

CITY OF SHORELINE PROPOSITION 1

Maintenance and Operations Levy for
Public Safety and Community Services



Shoreline Proposition 1

In 2010 and 2016, Shoreline voters approved six-year levy lid lifts for basic public safety, parks and recreation, and community services. The 2016 levy expires at the end of this year. The City Council has approved placing a measure on the November general election ballot asking Shoreline voters whether they will approve a levy to replace the expiring 2016 levy. Revenue collected from levy lid lifts help the City maintain day-to-day city services and programs.

Property taxes collected by the City go into the City's operating fund. If approved by voters, Proposition 1 would maintain current levels of police and community safety services, including neighborhood safety patrols; traffic enforcement in school zones and neighborhoods; and community crime prevention programs. It would also enhance the RADAR Program by adding mental health professional teams to provide 24/7 response with police to community members in behavioral health crisis. Proposition 1 would also preserve safe, well-maintained, and accessible parks and trails; playgrounds and play equipment that meet safety standards; playfields and restrooms; and preserve recreation programs for youth, adults, families, and seniors. Proposition 1 would continue funding for community services for seniors, youth, and individuals and families in need, including homelessness response services. The levy would also sustain the City's code enforcement and customer response programs.

What is a levy lid lift?

Washington's property tax is a levy-based property tax system, which means state law allows a city to collect a specified total dollar amount (the levy) per year. State law limits levy increases to 1% per year.

The exception to this rule is the levy lid lift, which allows cities to go to the voters to ask that the levy rate be increased (lid lift) to an amount equal to or less than the statutory maximum rate, which is \$1.60. State law also allows cities to ask voters if they would approve a larger annual increase than 1%. The maximum length of a levy lid lift that both resets the levy rate and the annual escalation is six-years.



Proposition 1

Proposition 1 is a maintenance and operations levy to maintain public safety and community services. If approved, the measure will:

Set the City's regular property tax levy rate at or below \$1.39 per \$1,000 of assessed value in 2023. The legal tax levy rate limit for the City is \$1.60.

Limit annual property tax levy increases in 2024 through 2028 to an amount not to exceed inflation based on the Seattle Consumer Price Index (CPI).

Use the 2028 levy as a base for future levy limits.

A homeowner with a median valued home (estimated in 2023 to be \$731,300) would pay on average \$30 more per month over the six-year levy.



Why is the City seeking a levy lid lift?

Washington state law limits most jurisdictions to an increase in property tax revenue of 1% per year unless authorized by a vote of the people. Because inflation often rises more than 1% a year, a structural imbalance exists. As a result, funding for basic City services cannot keep pace with rising costs as expenditures for the same services rise faster than the revenue to pay for them. In 2010 and 2016, Shoreline voters approved six-year maintenance and operations levy lid lifts to bridge the funding gaps. The 2016 levy expires December 31, 2022.

State law requires the City to balance its budget. The City's 10-year financial forecast projects that without replacing these levy funds, revenues will not be adequate to support the cost to maintain current service levels.

Seeking savings and efficiencies is a high priority for the City, but operating costs continue to increase at rates higher than 1%. Between 2017 and 2021, the consumer price index, or CPI, which is what we use to measure inflation, averaged 3.0%. The June 2022 CPI increased by more than 10% for the Seattle-Tacoma-Bellevue area when compared to the CPI for June 2021.

The proposed levy will allow the City to preserve current levels of service for public safety programs; maintain parks and facilities; sustain community services; and provide funding to enhance the RADAR program to be a 24/7 response.

City cost reductions

The City has made several budget and operational changes to help contain costs while maintaining services, including:

- Alternative delivery options, such as K9 officer contract and bringing street sweeping, grounds maintenance, and athletic field preparation in house.
- Managing jail costs by using lower cost contracts at Yakima and SCORE jails instead of King County Jail, and by using alternatives to jail.
- Joint supervision of Police Department shifts between Shoreline and Kenmore.
- Using more online self-service options, such as recreation program registration and permitting.

Financial Advisory Committee Recommendation

Earlier this year, the City Manager appointed a 13-member Financial Sustainability Advisory Committee. The Committee, made up of Shoreline residents, reviewed the City's finances and services and recommended that the City Council place a levy lid lift on the November 8 ballot.

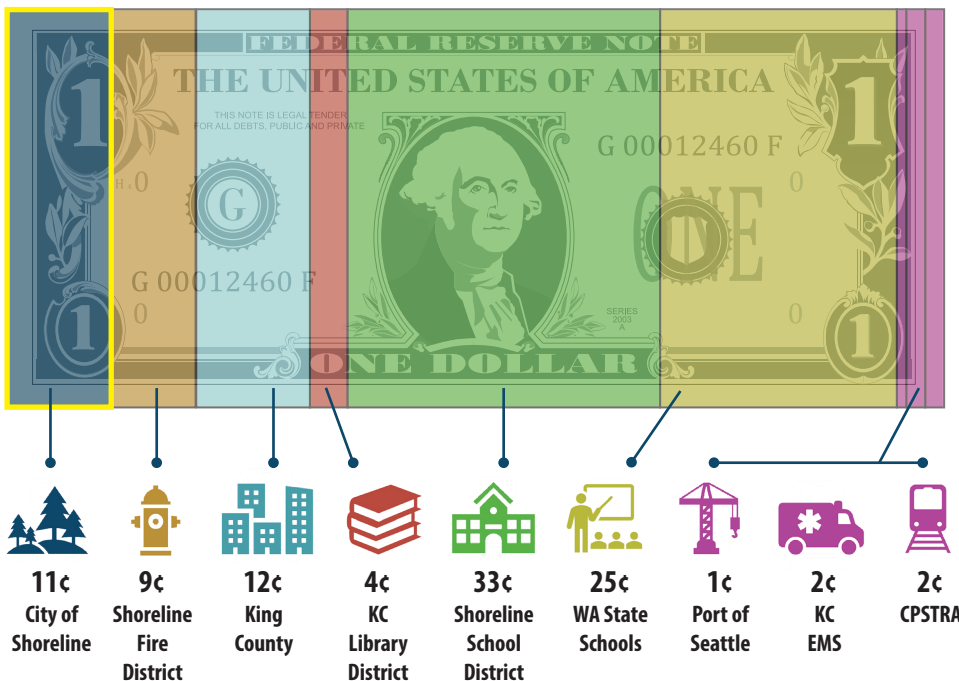
The Committee also recommended the City restore the baseline level of current City services. Over the past six years, service levels have effectively decreased due to increasing costs and demand for services, and implementation of updated regulations.



Where do your property taxes go?

The Washington State property tax system is one of the most complicated in the nation. Property owners in Shoreline may support 10 or more different taxing districts, each with its own levy and levy rate. In 2022, for every dollar of property tax paid, 11¢ went to support City operations.

Your property tax dollar



What happens if Proposition 1 does not pass?

If the proposed levy replacement does not pass, the City will identify services or programs to reduce or eliminate to balance the City's budget. The City has focused on cost containment measures to lessen the need to reduce or end services, but unless the City finds other revenue sources, service reductions will be needed. This will include programs that the City is not legally required to provide, such as neighborhood services, communications, parks maintenance, recreation programs, community events, cultural programming, human services, and homelessness outreach and support.



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How would Proposition 1 affect City property tax rates?

Proposition 1 would set the City's regular property tax levy rate at \$1.39 per \$1,000 of assessed value in 2023, below the legal limit of \$1.60. The 2022 levy rate is \$1.13 per \$1,000 of assessed value.

Assessed Home Value	Annual Cost	Difference to No Action (1% limit)	2023 Monthly Difference
Home valued at \$500,000	\$675	\$206	\$17
Median valued home at \$731,300	\$1,016	\$302	\$25
Home valued at \$1,000,000	\$1,390	\$413	\$34

What about people on a fixed income?

Seniors and persons with disabilities may qualify for tax exemptions or tax deferrals. Contact the King County Assessor's Office at 206-296-3920 or visit kingcounty.gov/assessor for more information.

More information

Visit shorelinewa.gov/prop1

Contact:

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Election information

Ballot drop boxes open:

Thursday, Oct. 20

Shoreline ballot drop boxes:

Shoreline Library
345 NE 175th Street

Shoreline Park & Ride
18821 Aurora Avenue N

Ballots due Tuesday, Nov. 8