

**CITY OF CHENEY, WASHINGTON
ORDINANCE NO. Y-11**

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF CHENEY AT THE NOVEMBER 2, 2021 GENERAL ELECTION OF A PROPOSITION AUTHORIZING THE CITY TO INCREASE ITS REGULAR PROPERTY TAX LEVY ABOVE THE LIMIT ESTABLISHED IN RCW CHAPTER 84.55 TO PROVIDE FOR THE CONTINUAL PROVISION OF PUBLIC SAFETY AND OTHER GOVERNMENTAL SERVICES, [DESCRIBE] AND IMPROVEMENT OF PUBLIC FACILITIES IN ACCORDANCE WITH THE CITY'S CAPITAL FACILITIES PLAN; SETTING FORTH THE BALLOT TITLE THEREFORE; REQUESTING THAT THE SPOKANE COUNTY AUDITOR PLACE THE PROPOSITION ON THE NOVEMBER 2, 2021 BALLOT; AND FIXING THE TIME WHEN THE SAME SHALL BECOME EFFECTIVE.

WHEREAS, the City Council of the City of Cheney, Washington (the "*City*") desires to provide for (1) the continual provision of public safety and other governmental services; (2) [DESCRIBE]; and (3) provide funds to finance capital facilities in accordance with the City's Capital Facilities Plan, as amended, pursuant to RCW 36.70A.070;

WHEREAS, to provide for the above, the City requires additional funds to supplement existing City general fund revenue;

WHEREAS, the City's current regular property tax levy is \$_____ per \$1,000 of assessed value, compared to \$3.10 per \$1,000 of assessed value which is statutorily authorized;

WHEREAS, RCW 84.55.050 provides for the levy of regular property taxes in an amount exceeding the limitations specified in RCW Chapter 84.55 if such increased levy is authorized by a ballot proposition approved by a majority of the voters at an election held within the City (a "*levy lid lift*");

WHEREAS, the effect of Initiative 747 (codified in RCW 84.55.005 - .0101) has limited the increase in property tax revenues to the City to a rate that has been less than the actual costs of providing services to the citizens of the City;

WHEREAS, the City Council has determined that it is in the best interest of the City and its residents to submit a levy lid lift proposition to the City voters for their approval or rejection;

WHEREAS, RCW 84.55.050(2) authorizes a city council to place a proposition before the voters to authorize annual increases in regular property tax levies for multiple consecutive years (up to six consecutive years), during which period each year's authorized maximum legal levy

shall be used as the base upon which an increased levy limit for the succeeding year is computed, so long as the ballot proposition states the dollar rate proposed for the first year of the consecutive years along with the limit factor or a specified index (such as the consumer price index) to be used for determining the limit factor in each of the subsequent (five) consecutive years;

WHEREAS, the City Council desires to offset the ongoing loss of revenues resulting from Initiative 747 and limit the ongoing structural deficit by allowing the electors to approve or reject a proposition under RCW 84.55.050(2) that authorizes the City Council to levy the City's regular property tax in an amount that exceeds the limit factor that would otherwise be prescribed by RCW 84.55.010; and

WHEREAS, the proceeds of the increase in the regular property tax on real property that would be authorized by the ballot proposition requested below will provide funding for the continuation of [] services provided by the City to its citizens.

NOW, THEREFORE, the City Council of the City of Cheney, Washington, do ordain as follows:

Section 1. Levy Lid Lift Election Called For. Pursuant to RCW 84.55.050(2) and RCW 29A.04.330, the Cheney City Council hereby calls for the submission of a proposition to the qualified electors of the City asking whether the City shall levy regular property taxes in excess of the limitation established in RCW 84.55.010. The Spokane County Auditor, as *ex officio* supervisor of elections in Spokane County, is hereby requested to call and conduct the election referenced herein in the City of Cheney on November 2, 2021. The proposition to be submitted to the qualified voters of the City for their approval or rejection is to authorize an increase in the City's regular property tax levy by \$[] per \$1,000 of assessed value, to a total regular property tax levy rate of \$3.10 [TBD] per \$1,000 of assessed value, for collection beginning on January 1, 2016.

Section 2. Purpose of Levy. The purpose of the proposed levy lid lift is to provide for the continual provision of public safety and other governmental services, implement goals under the City's Capital Facilities Plan, and provide for [].

The proposition would authorize the City to levy the regular property tax at a rate of \$[] per \$1,000 of assessed value on property in the City for collection in the year 2022. For the first five years following 2022, (i.e. the years 2022-2027), the proposition would also authorize use of a limit factor of [100%] plus the percentage change in Consumer Price Index For All Urban Consumers for the Seattle-Tacoma-Bremerton Area (1982084 = 100) reported for the first six months of each respective levy year or the equivalent successor index as determined by the City Council [TBD or other limit factor]. The proposition also would approve the use of the dollar amount of the 2022 levy for computing the maximum levy that may be imposed in years after 2022. Revenues from the property tax increases that would be authorized by the ballot proposition shall be used for the limited purposes set forth in Section 1 above and, secondarily, to replenish the City's general reserve fund.

Section 3. Ballot Proposition. The City Clerk is hereby authorized and directed, not later than August [], 2021, to certify a proposition to the Spokane County Auditor, as *ex officio* supervisor of elections in Spokane County, Washington, in substantially the following form:

CITY OF CHENEY
PROPOSITION NO. 1

PUBLIC SAFETY AND CAPITAL FACILITIES PLAN LEVY

The Cheney City Council adopted Ordinance No. ___ concerning a proposition to provide for the continual provision of public safety and other governmental services, and implement the City's capital facility plan goals. This proposition would: (i) increase the City's regular property tax levy above the limit factor, to a total authorized rate of \$[] per \$1,000 of assessed value for collection in 2022; (ii) increase the 2022-2027 levy amounts by the [limit factor]; and (iii) authorize use of the 20[] levy amount as the base for computing levies in succeeding years; all as set forth in Ordinance No. _____. Should this proposition be approved?

YES _____ NO _____

Section 4. Changes. The Mayor and City Attorney are authorized to make such minor adjustments to the wording of such proposition as may be recommended by the Spokane County Auditor, as long as the intent of the proposition remains clear and consistent with the intent of this ordinance as approved by the City Council.

Section 5. Notices Relating to Ballot Proposition. For purposes of receiving notice of the exact language of the ballot proposition required by RCW 29A.36.080, the City Council hereby designates the City Clerk.

Section 6. Election. The Spokane County Auditor's office, as the City's *ex officio* Supervisor of Elections, is hereby requested to call and conduct said election on Tuesday, August ___, 2022, and submit to the qualified electors of the City the proposition set forth herein. The Spokane County Auditor's office, as the City's *ex officio* Supervisor of Elections shall conduct the election, canvas the vote, and certify the results in the manner provided by law.

Section 7. Severability. If any section, sentence, clause or phrase of this ordinance shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 8. Effective Date. This ordinance shall become effective five (5) days after its passage, approval, and publication.

Introduced this _____ day of _____, 2021.

Passed by the City Council this _____ day of _____, 2021.

Approved by the Mayor this _____ day of _____, 2021.

Chris Grover, Mayor

ATTEST:

Cynthia L. Niemeier, City Clerk

APPROVED AS TO FORM:

Stanley M. Schwartz, City Attorney