

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 7483

A RESOLUTION providing for the banking of levy capacity pursuant to RCW 84.55.092.

WHEREAS, on June 13, 2006, the King County Superior Court ruled that Initiative 747 ("I-747") is unconstitutional in *Washington Citizens Action of Washington v. State* (No. 05-2-02052-1 SEA); and

WHEREAS, on August 18, 2006, the Washington State Supreme Court granted a stay of the effect of this ruling pending appeal; and

WHEREAS, if the Washington State Supreme Court were to uphold the ruling and I-747 was determined unconstitutional, the maximum limit factor under Chapter 84.55 RCW would return to six percent (from one percent) and the City's highest lawful levy would be calculated under the statute as it existed before I-747 was adopted;

WHEREAS, the City Council finds future substantial need exists to bank the maximum amount of levy capacity available in order to ensure sufficient capacity to fund operating costs of new facilities and maintain current levels of service, and to meet any potential future economic downturn;

WHEREAS, it is the intent of the City Council to preserve the total maximum amount of levy capacity available to it as a result of the Supreme Court's decision;

WHEREAS, the City Council held a final public hearing on December 11, 2006, to consider revenue sources for the 2007-2008 Biennial Budget; and

WHEREAS, the City Council finds that in order to provide funding for ongoing maintenance and operating costs of facilities and to maintain levels of service for residents the property tax levy should be increased by \$525,273 or 2%; now therefore

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. It is the intent of the City Council to preserve the total existing banked capacity, pursuant to RCW 84.55.0101 and 84.55.092, of \$8,899,804, or the maximum amount of levy capacity available to the City as a result of the Supreme Court's decision in the appeal of *Washington Citizens Action of Washington v. State* (No. 05-2-02052-1 SEA).

Section 2. The real property tax levy established by the Council pursuant to Ordinance No. 5710 of even date herewith includes an increase in the property tax levy of \$525,273 or 2%, exclusive of the increase resulting from the addition of new construction and improvements to property, any increase in the value of state-assessed property, allowed adjustments for annexations and refunds.

Section 3. The City Clerk is directed to transmit a certified copy of this resolution to the Council Administrator – Clerk of the King County Council and to the King County Assessor on or before December 12, 2006, showing its adoption. The Clerk is further directed to transmit a certified copy of this resolution to the Office of the Auditor of the State of Washington, Division of Municipal Corporations.

Passed by the City Council this 11th day of December, 2006, and signed in authentication of its passage this 11th day of December, 2006.

(SEAL)



Grant S. Degginger, Mayor

Attest:



Myrna L. Basich, City Clerk