements body-worn and car cameras for officers; and

WHEREAS, for purposes of the City’s six-year financial forecast during the budget process, the public safety forecast for 2025 through 2028 was substantially understated in order to keep the reserve levels for the long-term at 16.7%; and

WHEREAS, the City’s projected public safety budget forecast for 2025 through 2028 shows annual gaps of \$1.8 million to \$2.6 million, with a median of \$2.2 million, between the City’s six-year forecast and projected actual costs; and

WHEREAS, on March 6, 2023, the City’s Finance Director and Police Chief presented to the Council how these funding gaps would affect Public Safety programs for the City and the fiscal impact of increased Public Safety costs; and

WHEREAS, the City Council’s (the “Council”) direction following the presentation and discussion was to further review with the Finance Committee (the “Committee”) several funding solutions including but not limited to, sales tax options, solid waste utility tax options, potential

reductions in City expenditures to off-set the funding gap, capital projects, and opportunities to reduce any general fund contributions; and

WHEREAS, the Committee reviewed the City's budget for potential expenditure reductions and discussed alternative revenue options during the months of March, April and May 2023; and

WHEREAS, the Committee could not identify budget reductions of \$2,200,000 to fill the funding gap without compromising public safety; and

WHEREAS, it is the intent of the Council to implement a sustainable revenue source to fill this projected funding gap to maintain police services and police staffing and public safety programming; and

WHEREAS, after further discussion about revenue alternatives, the Committee recommended that the Council adopt an ordinance asking voters to consider a ballot measure at the November 7, 2023 election to increase the City's regular property tax levy above the annual levy lid limit; and

WHEREAS, RCW 84.55.050 authorizes the voters of a city to authorize an increase above the levy limitations established in RCW 84.55.010 (a "levy lid lift"); and

WHEREAS, should the aggregate property tax levy rate be greater than the rate necessary to offset fluctuations in assessed values and to accomplish the purposes set forth in this ordinance, the City Council will not levy in excess of the approximately \$2.2 million projected public safety funding gap from the levy lid lift, which could result in a lower property tax levy rate than approved by voters at the November 7, 2023 election; and

WHEREAS, RCW 84.55.050 requires that the ballot measure for a proposed levy lid lift state the aggregate maximum regular property tax rate per \$1,000 of assessed valuation to be levied in the first year of the levy lid lift, taking into consideration the City's regular levy for general City purposes, any allowable increases, and the proposed incremental increase; and

WHEREAS, the King County Assessor has cautioned that assessed valuations in certain King County jurisdictions for purposes of calculating regular property taxes are expected to decrease from 2023 to 2024, including the assessed values in the City; and

WHEREAS, in order to generate sufficient funds for the proposed Public Safety purposes identified in Section 1 below, it is advisable that the Council increase the aggregate property tax levy rate to \$1.18 per \$1,000 of assessed value for collection in 2024 to offset any anticipated decrease in assessed valuation, and thereafter to use the resulting levy amount as the basis for computing the limitations for subsequent levies as allowed by chapter 84.55 RCW; and

WHEREAS, the Council will adopt a 2024 property tax levy based on the final 2024 assessed valuation of properties in Maple Valley that allows for the collection of the projected annual \$2.2 million public safety funding gap through the levy lid lift; and

WHEREAS, the Council desires to allow the electors to approve or reject a proposition under RCW 84.55.050(2), authorizing the Council to levy the City's regular property tax in an amount that exceeds the incremental limit factor that would otherwise be prescribed by RCW 84.55.010;

NOW, THEREFORE, the City Council of the City of Maple Valley does ordain as follows:

Section 1. Findings. The Council hereby finds that the best interests of the residents of the City require the City to pay costs associated with providing public safety services ("Public Safety"), including but not limited to costs associated with: the KCSO contract for police and public safety services; operations; maintenance; capital; police costs including neighborhood safety patrols, traffic enforcement in school zones and neighborhoods, school resource officer, and community crime prevention programs; and other costs associated with maintaining current levels of Public Safety services within the City.

The City Council shall determine the timing, order and manner of funding Public Safety costs and other uses of levy proceeds. The cost of all compensation, benefits, training, support services, equipment, vehicles, infrastructure, facilities, real property, and/or administrative expenses and other costs incurred in connection with Public Safety shall be deemed a part of the costs. The Council may alter, make substitutions to, and amend such components as it determines are in the best interests of the City and consistent with the general public safety descriptions provided herein.

Section 2. Calling of Election Regarding the Levy of Additional Regular Property Taxes. It is hereby found and declared the best interests of the City require the submission to the qualified electors of the City of the proposition whether the City shall levy regular property taxes above the levy limitations established in RCW 84.55.005 and RCW 84.55.010 for their ratification or rejection at an election to be held on November 7, 2023. For the purpose of providing funds to pay the costs of Public Safety, the King County Director of Records and Elections (the "Director"), as *ex officio* supervisor of elections in King County, Washington, is hereby requested to call and conduct such election to be held on such day and to submit to the qualified electors of the City for their approval or rejection a proposition to increase the City's regular property tax levy by up to \$0.37 per \$1,000 of assessed valuation (to a total regular property tax rate not to exceed \$1.18 per \$1,000 of assessed valuation) for collection in 2024, as allowed by chapter 84.55 RCW. The 2024 levy amount will be used as the basis to calculate subsequent levy limits.

The taxes authorized by this proposition will be in addition to the maximum amount of regular property taxes the City would have been limited to by RCW 84.55.010 in the absence of voter approval under this ordinance, plus other authorized lid lifts. Thereafter, such levy amount would be used to compute limitations for subsequent years as allowed by chapter 84.55 RCW.

Upon approval of the voters of the proposition hereinafter set forth, the City may use proceeds of such levy to pay the costs of Public Safety as more particularly described in this ordinance.

Section 3. Election. The City Clerk is hereby authorized and directed to certify the following proposition to the Director, in substantially the following form. Such election shall be conducted by mail unless otherwise determined by the Director.

CITY OF MAPLE VALLEY PROPOSITION NO. 1
LEVY LID LIFT FOR PUBLIC SAFETY

The City Council of the City of Maple Valley passed Ordinance No. 23-780 concerning funding for public safety services. This proposition funds public safety and maintains current police staffing/service levels, including safety patrols, school zone traffic enforcement, school resource officer, and crime prevention programs, by increasing the City's regular property tax to a maximum rate of \$1.18/\$1,000 of assessed valuation (generating approximately \$2,200,000 for public safety) for collection in 2024. The 2024 levy amount will be the basis to calculate subsequent levies, per RCW 84.55. Qualifying seniors, veterans, and others would be exempt, per RCW 84.36.

Should this proposition be approved:

YES?

NO?

For purposes of receiving notice of the exact language of the ballot proposition required by RCW 29A.36.080, the City Council hereby designates: (a) the City Clerk and (b) the City Attorney, as the individuals to whom such notice should be provided. The City Attorney and City Clerk are each authorized individually to approve changes to the ballot title, if any, deemed necessary by the Director.

The City Clerk is authorized to make necessary clerical corrections to this ordinance including, but not limited to, the correction of scrivener's or clerical errors, references, numbering, section/subsection numbers, and any reference thereto.

The proper City officials are authorized to perform such duties as are necessary or required by law to submit the question of whether the regular property tax shall be increased, as provided in this ordinance, to the electors at the November 7, 2023 election.

Section 4. Exemption. If the ballot proposition set forth herein is approved by the voters, as authorized by RCW 84.36.381, senior citizens, disabled veterans, and other people with disabilities (as defined in RCW 84.36.381) shall be exempt from the tax increase resulting from such levy lid lift.

Section 5. Voters' Pamphlet. The preparation and distribution of a local voters' pamphlet providing information on the foregoing ballot measure is hereby authorized. The pamphlet shall include an explanatory statement and arguments advocating approval and disapproval of the ballot measure, if any. In accordance with RCW 29A.32.280, the arguments advocating approval and rejection of the ballot measure shall be prepared by committees appointed by the City Council. Each committee shall be composed of not more than three persons; however, a committee may seek the advice of any person or persons. The committee advocating approval shall be composed of persons known to favor the ballot measure, and the committee advocating rejection shall be composed of persons known to oppose the ballot measure.

Section 6. Severability; Ratification. If any provisions in this ordinance shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the levy or collection of the taxes authorized by this proposition. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and confirmed.

Section 7. Publication and Effective Date. This ordinance shall take effect five days after its passage, approval and publication as required by law.

PASSED by a majority vote of the Maple Valley City Council in open meeting this 10th day of July, 2023.

Signed in authentication thereof this 10th day of July, 2023.

Sean P. Kelly

Sean P. Kelly (Jul 12, 2023 10:50 PDT)

Sean P. Kelly, Mayor

Attest:

Andrew Dacuag

Andrew Dacuag (Jul 14, 2023 15:01 PDT)

Andrew Dacuag, City Clerk

Approved as to Form:

Deanna Gregory

Deanna Gregory (Jul 14, 2023 14:32 PDT)

Pacifica Law Group LLP, Bond Counsel