RESOLUTION NO. 1574

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EDMONDS, WASHINGTON, PROVIDING FOR THE SUBMISSION TO THE VOTERS AT THE GENERAL ELECTION A PROPOSITION AUTHORIZING THE CITY TO INCREASE ITS REGULAR PROPERTY TAX LEVY ABOVE THE LIMIT OTHERWISE ALLOWED BY STATE LAW.

WHEREAS, Initiative 747 was a voter-approved measure in 2001 that limited annual increases in regular property tax levies to 1% unless voters approved a higher amount; and

WHEREAS, prior to I-747, local governments could increase levies by up to 6% annually under state law; and

WHEREAS, although the Washington Supreme Court struck down the initiative in 2007, the legislature quickly reinstated the 1% cap that same year; and

WHEREAS, the 1% cap is still in effect today; and

WHEREAS, the city has not had a levy lid lift approved by voters since 2001; and

WHEREAS, inflation has averaged approximately 2.5% per year since 2001; and

WHEREAS, this gap between the 1% cap and the 2.5% historic inflation average has contributed significantly to the city's structural budget deficit, especially considering the compounded effect of those different percentages over time; and

WHEREAS, the City Council adopted Resolution 1570, expressing their understanding of operational budget impacts if the general property tax collected for 2026 is less than the budgeted, seeking to be as transparent as possible with the City's residents about the City's likely future financial needs and ability to provide services; and

WHEREAS the Council's adopted biennial budget for 2025-2026 resulted in impactful reductions of staffing, services and programs for Police, Parks and Recreation and Public Works departments, including eliminating six line-officers and one assistant police chief, evident cuts in Parks maintenance and elimination of Recreation programs, and further postponed street and safety improvements; and

WHEREAS, various different perspectives have been shared with the city council related to the cost of government in similar jurisdictions, the particular needs of the City of Edmonds, the desires of the Edmonds residents, and the property taxes paid by Edmonds taxpayers compared to similar jurisdictions; and

WHEREAS, relatedly, the following proposed levy lid lift amounts have been presented to the city council from various sources:

- \$22,181,279 was suggested by city staff;
- \$16,513,457 was suggested by Mike Bailey derived from comparable cities;
- \$11,703,000 was suggested by Keep Edmonds Vibrant;
- \$19,347,368 was suggested by Mayor Rosen; and

WHEREAS, regardless of the amount of the levy lid lift, the city council prefers using a permanent multi-year lid lift to allow the city's levy to keep pace with inflation; and

WHEREAS, the city council asks its community to support this levy lid lift for the limited purposes of funding police, parks, and safe streets; and

WHEREAS, the city council prefers to allow qualifying low-income senior and disabled homeowners a deferral or exemption from the impact of the levy lid lift; and

WHEREAS, the city council held a public hearing on this resolution on July 1, 2025; NOW THEREFORE,

THE CITY COUNCIL OF THE CITY OF EDMONDS, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

<u>Section 1.</u> The above recitals are adopted as findings in support of this Resolution.

<u>Section 2.</u> The City Council hereby finds and declares that it is in the best interests of the residents of Edmonds to provide additional funds for the purposes of police, parks, and safe streets.

<u>Section 3.</u> Pursuant to RCW 84.55.050(2)(a) and RCW 29A.04.330, a proposition shall be included in the general election within the City of Edmonds on Tuesday, November 4, 2025, for the purpose of submitting to the qualified electors of the city, for their ratification or rejection, a proposition to permanently increase the city's regular property tax levy, exceeding the limit factor provided in RCW 84.55.005 - .0101, as more specifically described in Section 4 below.

Section 4. The proposition would authorize the city to increase the regular property tax levy to be collected in 2026 by \$14,500,000 at a rate not to exceed \$1.65 per \$1,000 of assessed value on property in the city. For the five years following 2026 (i.e., the years 2027 - 2031), the proposition would also authorize use of a limit factor of 100% plus the percentage change in the 12-month August-to-August Consumer Price Index For All Urban Consumers (CPI-U) for the Seattle-Tacoma-Bellevue Area or the equivalent successor index as determined by the City Council. The proposition also would approve the use of the dollar amount of the 2031 levy for computing the maximum levy that may be imposed in years after 2031. Revenues from the property tax increases that would be authorized by the ballot proposition shall be used for the limited purposes of police, parks, and safe streets.

<u>Section 5.</u> The proposition to be submitted to the electorate of the City shall read substantially as follows:

Name of Jurisdiction: City of Edmonds

Short Title:	PROPERTY TAX LEVY FOR POLICE, PARKS, AND SAFE STREETS
Ballot Title:	The Edmonds City Council adopted Resolution No. 1574 concerning a property tax levy. This proposition would authorize the Edmonds City Council to increase the regular levy in 2026 up to \$1.65 per \$1,000 of assessed value; use the annual Seattle-Tacoma-Bellevue CPI-U to adjust levies in 2027-2031; dedicate proceeds to police, parks, and safe streets; exempt qualifying senior and disabled homeowners under RCW 84.36.381; and set the 2031 levy as the base for computing future levy limits.
	Should this proposition be approved?
	Yes
	No
<u>Section 6.</u> A local voters' pamphlet is requested and the City Attorney is hereby authorized to draft the explanatory statement in conformance with requirements of the Snohomish County Auditor.	
formatting and/or wording of the b	ney is authorized to make such minor adjustments to the pallot measure as may be recommended or required by the as the intent of the measure remains clear and consistent with
Section 8. The City Clerk Snohomish County Auditor to fulfill	c is authorized to file any necessary documents with the the purposes of this Resolution.
Section 9. This Resolution hereon.	shall be in full force and effect upon passage and signatures
RESOLVED this day	of July, 2025.
	CITY OF EDMONDS
	MAYOR, MIKE ROSEN

Proposition 1

Proposition Number:

ATTEST:
CITY CLERK, SCOTT PASSEY
FILED WITH THE CITY CLERK: PASSED BY THE CITY COUNCIL: RESOLUTION NO