



Legislation Text

File #: CB 119822, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the 2020 Budget; suspending the Minimal Annual General Fund Appropriation to the Seattle Department of Transportation budget as required in Ordinance 124796, the Levy to Move Seattle; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

WHEREAS, Ordinance 124796 provided for the submission to the voters of Seattle a proposition authorizing the City to levy regular property taxes for up to nine years in excess of the limitation on levies in chapter 84.55 RCW for the purpose of providing City facilities and services, including transportation improvements, both capital and operating, with possible debt financing, and creation of a new oversight committee; and

WHEREAS, Section 5 of Ordinance 124796 established a Minimum Annual General Fund (GF) Appropriation of \$40,000,000 in the first year of the Levy, adjusted annually for inflation afterward in order to levy taxes authorized by the measure, unless the City Council by a 3/4 vote determines that economic or financial conditions prevent the Council from appropriating the Minimum Annual GF Appropriation; and

WHEREAS, the proposed levy was approved by Seattle voters on November 3, 2015; and

WHEREAS, the Mayor proposed, and the City Council approved by Ordinance 126000, a 2020 Budget and 2020-2025 Capital Improvement Program that included the Minimum Annual GF Appropriation; and

WHEREAS, in response to outbreaks of the COVID-19 disease in Seattle, Mayor Jenny Durkan proclaimed a civil emergency exists in the City of Seattle in the Mayoral Proclamation of Civil Emergency dated March 3, 2020, modified by Resolution 31937; and

WHEREAS, in response to COVID-19, the Governor of Washington has closed or limited operations of many businesses in the City of Seattle; and

WHEREAS, these actions are appropriate for public health reasons but have had severe economic impacts on businesses, workers, and residents in Seattle; and

WHEREAS, the economic impact may have long-term, dynamic, and unpredictable local and regional consequences affecting GF revenues and necessitating the City to act and plan accordingly; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Seattle City Council finds and declares that:

A. On February 29, 2020, Governor Inslee proclaimed a State of Emergency for all counties throughout the State of Washington as a result of the confirmed person-to-person spread of COVID-19 in Washington State.

C. Pursuant to chapter 38.52 RCW, Article V, Section 2 of the City Charter, and Seattle Municipal Code subsection 10.02.010.A, the Mayor proclaimed a Civil Emergency on March 3, 2020 due to the novel coronavirus (COVID-19).

D. On March 23, 2020, Governor Inslee announced a “Stay-Home” order that required that all non-essential businesses be closed and banned all gatherings. As of May 4, 2020, that order is in effect through May 31, 2020.

E. The impacts of the emerging public health crisis on the economy, employment, job retention, child care, and businesses have resulted in and are likely to continue to result historic levels of unemployment and reduced levels of economic activity producing losses of General Fund (GF) revenues, which are primarily made up of sales and use tax, along with business and occupation taxes.

F. In 2015, Council and voters established a minimum annual GF appropriation to ensure Levy to Move Seattle property tax revenues would not supplant the approximately \$40,000,000 in GF then dedicated to local

transportation funding, the ordinance placing the measure on the ballot established a mechanism for a Council supermajority to suspend that policy if “economic or financial conditions prevent the Council from appropriating the Minimum Annual GF Appropriation.”

G. The historic impacts of the public health crisis on the economy, employment, job retention, child care, and businesses have resulted in, and are likely to continue to result in, historic reductions in the fundamental sources of GF - sales and use, and business and occupation taxes. These reductions in GF sources present economic and financial conditions preventing the Council from appropriating the Minimum Annual GF Appropriation.

Section 2. Based on the findings in Section 1, the Minimum Annual GF Appropriation required by Ordinance 124796 is suspended for 2020.

Section 3. The Seattle Department of Transportation staff will report on the impacts of this ordinance and supplemental budgets to the Levy to Move Seattle Oversight Committee and in the future quarterly and annual Levy reports required by Ordinance 124796.

Section 4. Any act consistent with the authority of this ordinance taken prior to its effective date is ratified and confirmed.

Section 5. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by a 3/4 vote of all the members of the City Council the _____ day of _____, 2020, and signed by me in open session in authentication of its passage this

____ day of _____, 2020.

President _____ of the City Council

Approved by me this _____ day of _____, 2020.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2020.

Monica Martinez Simmons, City Clerk

(Seal)