

From: Sara Lane

Sent: Monday, April 17, 2023 8:00 PM

To: 323DLD@gmail.com

Cc: Tricia Juhnke <tjuhnke@shorelinewa.gov>; Nytasha Walters <nwalters@shorelinewa.gov>; Meng Liu <MLiu@shorelinewa.gov>; Christine Hopkins <chopkins@shorelinewa.gov>

Subject: 4/10/2023 -Comments at Shoreline City Council Meeting re: Property Tax and 148th St. Pedestrian Bridge

Mr. Darling,

Thank you for your comments at the Shoreline City Council Meeting on 4/10/2023. At the meeting you made comment during the general comment session, and then also during the Public Hearing. While Council does not respond to comments during public comment, they asked that I reply with a response and clarification on your comments.

1. During the general meeting public comment period, you raised concerns about the significant increase in your Shoreline Property Tax for 2023 as a result of the City's Park Bond. You asked how that money is being spent, asked if it is being tracked separately, and how you could audit the projects and use of this money.

First, I want to clarify that the increase in your local property tax was the result of two publicly approved voter levy's. The first was, as you indicated, for a Parks levy to support major improvements to 5 parks, amenity improvements to 3 parks, acquisition of additional park land, and additional public art. This levy required approval of at least 60% of the voters and a voter turnout that was at least 40% of voters casting ballots in last general election. The election occurred in February and met both of those requirements with 70% support of the proposition and exceeded the 40% required voter turnout. Details about the projects being supported, as well as current project status, are found

here: [City of Shoreline Parks Bond Projects](#).

The second levy was the replacement of the City's operating Levy Lid Lift. This levy requires a simple majority and was approved by 68% of voters during the November general election. Details on the Levy Lid Lift are found here: <https://www.shorelinewa.gov/government/departments/administrative-services/ten-year-financial-sustainability-project/2022-proposition-1-maintenance-and-operations-levy-lid-lift-to-maintain-basic-public-safety-parks-and-recreation-and-community-services> In short, this levy reset the City's property tax rate in the first year of the levy and allows an increase by CPI in each subsequent year of the Levy Lid Lift for a total of 6 years. The Levy Lid Lift supports general operations for the police/neighborhood services, including RADAR and crime prevention; preserve parks, trails, playgrounds/playfields; and provide human services.

Before placing this levy before voters, the City engaged a volunteer Financial Sustainability Advisory Committee to review the City's forecast and make recommendations to the City Manager regarding placing a replacement for the expiring levy lid lift on the November 2022 ballot. The committee unanimously supported placing a measure on the ballot, however there were aspects of the ballot measure such as the reset of the rate where the committee members had differing opinions. More details on the Committee's work is found here:

<https://www.shorelinewa.gov/government/departments/administrative-services/ten-year-financial-sustainability-project/financial-sustainability-advisory-committee-2022>

It is the combination of these two voted property tax measures that resulted in the increase in the amount to property tax paid to the City of Shoreline. Following is some additional information to provide background on property tax and respond to some of your other questions.

a) *Property tax increase Due to Voter Approved Park Bond Projects*

As general context, property tax is impacted by both assessed value and tax rates, and it is assessed and collected by the King County Department of Assessments. The department is responsible for valuing all properties in King County, including Shoreline, and determining the assessed value of each property for tax purposes. The tax collected by the County is then distributed to a variety of government entities. As you can see in the table below, the portion that gets distributed to City of Shoreline is the "City Regular" and "City Park Bond". When converting that to a per dollar basis, the Park Bond equals to 0.19 dollar being allocated to City of Shoreline, while the remaining goes to other government entities.

Another key item to highlight is the tax rate in 2023 is reduced to 9.68 from 10.67 in 2022. However, as assessed value for properties increase significantly over the past year, it may be a major contributor to your overall tax increase. To illustrate with a hypothetical example, if a house's assessed value was \$600,000 in 2022, the total property tax paid would be \$6,402 based on rate of 10.67. But if the house's assessed value increase to \$708,000, the tax paid would increase to \$6,853 even if the lower tax rate of 9.68 is applied.

	2022		2023	
	Tax Rate	Tax per One Dollar	Tax Rate	Tax per One Dollar
City Regular (City of Shoreline)	1.13	\$ 0.106	1.39	\$ 0.144
City Park Bond (City of Shoreline)	-	\$ -	0.19	\$ 0.019
King County	1.31	\$ 0.123	1.16	\$ 0.120
Shoreline School District	3.65	\$ 0.342	3.16	\$ 0.326
State Schools	2.82	\$ 0.264	2.31	\$ 0.239
Fire District	0.88	\$ 0.083	0.75	\$ 0.078
Library District	0.33	\$ 0.031	0.26	\$ 0.027
Port of Seattle	0.11	\$ 0.011	0.09	\$ 0.010
King Co. Emergency Medical	0.25	\$ 0.023	0.21	\$ 0.022
Sound Transit	0.18	\$ 0.017	0.16	\$ 0.016
TOTAL	10.67	\$ 1.000	9.68	\$ 1.000

If you have additional questions about the City’s Property Tax you can contact Meng Liu, Budget & Tax Manager, mliu@shorelinewa.gov.

b) Parks Bond Projects Details

The spending of the funding is tracked in each individual capital project and the details for the Parks Bond projects are readily available for the public. There are two great spots to find information related to this.

One is the Park Bond project website - <https://www.shorelinewa.gov/government/projects-initiatives/2022-park-bond-projects>

This site provides an overview of project scope on the park projects, and how to be involved in providing public input.

For the financials aspect of the project, the best spot to find detailed information is in the City’s Biennial Budget book. The latest budget book is located at - [2023-2024 ADOPTED BIENNIAL BUDGET AND 2023-2028 CAPITAL IMPROVEMENT PLAN \(shorelinewa.gov\)](#)

To find a good overview of the capital project, please refer to Page 315, under the Parks Development Projects section. This section illustrates the expenditure side of the project. It is important to note that Parks Bond is one of the funding source for the various parks project as the City may contribute other funding source or receive grant funding for the park projects. If you are interested in specifically which project is funded by parks bond, please refer to Page 332 -343 . If a project is funded by Parks Bond, it would have a line with description “PARKS BON PROCEEDS 2022 (included in Fund Balance)”.

Oversight and audit of how the funds are spent, the City issued \$38.5 Million in Unlimited Tax General Obligation Bonds (UTGO Bonds) in 2022 following voter approval of the Parks Bond in February. These bonds are supported solely by the excess property tax approved by voters. The amount of property tax assessed each year is exactly equal to the amount of debt service (principal and interest) to repay those bonds. Additionally, the proceeds from the bonds are maintained and tracked by separate accounting and are restricted to use for the purposes detailed in the voter approved bonds. The City’s accounting is audited each year by the State Auditor’s Office, and the Financial Statements are provided to Bondholders.

If you have additional questions on the City’s Park Bond Projects, you can contact Jacob Bilbo, Parks Bond Project Manager, at jbilbo@shorelinewa.gov.

2. During the Public Hearing on the Transportation Master Plan you provided comments about the City's Pedestrian Overpass planned at the 148th Light Rail Station in Shoreline. Following is the response from our City's Public Works Department.:

The [148th Street Non-Motorized Bridge \(148th Bridge\)](#) is a key component of the Shoreline bicycle/pedestrian network and will connect pedestrians and bicyclists directly to the [Shoreline South/148th Station](#) where light rail, bus rapid transit, and frequent bus service will connect users locally to regional centers with employment, educational, commercial, and recreational opportunities.

In 2016 and 2017, the City of Shoreline did a study to evaluate and recommend options for linking the communities on the west side of I-5 to the future Sound Transit Shoreline South/148th Station (see [145th Street Station Access Nonmotorized Crossing Options](#)) . City of Shoreline staff, Shoreline City Council, and consulting engineers evaluated five options. Public comment was provided at Shoreline City Council meetings. Current information about the **148th Bridge** can be found on the [project webpage](#).

The majority of the **148th Bridge** project is being constructed with Federal and State funding (competitive funding that the City has been able to bring back to our local community).

I hope this information sharing the years of analysis and public outreach, as well as links to more current information, provides you with some answers to your questions/concerns presented at Monday night's Council meeting. If you have additional questions, please contact Nytasha Walters, Transportation Services Manager, at nwalters@shorelinewa.gov.

I realize there is a lot of information in this email. I hope that it provides answers to the questions that you raised. If not, please feel free to reach out to the experts noted in this email, or to me personally.



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