

CITY OF LAKE STEVENS
LAKE STEVENS, WASHINGTON

RESOLUTION NO. 2022 – 10

A RESOLUTION OF THE CITY OF LAKE STEVENS, WASHINGTON, PROVIDING FOR A BALLOT PROPOSITION TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE CITY AT THE GENERAL ELECTION TO BE HELD ON NOVEMBER 8, 2022, TO AUTHORIZE A SALE AND USE TAX TO BE IMPOSED WITHIN THE BOUNDARIES OF THE CITY UPON ALL TAXABLE RETAIL SALES AND USES IN THE AMOUNT OF TWO-TENTHS OF ONE PERCENT FOR A PERIOD OF NOT MORE THAN TEN YEARS, COMMENCING NOT EARLIER THAN APRIL 1, 2023, FOR THE PURPOSE OF FINANCING THE COSTS OF CONSTRUCTING, REPAIRING AND MAINTAINING CITY STREETS, SIDEWALKS, WALKWAYS, AND TRAILS ALONG WITH FINANCING THE OVERLAY AND PRESERVATION OF STREETS WITHIN THE CITY.

WHEREAS, chapter 36.73 RCW enables cities and counties to create transportation benefit districts to finance and carry out transportation improvements necessitated by economic development and to improve the performance of transportation systems; and

WHEREAS, pursuant to chapter 36.73 RCW, the Lake Stevens City Council approved Ordinance No. 1043 creating the Lake Stevens Transportation Benefit District (the “District) with boundaries coterminous with the City of Lake Stevens, Washington (the “City); and

WHEREAS, the District was originally organized as a legally separate municipal entity and taxing authority from the City; and

WHEREAS, the City Council approved Ordinance No. 1044, whereby the Council assumed the rights, powers, immunities, functions, and obligations of the District, as allowed by Second Engrossed Substitute Senate Bill 5987, Section 302 (July 15, 2015), and as a result, the District was absorbed into the City and is no longer considered a legally separate entity; and

WHEREAS, the City Council has identified the sales and use tax as an authorized source of revenue identified in chapter 36.73 RCW to finance the construction of transportation improvements, including streets, sidewalks, walkways, and trails as listed in the City’s Capital Improvement Plan (“CIP”) and to finance the city’s annual street preservation program; and

WHEREAS, RCW 36.73.040(3)(a) gives transportation benefit districts the authority to impose a sales and use tax in accordance with RCW 82.14.0455 in the amount of two-tenths of one percent (0.2%) for a period of ten years; and

WHEREAS, with voter approval, the City (acting through its assumed powers of the District) may impose a sales and use tax upon all taxable retail sales and uses within the boundaries of the City/District to finance transportation improvements; and

WHEREAS, projects related to public transportation as described in the City's CIP are included in the definition of a transportation improvement project pursuant to RCW 36.73.015(6) and are eligible transportation benefit district projects; and

WHEREAS, on July 12, 2022, the City Council conducted a public meeting in accordance with RCW 36.73.050, after giving proper notice describing the transportation improvements that may be funded by the City pursuant to Chapter 36.73 RCW and Chapter 36.74, including the funding for such improvements authorized by Chapter 36.73 RCW and Chapter 36.74; and

WHEREAS, if approved by voters, the sales and use tax will apply to persons who shop and thereby use the sidewalks, walkways, trails and roads in the City and not just to City residents; and

WHEREAS, the sales and use tax will be used entirely to finance the cost, and repay debt issued, to construct and maintain streets, sidewalks, walkways, and trails and related infrastructure identified in Section 2 of this Resolution, along with additional funding for the City's street preservation program;

WHEREAS, the total proceeds of the sales and use tax are estimated at \$19,000,000; and

WHEREAS, the City means to issue an estimated \$10,000,000 in debt to expedite the completion of eligible transportation improvement projects; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE STEVENS, WASHINGTON AS FOLLOWS:

Section 1. Current Purpose and Need. The City Council hereby finds that the best interests of the inhabitants of the City require the City (acting through its assumed powers of the District) to submit to the qualified voters of the City/District, at a general election to be held on November 8, 2022, a proposition authorizing the imposition of a sales and use tax in the amount of two-tenths of one percent (0.2%) pursuant to RCW 36.73.040(3)(a), 36.73.065(1) and 82.14.0455 for the purpose of providing revenue necessary to finance the transportation improvement projects described in Section 2 of this resolution ("Projects").

Section 2. Description of Transportation Improvement Projects. The revenues from a sales and use tax will be dedicated for the payment of costs and repayment of indebtedness issued from time to time in one or more series to finance the following Projects:

- The construction of street, sidewalk, walkways, and trail improvements in the City to improve transportation and pedestrian safety and access along with the overlay and repair of city streets included in the City's annual street preservation program as set forth below.

Sidewalk/Walkway/Trail	Start	End	Cost Estimate
16th Street NE	Main Street	Machias Cutoff	1,060,544
91st Ave SE	4th St. SE	Market Street	606,528
91st Ave SE	8th Street SE	4th Street SE	808,704
117th Ave NE	20th Street NE	26th Street NE	1,224,288
91st Ave SE	20th Street SE	12th Street SE	1,179,360
North Lakeshore Drive	Main Street	123rd Ave NE	131,976
Soper Hill	Lake Drive	RAB at SR9	1,714,284
113 th Ave NE	32nd Street NE	36th Street NE	68,796
20th Street NE	Main Street	131st Ave SE	29,484
Grade Road	Hartford Drive	Library	383,292
Hartford Drive	20th St NE	21st Street NE	303,264
123rd Ave NE	22nd Street NE	North Lakeshore Drive	421,200
83rd Ave NE	20th Street SE	17th Street SE	477,360
99th Ave NE	1st Street NE	Chapel Hill Road	101,088
North Lakeshore Drive	123rd Ave NE	North Lakeshore Swim Beach	692,172
99 th Ave NE	Sunnycrest Elem.	30th Street NE	741,312
99th Ave SE	20th St. SE	8th St. SE	1,718,496
South Lake Stevens Road	East Lakeshore Drive	123rd Street SE	2,729,376
20th Street SE	S. Lake Stevens Road	113th Drive SE	1,151,280
4th Street NE	97th Drive NE	98th Drive NE	263,952
<i>Sidewalk and walkway replacement/maintenance, connection of missing links and ADA improvement upgrades, construction of new walkways and trail links</i>			<i>Varies</i>

Roadways	Start	End	Cost Estimate
<i>Pavement Preservation (Annual Allocation)</i>			500,000
79th Ave SE Access Road	20th St. NE	83rd Ave SE	3,163,500
Main Street	16th Street NE	20th Street NE	7,198,720
91st Street NE	Market Place	SR 204	6,748,800
<i>Traffic and Pedestrian Safety Programs - Striping, pavement marker/delineators, and traffic control devices, sight improvements, traffic configuration</i>			<i>Varies</i>

The cost of all necessary design, engineering, financial, legal and other consulting services, inspection and testing, administrative and relocation expenses, and other costs incurred in connection with the foregoing Projects shall be deemed a part of the costs of the Projects.

The City Council shall determine the application of moneys available for the Projects so as to accomplish, as nearly as may be practical, all of the Projects. In the event that the proceeds of sales and use taxes authorized herein, plus any other money of the City legally available therefore, are insufficient to accomplish all of the Projects, the City Council shall use the available funds for paying the cost of those portions of the Projects deemed by the City Council most necessary and in the best interests of the City.

The City Council shall determine the exact locations and specification for the elements of the Projects as well as the timing, order, and manner of implementing or completing the Projects. The City Council may alter, make substitutions to, and amend the Projects as it determines is in the best interests of the City consistent with the general descriptions provided above.

If the City Council shall determine that it has become impractical to acquire, construct, or implement all or any portion of the Projects by reason of changed conditions, incompatible development, costs substantially in excess of the amount of sales and use tax proceeds estimated to be available, or acquisition by a superior governmental authority, the City Council shall not be required to acquire, construct, or implement such portions. If all of the Projects have been acquired, constructed, implemented or duly provided for, or found to be impractical, the City Council may apply the sales and use tax proceeds (including earnings thereon) or any portion thereof to the other pedestrian improvements and/or the street overlay program, then identified in the Transportation Improvement Plan adopted by the Council, as it may be amended, supplemented, and restated from time to time.

Section 3. Sales and Use Tax. If approved by a majority of voters voting at the election, the City Council for the City shall fix and impose a sales and use tax as authorized by RCW 36.73.040(3)(a) and RCW 82.14.0455 upon all taxable retail sales & uses at the rate of two-tenths of one percent (0.2%) of the selling price (in the case of sales tax) and the value of the article used (in the case of the use tax). Revenues of the sales and use tax shall be dedicated for the payment of costs and repayment of indebtedness issued from time to time in one or more series to pay for the Projects described in Section 2 of this resolution. The sales and use tax shall be imposed for a period not exceeding ten years. The tax shall be in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapter 82.08 and 82.12 RCW, as amended, upon the occurrence of any taxable event within the boundaries of the City. The City Council may reduce the amount of the sales and use tax in the manner provided by law.

Section 4. Findings of Fact.

1. The Transportation Benefit District was permitted to place a ballot measure before the voters and, upon receipt of voter approval, is so authorized pursuant to RCW 36.73.040(3)(a) to impose a sales and use tax in accordance with RCW 82.14.0455.
2. The provisions of Ordinance No. 1043 adequately state the purpose and need for the District in the City.
3. The provisions of Ordinance No. 1044, the City assumed the rights, powers, immunities, functions and obligations of the District, as allowed by Second Engrossed Substitute Senate Bill 5987, Section 302 (July 15, 2015), and as a result, the District was absorbed into the City and is no longer a legally separate entity.
4. The City, acting through its assumed powers, will now place a ballot measure before the voters pursuant to RCW 36.73.040(3)(a) to impose a sales and use tax in accordance with RCW 82.14.0455.

Section 5. Ballot Measure. The Director of Elections of Snohomish County, Washington (the “Director”), as ex officio supervisor of elections in Snohomish County, Washington is hereby requested to call and conduct an election in the City to be held on November 8, 2022, for the purpose of submitting to the qualified electors of the City for their approval or rejection, a proposition in accordance with state law and in substantially the following form:

**CITY OF LAKE STEVENS, WASHINGTON
(LAKE STEVENS TRANSPORTATION BENEFIT DISTRICT)
PROPOSITION 1
SALES AND USE TAX FOR
STREET, SIDEWALK, WALKWAYS, AND TRAIL CONSTRUCTION AND STREET
PRESERVATION IMPROVEMENTS**

If approved, this proposition would authorize a sales and use tax of 0.2% within the City pursuant to RCW 82.14.0455, for a term of 10 years, to pay for costs, and repay indebtedness issued from time to time to construct, repair, and maintain streets, sidewalks, walkways, and trail improvements in the City to improve transportation and pedestrian access and safety.

Should this proposition be:

Approved

Rejected

For the purposes of receiving notice of the exact language of the ballot proposition required by RCW 29A.36.080, the City Council hereby designates: (a) the City Clerk and (b) the City Attorney, as the individuals to whom such notice should be provided. The City Attorney and City Clerk are each authorized individually to approve changes to the ballot title, if any, deemed necessary by the Director.

The City Clerk is authorized to make necessary clerical corrections to this resolution including, but not limited to, the correction of scrivener’s or clerical errors, references, resolution numbering, section/subsection numbers, and any reference thereto.

The proper City officials are authorized to perform such duties as are necessary or required by law to submit the question of whether the sales and use tax shall be imposed, as provided in this resolution, to the electors at the November 8, 2022 general election.

Section 6. Voter’s Pamphlet. The Council finds and declares it to be in the best interests of the City to have information regarding the aforesaid proposition included in local voters’ pamphlets and authorizes the appropriate costs thereof to be charged to and paid by the City, and further authorizes and directs the City Attorney and City Clerk to provide such information to the Director and to take such other actions as may be necessary or appropriate to that end.

Section 7. Severability. If any provision of this resolution shall be declared by any court of competent jurisdiction to be invalid, then such provision shall be null and void and shall be separable from the remaining provisions and shall in no way affect the validity of the other provisions, or of the imposition of collection of the tax authorized herein.

ADOPTED BY THE CITY COUNCIL ON JULY 12, 2022.



Mayor Brett Gaily

ATTEST:



Kelly Chelin - *Caitlin Weaver, Deputy City Clerk*
City Clerk