

CITY OF BURIEN, WASHINGTON

ORDINANCE NO. 535

AN ORDINANCE OF THE CITY OF BURIEN, WASHINGTON, SETTING THE THRESHOLD AND TAX RATES IN ACCORDANCE WITH RCW 82.14.415 WITH RESPECT TO THE NORTH HIGHLINE BURIEN ANNEXATION

WHEREAS, effective April 1, 2010 at 12:01 a.m, the City of Burien will annex the North Highline annexation area with an anticipated population of over 10,000 people, and

WHEREAS, pursuant to RCW 82.14.415, the City is authorized, under the circumstances of this annexation, to impose a sales and use tax as authorized with that tax being a credit against the state tax; and

WHEREAS, RCW 82.14.415 requires that the City Council determine a threshold amount representing costs to serve the area less revenues to be generated by the area, as well as a state sales tax rate to meet the financial needs of the annexed area; and

WHEREAS, blending the 2010 and 2011 annexation related expenses, so as to coincide with the state budget year, results in an estimated shortfall of \$2,131,000; and

WHEREAS, the City Council finds and determines that the projected cost to provide municipal services to the area known as the North Highline annexation is at least \$8,167,000 which exceeds the projected revenue of \$6,036,000 to be generated from the annexation and which results in an estimated shortfall of \$2,131,000; and

WHEREAS, the maximum sales tax assistance under RCW 82.14.415 for an annexation of between 10,000 and 20,000 people is .1% of the sales tax and for over 20,000 people the assistance is .2% of the sales tax; and

WHEREAS, it is appropriate to condition the determination of the sales tax assistance rate upon the City's verification by the State of Washington Office of Financial Management that the annexation area or any part or parts thereof meet the population and all other requirements for the Incentive Tax Dollars.

WHEREAS, the 2010/2011 estimated sales tax in the City is at least \$4.6 million and the estimated sales tax from the annexation is \$414,000, for an estimated sales tax assistance total, at .1% for the City and the annexed area, \$501,400, and at .2% for the City and the annexed area, of \$1,002,800; and

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

Section 1. Pursuant to RCW 82.14.415, the City Council determines that the anticipated revenues from the North Highline annexed area are estimated to be \$6,036,000, which results in a threshold difference in the initial blended year of annexation to serve the area in the amount of \$2,131,000 and to assist the City in providing services to the area within the annexation there shall be imposed a tax rate, per RCW 82.14.415, equal to 0.1% if the annexation area population is between 10,000 and 20,000 people or 0.2% if the annexation population is over 20,000 people. Pursuant to RCW 82.14.415, this tax is in addition to other taxes authorized by law and shall be collected from those persons who are taxable by the State under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the City of Burien. All revenue collected under this ordinance shall be used solely to provide, maintain and operate municipal services for the annexation area. The effective date of this tax rate will be July 1, 2010.

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. Effective Date. This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 22ND DAY OF FEBRUARY, 2010, AND SIGNED IN AUTHENTICATION OF ITS PASSAGE THIS 22ND DAY OF FEBRUARY, 2010.

CITY OF BURIEN
/s/ Joan McGilton, Mayor

ATTEST/AUTHENTICATED:
/s/ Monica Lusk, City Clerk

Approved as to form:
/s/ Christopher Bacha, Interim, City Attorney
Kenyon Disend, PLLC

Filed with the City Clerk: Feb 22, 2010
Passed by the City Council: Feb 22, 2010
Ordinance No. 535
Date of Publication: Feb 25, 2010