# CITY OF SAMMAMISH
## WASHINGTON
### ORDINANCE No. O2016-418

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**AN ORDINANCE OF THE CITY OF SAMMAMISH, WASHINGTON, MAKING A DECLARATION OF SUBSTANTIAL NEED FOR PURPOSES OF SETTING THE LIMIT FACTOR FOR THE PROPERTY TAX LEVY FOR THE FISCAL YEAR 2017.**

**WHEREAS,** RCW 84.55.010 provides that a taxing jurisdiction may levy taxes in an amount no more than the limit factor multiplied by the highest levy of the most recent three years plus additional amounts resulting from new construction and improvements to property; increases in the assessed value of wind turbines, solar, biomass, and geothermal facilities; and any increase in the value of state-assessed property; and

**WHEREAS,** under RCW 84.55.005 (2)(c), the limit factor for a taxing jurisdiction with a population of 10,000 or over is the lesser of 101 percent or 100 percent plus inflation; and

**WHEREAS,** RCW 84.55.005 (1) defines "inflation" as the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent 12-month period by the Bureau of Economic Analysis of the federal Department of Commerce by September 25th of the year before the taxes are payable; and

**WHEREAS,** "inflation" for the 12-month period ending June 30, 2016 is 0.953 percent and the limit factor is 1.00953, meaning the taxes levied in the City of Sammamish in 2016 for collection in 2017 could increase by less than 1% except for the amounts resulting from annexations; new construction and improvements to property; increases in the assessed value of wind turbines, solar, biomass, and geothermal facilities; and any increase in the value of state-assessed property; and

**WHEREAS,** RCW 84.55.0101 provides for use of a limit factor of 101 percent or less with a finding of substantial need by the Council; and

**WHEREAS,** the Sammamish City Council, has determined that due to several major upcoming capital projects and operating costs rising faster than the rate of inflation there is a substantial need to set the limit factor at one hundred one percent; and

**WHEREAS,** this decision was discussed as part of the 2017-2018 budget that was presented and discussed publicly at a November 1, 2016 Council meeting and public hearing and at a November 15, 2016 City Council meeting and public hearing;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAMMAMISH, WASHINGTON DOES ORDAIN AS FOLLOWS:**

Section 1 Substantial Need. A finding is made of substantial need under RCW 84.55.0101, which authorizes the use of a limit factor of 101 percent for the property tax levy for 2017. The City Council also finds a substantial future financial need to bank the difference between a 100 percent and a 101 percent limit factor.

Section 2. Effective Date. This ordinance shall be in full force and effect five (5) days from and after its passage, approval, and publication as provided by law.

**PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 15th DAY OF NOVEMBER 2016.**

CITY OF SAMMAMISH

Mayor Donald J. Gerend

Attest:

Melonie Anderson, City Clerk

Approved as to form:

Michael R. Kenyon, City Attorney

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| Filed with the City Clerk: | October 25, 2016 |
| Public Hearing: | November 1, 2016 |
| First Reading: | November 1, 2016 |
| Public Hearing: | November 15, 2016 |
| Passed by the City Council: | November 15, 2016 |
| Date of Publication: | November 18, 2016 |
| Effective Date: | November 23, 2016 |