

From: [Jeff Dairiki](#)
To: [City Council](#); [Keith Scully](#); [Heidi Costello](#)
Cc: [Chris Roberts](#); [Betsy Robertson](#); [John Ramsdell](#); [Eben Pobe](#); [Laura Mork](#); [Doris McConnell](#); [Sandra Distefano](#)
Subject: Re: [EXTERNAL] Public Comment on July 18 Agenda: Resolution 492 - Levy Lid Lift
Date: Monday, July 18, 2022 2:16:36 PM
Attachments: [2022-07-18 Response to Sara Lane on Levy Lid Lift.pdf](#)

CAUTION: This email originated from outside of the City of Shoreline. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Sara Lane, Mayor, and City Council,

Sara, thank you for your response to my comments of last week.

As the council meeting is tonight, I have a few comments on Sara Lane's response. I have written these in a letter which I have attached below.

Please enter the attached letter as public comment on action item 8(a), Resolution 492, having to do with the Property Tax Levy Lid Lift, which is on the City Council Agenda for tonight, July 18, 2022.

Thank you!

Geoffrey Dairiki
North City, Shoreline, WA

On Mon, Jul 18, 2022 at 12:25 PM City Council <Council@shorelinewa.gov> wrote:

Dear Geoffrey Dairiki,

Attached is a response from Sara Lane, Director of Administrative Services, to your recent email. A copy of both your email and the response have also been sent to the City Council and appropriate staff.

Heidi Costello

Administrative Assistant III

City Manager's Office

City of Shoreline

(206) 801-2214

hcostello@shorelinewa.gov

***NOTICE OF DISCLOSURE**

The City of Shoreline will enter all comments received into the public record and may make these comments, and any attachments or other supporting materials, available unchanged, including any business or personal information (name, email address, phone, etc.) that you provide available for public review. This information may be released on the City's website. Comments received are part of the public record and subject to disclosure under the Public Records Act, RCW 42.56. Do not include any information in your comment or supporting materials that you do not wish to be made public, including name and contact information.

From: Jeff Dairiki <dairiki@dairiki.org>
Sent: Tuesday, July 12, 2022 4:23 PM
To: Keith Scully <kscully@shorelinewa.gov>; City Council <Council@shorelinewa.gov>
Cc: Chris Roberts <croberts@shorelinewa.gov>; Betsy Robertson <b Robertson@shorelinewa.gov>; John Ramsdell <JRamsdell@shorelinewa.gov>; Eben Pobee <EPobee@shorelinewa.gov>; Laura Mork <lmork@shorelinewa.gov>; Doris McConnell <dmcconnell@shorelinewa.gov>; Sandra Distefano <distef@dairiki.org>
Subject: [EXTERNAL] Public Comment on July 18 Agenda: Resolution 492 - Levy Lid Lift

CAUTION: This email originated from outside of the City of Shoreline. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Councilmembers,

I am writing to submit public comment on *action item 8(a)*, Resolution 492, having to do with the Property Tax Levy Lid Lift, which is on the *City Council Agenda for July 18, 2022*.

Once again, it seems to me, that the City is being reckless when it comes to setting and justifying a reasonable Levy Rate for the first year of the next Levy Lid Lift.

The full text of my public comment is attached as a PDF, below.

I would appreciate hearing any comments that you might have on them, and would also be happy to answer any questions you might have about my reasoning (or data sources.)

With my wife, I own a house in the North City neighborhood of Shoreline.

Respectfully,

Geoffrey Dairiki

Geoffrey Dairiki
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<dairiki@dairiki.org>

July 12, 2022

Reponse to letter from Sara Lane

Sara Lane, Shoreline Administrative Service Director
and
Shoreline City Council
17500 Midvale Avenue N
Shoreline, WA 98133-4905

Dear Sara Lane, Mayor, and City Council,

Thank you for your response to my previous letter on the Levy Lid Lift.

Since the Council meeting is tonight, time is short, but I would like to comment on a few of the numbers and computations presented in Sara Lane's response.

A \$1.40 Levy Rate results in a 45% (not 24%) increase in revenue

You state "At the \$1.40 level, the LLL would result in projected property tax collections of \$21 million, or an additional \$3.7 million more than if the 2023 rate was simply raised by CPI. That increase is about 24% over 2022 property tax revenues."

I believe that your math is incorrect.

The Levy Rate for 2022 is \$1.13. \$1.40 represents a 24% increase *in just the Levy Rate*. Total revenue is equal to the Levy Rate multiplied by the total assessed value. Using the estimate of the increase in next year's assessments that you received from the County of 17%, the \$1.40 Levy Rate results in a 45% increase in total revenue. (The change in Levy Rate compounds with the change in assessed value: $1.24 \times 1.17 = 1.45$.)

That's a lot of surplus!

Your letter states: "We anticipate that setting the levy rate at \$1.40 for year one the LLL would generate approximately \$15 million in one-time surplus over the first five years."

The total revenue from the Shoreline levy in 2022 is \$15.2 million.

You're estimating a five-year surplus equal to this year's total revenue. *That's a huge surplus!*

Nobody knows precisely what the inflation rate will be

You state "*we also learned that the year-over-year change in CPI will be 10.14%*". Indeed, Seattle CPI-U increased 3.2% in the two months ending in June 2022 — that represents a 10.1% annualized rate.

However, I believe the pertinent change is the Seattle CPI-U index is not yet known. What matters is the change in CPI-U at the time that 2023 property taxes are computed.

A significant component of the CPI-U is the price of energy — specifically, gasoline. Gas prices, we all know, have skyrocketed this Spring. In the past month, however, average Seattle gas prices have dropped by 5%. There is good reason to believe that the final year-over-year inflation rate will be somewhat under the current 10% spike.

Summary

A 2023 Levy Rate of \$1.40 represents a quite significant increase in City property tax. The wording in the report on resolution 492 in tonight's agenda does not, in my opinion, make that fact very clear.

If you are going to put a large tax increase to the voters, you should be upfront about it.

Thank you for your consideration.

Respectfully,

Geoffrey Dairiki