

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
CBO	Dave Hennes	Alex Zhang

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE authorizing the levy of regular property taxes by The City of Seattle for collection in 2024, representing an increase above the regular property taxes levied for collection in 2023; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: This legislation, commonly known as the “Short Property Tax Ordinance” reflects changes in the regular property taxes in terms of dollars and percentages. It is a companion to the ordinance authorizing Seattle’s property tax levies, commonly known as the “Long Property Tax Ordinance.”

Since the approval of Referendum 47 in November 1997, state law has required that taxing jurisdictions adopt, by a majority of their legislative body, a separate ordinance authorizing regular property tax increases, other than increases due to certain excluded assessed property values identified below. The ordinances must show the authorized increase in terms of both dollars and percentages. Due to the exclusion of increases due to new construction, construction of wind turbine facilities classified as personal property, improvements to property, the value of state-assessed property, and refund adjustments to the levy amount, the actual year-over-year change in the City’s regular levy will differ from the calculated change in this legislation. Seattle’s Long Property Tax legislation, which is the authorizing legislation for the City’s property tax levy, provides a more detailed description of Seattle’s actual property tax levy and revenues.

The City of Seattle’s 2023 levy for collection in 2024 includes a first-year levy amount of \$138,608,596 for the recently approved Housing levy lid lift. The current 2016 Low-Income Housing lid lift expired in 2023. Additionally, due to the 1 percent increase in the regular non-voted property tax levy, the “Move Seattle” Transportation levy lid lift, the Families, Education, Pre-School and Promise lid lift and the Library Services levy lid lift proposed in the attached Bill, the City of Seattle’s 2023 levy for collection in 2024 represents an increase of \$102,661,703 (17.32%) from 2023. As noted above, this does not include the “refund fund levy,” or additional taxes resulting from new construction, construction of wind turbine facilities classified as personal property, improvements to property, or an increase in the value of state-assessed property.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes **X** No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

Please see the Fiscal Note to the 2024 Long Property Tax Ordinance, which authorizes the City's actual property tax levies.

Is there financial cost or other impacts of *not* implementing the legislation?

Please see the Fiscal Note to the 2024 Long Property Tax Ordinance, which authorizes the City's actual property tax levies.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
See the Summary above and the "Anticipated Revenue" table in the companion Fiscal Note for the Long Property Tax Ordinance for affected departments.
- b. Is a public hearing required for this legislation?**
Yes. Public hearings will take place on October 18, 2023 and November 13, 2023.
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- d. Does this legislation affect a piece of property?**
No.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
- The revenues generated through the property tax, both general expense and levy lid lifts for particular purposes, support a broad range of government services, many of which support vulnerable or historically disadvantaged communities. This legislation has no policy or program implementation ramifications affecting vulnerable or historically disadvantaged communities beyond providing the underlying funding that supports City programs. Increases in property tax levies may disproportionately affect low-income individuals.
- f. Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

Neither. This legislation only provides authorization to collect property taxes. It has no direct policy or programmatic effects on carbon emissions.

2. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

Neither. This legislation only provides authorization to collect property taxes. It has no direct policy or programmatic effect.

- g. **If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s).**

N/A