

EDMONDS CIVIC ROUNDTABLE

AND

MY EDMONDS NEWS

present:

EDMONDS LEVY LID LIFT CONVERSATION

OCTOBER 6, 2025

PRO Side Information Packet

Treasure Mackley

FACT SHEET

How much will Prop 1 cost me?

Proposition 1 is a city-proposed levy for the specific funding of Police, Parks, Planning, Streets and Sidewalks. Qualifying low-income seniors are exempt. The \$14.5 million measure will appear before voters on the November 2025 ballot.

If approved, the property tax rate would increase 93 cents per \$1,000 of assessed valuation in 2026. Based on this rate, the median homeowner would pay \$65/month - or just \$2.14 per day. This represents less than 1% of the Edmonds median household's annual income.

Washington state law provides important protections for low-income residents, including our seniors. Those with annual incomes up to 70% of the county's median income (around \$76,000/year) may qualify for exemptions that can significantly reduce possible financial strain, helping ensure Edmonds remains affordable to them.

Why is a levy needed?

A levy is required to address the structural revenue shortage our city faces, which is currently causing a budget crisis and leading it to future financial insolvency. For years, Edmonds has faced challenges in investing in its long-term future. The City has been reluctant to adopt policies, such as increasing housing density in certain strategic areas of the city, that would vastly expand and diversify its property and sales tax base. This has resulted—for better or worse—in the reliance on homeowners to fund city government. Edmonds has also avoided pursuing otherwise popular and sustained non-property revenues, such as paid downtown parking, the implementation of a B&O tax, and increased development impact fees, to name a few, that could have shifted some of the financial responsibility to non-residents, businesses, developers. These past decisions have all contributed to our current situation: a city that now depends heavily on property taxes to stay financially stable.

The other side claims my property taxes will go up 130%. Is this true?

This claim is false and is intended to mislead. If approved, the property tax rate would increase .93 cents per \$1,000 of assessed valuation in 2026. This increase amounts to 10% - not 130%. In real, everyday numbers, the median homeowner would pay \$65/month - or just \$2.14/day more. Washington state law provides important exemptions for low-income residents, including our seniors, to help significantly reduce any possible financial strain, helping ensure Edmonds remains affordable to them.

ENDORSEMENTS:

We've assembled a broad and diverse coalition of supporters representing all corners of the community — elected officials, nonprofit and civic leaders, local businesses, and engaged residents — all united in support of a stronger future for Edmonds. All endorsements made by individuals are given in their personal capacity as private citizens. **SEE BACKSIDE!**

Endorsements

Elected Officials

Marko Lias
State Senator (21st LD)

Strom Peterson
*State Rep. (21st LD) &
Snohomish
County Council*

Lillian Ortiz-Self
State Rep. (21st LD)

Jesse Salomon
State Senator (32nd LD)

Cindy Ryu
State Rep. (32nd LD)

Lauren Davis
State Rep. (32nd LD)

Mike Rosen
Edmonds Mayor

Susan Paine
Edmonds Councilmember

Neil Tibbott
Edmonds Councilmember

Vivian Olson
Edmonds Councilmember

Chris Eck
Edmonds Councilmember

Jenna Nand
Edmonds Councilmember

Nancy Katims
*Edmonds School Board
President*

Carin Chase
*Edmonds School Board
Director*

Thom Garrard
*Edmonds School Board
Director*

Dave Somers
Snohomish County Executive
Tom Mesaros
*Former Edmonds City Council
President; PRO Committee*
Dave Earling
*Former Mayor of Edmonds;
Trustee, Edmonds College*

Community & Business Leaders

Rick Steves
*Business owner &
philanthropist*

21st LD Democrats

32nd LD Democrats

Snohomish County
Democrats

Jeanne Thorsen
PRO Committee

Roger Pence
PRO Committee

**Edmonds Police Officers
Association**

Edmonds Elementary
PTA

David Shaefer
*Emeritus Board, Edmonds
Center for the Arts*

Treasure Mackley
*Board Member, Edmonds
Center for the Arts*

Tom Mayer
*Former Director, Sno-Isle
Libraries*

Christi Kreft
Owner, Edmonds Montessori

Shubert Ho
*Owner, Feed Me Hospitality &
Restaurant Group*

BEE Engineers
*Edmonds Business
Community Member*

Chelsea Rudd
*Candidate, Port of Edmonds
Commissioner District #1*

Alex Newman
*Candidate, Edmonds City
Council Position #3*

William Hochberg
Hochberg & Hamar, PLLC

Greg Ferguson
*Edmonds Marsh Estuary
Advocates*

Bill Derry
*Edmonds Marsh Estuary
Advocates*

Marjie Fields
*Edmonds Marsh Estuary
Advocates*

Georgina Armstrong
*President, Edmonds Climate
Advisory Board*

Gayla Shoemake
*Chair, Interfaith Climate
Action*

A RED-LINE RESPONSE TO THE OPPOSITION'S “ALTERNATIVE PLAN”... AND WHY IT FALLS FLAT

Reader view: Understanding Edmonds' levy lid lift — budget choices and alternatives

By: Jim Ogonowski; September 29, 2025

This article addresses the upcoming levy lid lift ballot, how the city arrived at this point, and what other options may exist.

The city's budget consists of six main funds — containing a total of 34 different accounts, each serving a unique function — some legally mandated, some restricted and others discretionary. Among all these, only general fund (GF) difficulties led to the current fiscal emergency declaration. **CORRECT**

The GF's recent history — see below — shows how its fund balance (revenues minus expenses) has shifted over time. City financial policy calls for the GF to stay within a designated “green zone” for stability. Entering the “yellow zone” requires a formal fiscal emergency and authorizes use of emergency reserves to maintain operations. If depleted further, additional contingency reserves of \$2.2 million are available to prevent technical insolvency (the “red zone”). **CORRECT.**

At the close of 2021, Edmonds had nearly \$18 million in GF reserves— well above minimum requirements. Mayor Nelson and the City Council decided to spend down these reserves, a reasonable use of public funds if appropriately managed. However, the pace of expenditures increased rapidly: \$6 million in reserves were used in 2022, and spending accelerated further in 2023, exceeding the emergency threshold by April. A formal emergency declaration did not occur until November. The city then depleted the remaining reserves in 2024 and used one-time American Rescue Plan Act (ARPA) money to avoid insolvency. With these exhausted, the city borrowed \$6 million from utility funds to balance this year's budget. In just three years, a strong reserve position turned into a fiscal emergency. **THE OPPOSITION WANTS TO FOCUS ON 2021-2024. LIMITING THE ANALYSIS TO 2021 IS NOT ONLY SHORTSIGHTED — IT IGNORES THE FULL PICTURE. IF YOU LOOK BACK TO 2001, THE CITY HAD 218 EMPLOYEES (EXCLUDING FIRE DEPARTMENT PERSONNEL), NEARLY IDENTICAL TO THE 220 STAFF WE HAVE TODAY. ON PAPER, THE 2021 BUDGET MAY HAVE APPEARED BALANCED, BUOYED BY \$18 MILLION IN RESERVES. BUT THAT BALANCE WAS ARTIFICIAL FOR A SIMPLE REASON: WE WERE UNDERSTAFFED, WE WEREN'T SETTING ASIDE FUNDS FOR CRITICAL DEFERRED MAINTENANCE ON AGING BUILDINGS, AND THERE WAS NO PLAN TO MODERNIZE OUR OUTDATED INFRASTRUCTURE. THE REVENUE SIMPLY DIDN'T MATCH THE GROWING DEMANDS PLACED ON THE CITY. WHAT LOOKED LIKE FISCAL STABILITY WAS, IN TRUTH, A FRAGILE FOUNDATION — ONE THAT IGNORED LONG-TERM NEEDS IN FAVOR OF SHORT-TERM APPEARANCES. THAT'S THE MISTAKE WE CAN'T AFFORD TO REPEAT. THERE'S NO REASON WHY EDMONDS SHOULD HAVE THE SAME NUMBER OF EMPLOYEES TODAY AS IT DID 24 YEARS AGO, ESPECIALLY WHEN ONCE CONSIDERS WE HAVE 3,000 ADDITIONAL RESIDENTS SINCE THAT TIME, AND INFLATION HAS GROWN BY 88%.**

The mayor proposes budgets, and the city council amends, adopts and oversees the budget. Since 2022, this oversight has not prevented fiscal imbalance, creating the present situation.

Looking ahead, the city's adopted two-year budget (starting in 2025) is built on a \$6 million loan this year, annexation to the RFA in 2026 (now approved by voters), savings from the fire contract, and a \$6 million levy in 2026. This plan repays the loan in two years and rebuilds reserves (shown above).

Yet, the levy amount has jumped to \$14.5 million. What changed, and are alternative solutions available? **CONTEXT MATTERS. WHAT'S BEING PRESENTED IS ONLY PART OF THE STORY. THE FULL PICTURE IS THIS: OVER \$8 MILLION IN CUTS WERE MADE TO OUR CITY'S BUDGET THIS PAST YEAR — SLASHING STAFF AND ESSENTIAL SERVICES, AND REDUCING OUR WORKFORCE TO LEVELS NOT SEEN SINCE 2001.**

THE AUTHOR'S PROPOSED \$6 MILLION LEVY OPTION WON'T UNDO THAT DAMAGE. IT WON'T RESTORE THE POSITIONS THAT WERE LOST FROM THIS PAST YEAR'S CUTS. IT WON'T SET ASIDE FUNDS FOR LONG-OVERDUE MAINTENANCE ON AGING CITY FACILITIES. AND IT WON'T INVEST IN THE MODERN INFRASTRUCTURE OUR GROWING COMMUNITY NEEDS.

AT BEST, THIS APPROACH WOULD PERHAPS PREVENT THE CITY FROM GOING INSOLVENT. BUT SIMPLY AVOIDING INSOLVENCY ISN'T — AND SHOULDN'T BE — THE GOAL OF A CITY BUDGET. RATHER, OUR GOAL SHOULD BE TO BUILD A CITY BUDGET THAT SUSTAINS VIBRANCY, SAFETY, AND PREPARES US FOR THE FUTURE. UNFORTUNATELY, \$6 MILLION WON'T GET US THERE.

The city is presenting voters with a false choice: either pass the \$14.5 million levy or face severe service cuts. The city has money: THIS WAS EXPOSED AS BEING FALSE AND MISLEADING JUST 48 HOURS AGO WHEN COUNCILMEMBER WILL CHEN RETRACTED HIS STATEMENT AND ACKNOWLEDGED THAT ONLY \$1.5 MILLION OF THE \$79 MILLION IN OTHER FUNDS IS TRANSFERRABLE. however, not necessarily allocated in the accounts that need it. Prior to recent budget discussions, an alternative was proposed — reallocating underused balances from Internal Service Funds (ISFs) to the GF. These ISFs are discretionary, not legally required, and have been used in this way before (e.g., a \$1.5 million transfer in 2020).

If approved by City Council, \$6.6 million COUNCILMEMBER WILL CHEN ACKNOWLEDGED 48 HOURS AGO THAT THIS AMOUNT CANNOT BE TRANSFERRED would be added to the GF — fully offsetting the \$6 million in service cuts projected by the city if the levy fails, without repayable debt or interest. THERE IS NO "MAGIC POT" OF UNUSED MONEY WAITING TO BE TAPPED. WHILE IT'S TRUE THAT THE CITY HOLDS APPROXIMATELY \$79 MILLION IN RESERVE FUNDS, NEARLY ALL OF THAT IS NOT PERMITTED BY LAW TO BE TRANSFERRED OR IS EARMARKED FOR SPECIFIC USES — AS CLEARLY OUTLINED IN LAST WEEK'S BUDGET PRESENTATION BY THE CITY.

IN REALITY, ONLY ABOUT \$1.5 MILLION OF THAT TOTAL — FROM THE ISF FUND - IS ELIGIBLE FOR TRANSFER INTO THE GENERAL FUND — A FAR CRY FROM THE \$6.6 MILLION THE OPPOSITION CLAIMS CAN BE REDIRECTED. THAT LEAVES A \$5 MILLION HOLE IN THE OPPOSITION'S ALTERNATIVE PLAN.

IT'S IMPORTANT THAT WE DEAL IN FACTS — AND THE FACT IS, RELYING ON ILLUSORY FUNDS WON'T SOLVE OUR LONG-TERM FISCAL CHALLENGES.

In addition to a \$6 million levy lid lift in 2027 and *\$5 million in new non-property tax revenue committed to by the city*, THE "\$5 MILLION IN NEW NON-PROPERTY TAX REVENUE COMMITTED TO BY THE CITY" INCLUDES A NEW CITY B&O TAX ON BUSINESSES, MORE RED LIGHT CAMERAS, MORE SCHOOL ZONE CAMERAS, PAID PARKING IN DOWNTOWN AND ALONG THE WATERFRONT, A .1% INCREASE IN SALES TAX, AND INCREASED BUSINESS LICENSE FEES. THIS IS THE ACTUAL SUBSTANCE BEHIND THE PROPOSED "ALTERNATIVE PLAN" — AND BY ENDORSING IT, THE AUTHOR AND THE LEVY OPPOSITION GROUP ARE EFFECTIVELY SIGNALING THEIR SUPPORT FOR THESE CHANGES. the ISF alternative creates a middle ground between the current ballot measure and what many residents may find affordable. These approaches — at currently budgeted service levels — are compared below:

The alternative provides for enhanced services over time just as the ballot measure does, however at a more reasonable, affordable rate.

Unfortunately, given the city's chosen course, the only practical way to advance this alternative is to vote "no" on the levy lid lift. This alternative represents a transparent, responsible path forward — one the community deserves to consider before voting — and one the city has chosen to ignore. UNFORTUNATELY, THE OPPOSITION'S "ALTERNATIVE BUDGET" PROPOSED PLAN SIMPLY FALLS FLAT UNDER ANY SERIOUS SCRUTINY.

Jim Ogonowski is an Edmonds resident, a prior member of the Citizens Housing Commission and a retired Boeing Vice President and Senior Chief Engineer with experience in managing complex airplane development programs with a global footprint.

WHAT'S AT STAKE: A SIDE-BY-SIDE COMPARISON

IF PROP 1 FAILS

PER EDMONDS CITY COUNCIL RESOLUTION 1570

- X Elimination of human services staff
- X Elimination of cultural service program
- X Deep reductions to street maintenance programs
- X Reduction of police services by over \$3,600,000
- X Patrol staffing will be reduced to minimal levels
- X Elimination of crime prevention units
- X Elimination of Animal Control, and Traffic unit
- X Reduction of parks budget by over \$1,870,000
- X Closed: Frances Anderson for recreational programs
- X Closure of City Park Spray Pad
- X Closure of Yost Pool
- X Reductions of litter pickup in public spaces
- X Discontinue: Holiday Tree Lighting Ceremony
- X Discontinue: Wintertime downtown tree lights
- X Reduction of vegetation management and irrigation
- X Elimination of special events support & permits for:
 - Summer Market, Edmonds Arts Festival, 4th of July parade
- X Economic development Dept. reduced by 74%
- X Elimination of Executive Assistant to City Council
- X Deeper reductions to:
 - Facility building maintenance, Public works, Finance team, Human Resources
- X Elimination of Edmonds Stream Team funding

IF PROP 1 SUCCEEDS

PER MAYOR'S PROPOSED BIENNIEUM BUDGET

- ✓ \$6.52M for Police & Public Safety to help offset some of the \$8M+ in cuts from this past year
- ✓ \$3.19M for Parks & Recreation to help offset some of the \$8M+ in cuts from this past year
- ✓ \$1.59M for Community & Planning to help offset some of the \$8M+ in cuts from this past year
- ✓ \$3.19M for Streets & Sidewalks to help offset some of the \$8M+ in cuts from this past year
- ✓ Increased patrol capacity for faster response, crime prevention, and community policing
- ✓ More resources to review cases and address high-crime areas
- ✓ Enhanced traffic and parking enforcement, including special emphasis patrols
- ✓ A dedicated emergency manager to strengthen emergency preparedness
- ✓ Expanded litter removal, graffiti cleanup, irrigation, and holiday lighting support for park projects, grants, and partnerships
- ✓ Environmental stewardship through beach rangers, waterfront visitor center, and volunteer coordinator
- ✓ Continued operation of Frances Anderson Center, Yost Pool, and Hazel Miller Spray Park

Levy opponents claim this is an extreme and burdensome tax hike.

Let's be clear: that's a scare tactic — and it's simply not true.

FACT:

Edmonds Median Household Income: \$116,000

FACT:

Edmonds Median Home Value: \$840,200

FACT:

Levy impact to median homeowner: \$65/month OR \$2.14/day

FACT:

The levy impact equals less than 1% of the median household's annual income

FACT:

Our most financially vulnerable residents, including our seniors, are exempted from this levy

"Think for a moment about why you love Edmonds. People choose to live here for its quality of life and its charm — and that "Edmonds kind of day" charm isn't free. It all costs public money. It's taxpayer-funded.

After studying the numbers and our city's budget realities, I'm proud to offer my full support for Proposition 1, the Levy for Police, Parks, Planning, Streets, and Sidewalks, on this November's ballot.

I'm grateful to live in Edmonds and share this city with so many wonderful neighbors. The long-term health of our community — from staffing to infrastructure to public safety — can't be taken for granted. The city we all call home needs to be funded honestly and smartly, and that's exactly what Proposition 1 will do. Let's continue to invest wisely in what makes our town special and make sure it remains a vibrant, safe, and welcoming home for generations to come.

Again, the Edmonds we know and love is worth the investment! Please: Vote yes on Proposition 1."

-Rick Steves