



Staff Report – Resolution

November 16, 2020 Council Regular Meeting

Resolution No. 20-015 Substantial Need for Using the 101% Limit Factor

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SUMMARY: RCW 84.55.005(2)(c) sets the limit factor to increasing property taxes to the lesser of 101% or 100% plus the implicit price deflator (IPD). The IPD is the percentage change in the implicit price deflator for personal consumption as published by the Bureau of Economic Analysis by September 25th. The IPD for the 2021 property tax levy is 0.602%. The City does have the option to increase the levy above the IPD by passing the Substantial Need Resolution per RCW 84.55.0101. The City has passed this resolution each year as part of the 1%.

On November 2, 2020 Council Meeting, Council considered the funding of four additional firefighter/paramedics to eliminate cross-staffing at CWFD Station 42. One of the options was to dedicate the 1% of property taxes to fund the positions. Council directed staff to develop a 2021-2022 Budget package with 2 FTE in 2021 and 2 in 2022. One component of the funding would be dedicating the property tax 1%.

Resolution No. 20-015 is the second step required for Council to authorize the property tax to increase by 1% following the consideration of a public hearing.

EQUITY CONSIDERATIONS:

What are the desired results and outcomes for this agenda item? For Council to approve Resolution 20-015 stating the City has a substantial need for the 1% limit factor.

What's the data? What does the data tell us? The 2021-2022 Mayor's Recommended Budget supports the need of the 1% limit factor to fund public safety such as two firefighter/paramedics for 2021.

How have communities been engaged? Are there opportunities to expand engagement? A public hearing is set prior to the consideration of Resolution 20-015

Who will benefit from, or be burdened by this agenda item? All property owners in the City of Camas will be impacted by this agenda item.

What are the strategies to mitigate any unintended consequences? The impact will be nominal to most homeowners, approximately \$13 for the year on average.

Does this agenda item have a differential impact on underserved populations, people living with disabilities, and/or communities of color? Please provide available data to illustrate this impact. The Clark County Assessor's Office can provide exemptions for homeowners who are within certain age and income groups as well as homeowners who may be disabled.

Will this agenda item improve ADA accessibilities for people with disabilities? N/A

What potential hurdles exist in implementing this proposal (include both operational and political)? N/A

How will you ensure accountabilities, communicate, and evaluate results? N/A

How does this item support a comprehensive plan goal, policy or other adopted resolution? This item supports the City's revenue strategy of maintaining taxing capacity for fiscal sustainability.

RECOMMENDATION: Staff recommends Council approve Resolution 20-015 declaring a substantial need for using the 101% limit factor under RCW 84.55 to support two additional firefighter/paramedics at Station 42.