

ORDINANCE NO. 1258

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST PARK, WASHINGTON, IMPOSING A SALES AND USE TAX OF ONE-TENTH OF ONE PERCENT WITHIN THE BOUNDARIES OF THE LAKE FOREST PARK TRANSPORTATION BENEFIT DISTRICT FOR THE PURPOSE OF FINANCING THE COSTS ASSOCIATED WITH TRANSPORTATION IMPROVEMENTS WITHIN THE TRANSPORTATION BENEFIT DISTRICT AS AUTHORIZED BY RCW 36.73.040, PROVIDING FOR SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Lake Forest Park Transportation Benefit District (“the District”) was established in chapter 12.35 of the Lake Forest Park Municipal Code (“LFPMC”) pursuant to RCW 35.21.225 and Chapter 36.73 RCW by Ordinance No. 983 in October 2008; and

WHEREAS, in November 2015, by Ordinance No. 1107, the Lake Forest Park City Council assumed the rights, immunities, functions, and obligations of the District; and

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WHEREAS, in LFPMC 12.35.010 the City established the boundaries of the District, which are coterminous with the boundaries of the corporate limits of the City; and

WHEREAS, LFPMC 12.35.030 provides that funds generated by the District shall be used for transportation improvements that preserve, maintain, and operate the planned and/or existing transportation infrastructure of the City/District in accord with the requirements of chapter 36.73 RCW; and

WHEREAS, RCW 36.73.040(3)(a) authorizes transportation benefit districts to impose a sales and use tax subject to the provisions of RCW 36.73.065 and LFPMC 12.35.040 authorizes the establishment of fees and other revenue sources consistent with RCW 36.73.065; and

WHEREAS, RCW 36.73.065(4)(a)(v) authorizes transportation benefit districts to impose a sales and use tax in accordance with RCW 82.14.0455 in an amount not exceeding one-tenth of one percent (0.1%) for a period of ten years upon a majority vote of the governing board of the District/City Council; and

WHEREAS, a sales and use tax will be used for the purpose of acquiring, investing in, constructing, improving, providing, operating, preserving, maintaining

and/or funding transportation improvements within the District, and which are identified in the City's Capital Improvement Plan; and

WHEREAS, the sales and use tax will apply to all persons who shop in the City and thereby use streets and roadways in the City; and

WHEREAS, on November 10 and November 17, 2022, the City Council as the governing board of the District, held a public hearing regarding this matter, has given this matter careful review and consideration, and finds that the best interest of the City will be served by passage of this Ordinance;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE FOREST PARK, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. INCORPORATION OF RECITALS . The above recitals are incorporated as though fully set forth herein.

Section 2. ADDITION OF .1% SALES TAX. The City Council of Lake Forest Park as the governing board of the District find that it is in the best interest of the City and District to impose a sales and use tax of one-tenth of one percent pursuant to RCW 36.73.040(3)(a), 36.73.065(4)(v), and 82.14.0455 for the purpose of raising revenue to acquire, invest in, construct, improve, provide, operate, preserve, maintain and/or fund transportation improvements in the District, and to impose such sales and use tax. The sales and use tax shall be imposed for a period not to exceed ten (10) years. The tax shall be in addition to any other taxes authorized by law and shall be collected from those person who are taxable by the state under chapters 82.08 and 82.12 RCW, as amended, upon the occurrence of any taxable event with the District's boundaries, which is coterminous with the corporate limits of the City.

Section 3. TRANSPORTATION IMPROVEMENTS. The revenue from a sales and use tax may be used to acquire, invest in, construct, improve, provide, operate, preserve, maintain, and/or fund the following described transportation improvements:

- A. Projects identified in the City's Capital Improvement Plan;
- B. Expanded projects identified in accordance with RCW 36.73.160, as amended.

Section 4. NOTICE TO DEPARTMENT OF REVENUE. The Finance Director is instructed to submit this Ordinance to the Washington State Department of Revenue ("DOR") and to direct DOR to take all steps necessary to implement and collect the tax imposed by this Ordinance.

Section 5. SEVERABILITY. Should any portion of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. CORRECTIONS. The City Clerk is authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 4. EFFECTIVE DATE. This ordinance shall take effect five days after publication, provided that the additional sales and use tax imposed by Section 2 shall apply only to taxable events occurring on or after January 1, 2023.

APPROVED BY A MAJORITY the Lake Forest Park City Council this 17 day of November, 2022.

APPROVED:

Jeff Johnson
Mayor

ATTEST/AUTHENTICATED:

Matthew McLean
City Clerk

APPROVED AS TO FORM:

Kim Adams Pratt
City Attorney

Introduced: _____
Adopted: _____
Posted: _____
Published: _____
Effective: _____