

April 20, 2026  
Technical Edits

**S1**

[B. Paribello]

Sponsor: Balducci

Proposed No.: 2026-0082

1 **STRIKING AMENDMENT TO PROPOSED ORDINANCE 2026-0082, VERSION**

2 **1**

3 On page 1, beginning on line 5, strike everything through page 5, line 77, and insert:

4 "PREAMBLE:

5 Under RCW 39.114.020(1)(c)(ii), the city of Bellevue is authorized to

6 enact a tax increment area up to \$500,000,000 in combined assessed

7 valuation, but only if the area is connected to Interstate 405,

8 transportation-related public improvements will be funded to enhance the

9 integration and connection of neighborhoods within the area, and the city

10 enacts the tax increment area via ordinance by June 30, 2026.

11 Under RCW 39.114.020(1)(c)(ii)(D), King County, in its role as a

12 governing body of a taxing district within the increment area, may approve

13 by King County's partial or full participation in the tax increment project.

14 If King County does not approve its participation, then King County's

15 property taxes are not subject to apportionment.

16 King County has provided leadership regionally in the formation of

17 multimodal transportation systems, including the forty-two-mile Eastrail

18 corridor as well as in Sound Transit leadership and decision-making roles.

19 King County supports transportation improvements to improve mobility  
20 within downtown Bellevue, new commercial and residential construction  
21 to support economic development, and pedestrian-oriented improvements  
22 linking the EastRail Corridor, the recently upzoned Wilburton  
23 neighborhood, downtown Bellevue, and Meydenbauer Bay park.

24 The city of Bellevue's Grand Connection Crossing will connect downtown  
25 Bellevue to the Eastrail Corridor and to the Wilburton neighborhood,  
26 where new local housing policies have incentivized affordable housing  
27 development.

28 Those improvements and new construction activated by the city of  
29 Bellevue's Grand Connection Crossing are not assumed to occur at the  
30 same level without additional financing tools dependent on King County's  
31 participation in the tax increment area.

32 City of Bellevue staff have provided King County with assurances that the  
33 tax increment area can be successfully enacted with safeguards for county  
34 taxpayers, including:

- 35 1. Excluding of voter-approved King County levies and levy lid lifts  
36 from apportionment; and
- 37 2. Capping the total amount of apportioned property tax revenue that  
38 King County will contribute to the city of Bellevue's tax increment area.

39 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

40 SECTION 1. King County approves its partial participation in the city of  
41 Bellevue's tax increment area, subject to the following conditions:

42           A. King County commits to a maximum of \$30,000,000 in support for the Grand  
43 Connection Crossing through apportioned property tax revenues from the allowed  
44 components of the county levy for 2028 through 2051, reduced by any revenues received  
45 by the city of Bellevue from the King County Transportation District, or its successor.  
46 Cumulative apportioned property tax revenues, reduced by any revenues received by the  
47 city of Bellevue from the King County Transportation District or its successor, that are in  
48 excess of \$30,000,000, shall not be apportioned by the county assessor to the city of  
49 Bellevue;

50           B. King County's apportioned property tax revenues for each calendar year will  
51 be reduced by the amount equal to revenues received by the city of Bellevue from the  
52 King County Transportation District or its successor, in the previous calendar year. King  
53 County's apportioned property tax revenues for each calendar year cannot be less than  
54 zero;

55           C. Once King County's maximum apportionments have been met as specified in  
56 subsection A. of this section, the county assessor will cease apportionments from the  
57 county levy, regardless of whether the tax increment area is fully sunset or whether the  
58 sponsoring jurisdiction has provided the certification described in RCW 39.114.050;

59           D. The city of Bellevue must, at least annually, reimburse King County for  
60 documented assessor and treasury costs;

61           E. The city of Bellevue will provide King County with a list of planned public  
62 improvements, an annual report of public improvement expenses for the Grand  
63 Connection Crossing, and an annual report of the city of Bellevue's affordable housing  
64 accomplishments including but not limited to the number of new affordable housing units

65 created, by Area Median Income category, by April 1 of each year throughout the  
66 duration of the city's tax increment area; and

67 F. Apportioned levies are limited to the county's levies for current expense,  
68 human services fund/mental health, veterans' aid, transportation, marine, and county  
69 hospital, or their successors. County property tax revenues shall not be apportioned from  
70 voter-approved levies and voter-approved levy lid lifts or their successors, whether  
71 currently effective or subsequently approved by voters through 2041. Any new levy, not  
72 otherwise described in this section, that is effective after the effective date of this  
73 ordinance shall be exempt from participation and shall not be apportioned unless  
74 specified otherwise in the levy's enacting ordinance.

75 SECTION 2. The authority granted in this ordinance is supplemental to all other  
76 powers of the county, and nothing in this ordinance shall be construed as limiting or  
77 restricting any powers or authority conferred upon the county by law.

78 SECTION 3. Severability. If any provision of this ordinance or its application to  
79 any person or circumstance is held invalid, the remainder of the ordinance or the  
80 application of the provision to other persons or circumstances is not affected."

81

82 **EFFECT prepared by B. Paribello: *Would make a series of technical edits to clarify***  
83 ***legislative intent.***

**2026-2027 General Fund (10) Financial Plan (in millions)**

Summary includes subfunds as reported in ACFR

	2025 Estimated	2026-2027 Adopted	2026-2027 Current Budget	2026-2027 Biennial- to-Date Actuals	2026-2027 Projected	2028-2029 Projected	2030-2031 Projected
<b>1 BEGINNING FUND BALANCE</b>	<b>294.8</b>	<b>112.2</b>	<b>188.9</b>	<b>188.9</b>	<b>188.9</b>	<b>147.4</b>	<b>51.7</b>
<b>3 REVENUES*</b>							
4 Property Tax*	425.6	888.4	893.8	22.2	893.8	933.0	973.0
5 Sales Tax*	200.1	637.1	636.5	0.0	636.5	650.7	668.7
6 Federal Revenue	9.8	16.3	16.3	(0.1)	16.3	16.0	16.0
7 State Revenue	25.0	50.1	50.1	0.5	50.1	50.4	50.4
8 Fines, Fees, Transfers	106.8	231.2	227.7	10.2	227.7	195.3	197.8
9 Charges for Services	387.1	818.7	818.7	58.1	818.7	869.4	927.6
10 Other Taxes	5.6	5.8	5.8	0.5	5.8	5.9	6.1
11 Interest	50.3	45.7	60.0	(9.7)	60.0	60.7	61.1
<b>13 General Fund Revenues</b>	<b>1,210.3</b>	<b>2,693.4</b>	<b>2,708.9</b>	<b>81.7</b>	<b>2,708.9</b>	<b>2,781.5</b>	<b>2,900.6</b>
<b>15 EXPENDITURES</b>							
16 Justice and Safety	931.5	2,017.3	2,017.3	207.2	2,017.3	2,159.7	2,334.5
17 Administration/General Government	233.0	473.4	473.4	44.8	473.4	461.2	498.6
18 Public Health	23.9	44.2	44.2	5.5	44.2	44.0	47.6
19 Debt Service	31.9	84.8	84.8	0.0	87.6	115.1	101.0
20 Elections	32.8	61.7	61.7	5.7	61.7	66.3	71.7
21 Human Services	40.2	44.0	44.0	1.5	44.0	25.0	27.0
22 Physical Environment	18.0	34.0	34.0	1.5	34.0	33.3	36.0
23 Supplementals/Carryover/Reappropriations	0.0	0.0	0.0	0.0	42.9	19.5	21.0
25 Underexpenditures*	0.0	(54.7)	(54.7)	0.0	(54.7)	(57.6)	(61.8)
<b>27 General Fund Expenditures</b>	<b>1,311.2</b>	<b>2,704.7</b>	<b>2,704.7</b>	<b>266.3</b>	<b>2,750.4</b>	<b>2,866.8</b>	<b>3,075.6</b>
29 Other Fund Transactions *	5.0	5.2	0.0	0.0	0.0	10.5	10.5
<b>31 Ending Fund Balance</b>	<b>188.9</b>	<b>95.6</b>	<b>193.1</b>	<b>4.3</b>	<b>147.4</b>	<b>51.7</b>	<b>(133.8)</b>
<b>33 DESIGNATIONS AND SUBFUNDS*</b>							
34 Designations	3.3	2.9	2.9	2.9	2.9	2.5	2.3
35 Subfund Balances	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>36 EXPENDITURE RESERVES</b>							
37 Carryover and Reappropriation	21.0	10.5	0.0	0.0	0.0	10.5	10.5
38 Credit Rating Reserve*	4.9	6.1	6.1	6.1	6.1	7.3	8.5
39 Executive Contingency	0.1	0.1	0.1	0.1	0.1	0.1	0.1
40 South Park Bridge Post Annexation Operations	0.0	0.0	0.0	0.0	0.0	2.0	4.0
41 Trial Court Improvement Account Reserve	2.5	2.0	3.1	3.1	3.1	3.6	4.2
42 Risk Reserve*	88.0	1.8	55.9	55.9	55.9	21.0	25.2
<b>44 Reserves</b>	<b>119.7</b>	<b>23.4</b>	<b>68.0</b>	<b>68.0</b>	<b>68.0</b>	<b>47.0</b>	<b>54.7</b>
<b>46 Ending Undesignated Fund Balance*</b>	<b>69.2</b>	<b>72.3</b>	<b>125.1</b>	<b>(63.7)</b>	<b>79.4</b>	<b>4.7</b>	<b>(188.5)</b>
48 6% Undesignated Fund Balance Minimum	51.9	58.8	59.5	59.5	59.5	61.0	63.8
<b>50 Over/(Under) 6% Minimum</b>	<b>17.3</b>	<b>13.5</b>	<b>65.6</b>	<b>(123.2)</b>	<b>19.8</b>	<b>(56.4)</b>	<b>(252.3)</b>
<b>52 Over/(Under) 8.0%</b>	<b>0.0</b>	<b>(6.1)</b>	<b>45.7</b>	<b>(143.1)</b>	<b>0.0</b>	<b>(76.7)</b>	<b>(273.6)</b>
54 Rainy Day Reserve	27.0	28.6	28.6	28.6	28.6	30.4	32.2

**2026-2027 General Fund Financial Plan Footnotes**

- 2025 Estimates reflect current best estimates of revenues and expenditures through 12/31/2025.
- 2026-2027 Adopted Budget is consistent with the budget system of record (PBCS).
- Revenue estimates for 2025 - 2031 are based on forecasts adopted by the Forecast Council or interim forecasts published by the Office of Economic and Financial Analysis (OEFA), whichever have been most recently updated, and revenue estimates provided by General Fund appropriation units. The percentages below are the expected percent change over the prior budget cycle.

	<b>2026-2027</b>	<b>2028-2029</b>	<b>2030-2031</b>
Property Tax	As Adopted	5.0%	4.3%
Sales Tax (including sales tax dedicated to criminal justice)	As Adopted	2.1%	2.8%
All Other	As Adopted	2.6%	5.1%
Blended Revenue Growth Rate	As Adopted	3.3%	4.3%

- Property Tax forecasts for 2025 - 2031 are based on the March 2026 OEFA forecast adopted by the Forecast Council and assume the current property tax structure and a collection rate of 100%.
- Sales Tax forecasts for 2025 - 2031 are based on the March 2026 forecast provided by OEFA.
- Expenditure estimates for 2028-2029 and 2030-2031 are based on the following assumptions. The percentages indicate the expected percentage change over the previous budget cycle.

	<b>2026-2027</b>	<b>2028-2029</b>	<b>2030-2031</b>
CPI (Seattle July to June CPI-U)	As Adopted	6.9%	6.7%
Blended Labor	As Adopted	6.5%	6.3%
Operating GF Transfers	As Adopted	6.9%	6.7%
Blended Operating Growth Rate	As Adopted	4.3%	8.1%

- CIP General Fund Transfer adopted budget and outyear assumptions (in millions)

	<b>2026-2027</b>	<b>2028-2029</b>	<b>2030-2031</b>
Building Repair and Replacement	-	2.0	2.1
GF-backed IT Projects	-	2.0	2.1
Expenditure of Designated Fund Balance	-	-	-
<b>Total</b>	<b>-</b>	<b>4.0</b>	<b>4.3</b>

- The debt service schedule for 2025 - 2031 is based on the following table (in millions):

<b>Debt Service Elements</b>	<b>2026-2027</b>	<b>2028-2029</b>	<b>2030-2031</b>
Existing Debt Issues	58.9	53.3	39.2
New Debt Issuance	27.7	60.8	60.8
Debt contingency for new issues and variable rate	1.0	1.0	1.0
<b>Total Debt Service</b>	<b>87.6</b>	<b>115.1</b>	<b>101.0</b>

Based on current projections, projected debt service expense will not exceed the County's policy that debt service should be less than 6% of General Fund expenditures.

- The 2026-2027 Adopted Budget includes vacancy assumptions in the majority of General Fund operating budgets. This is budgeted directly in appropriation units. An additional underexpenditure assumption of \$54.2 million is included in the biennial budget, reflecting an assumed \$43.7 million in actual underexpenditures and a reappropriation of \$10.5 million into 2028-2029.

- Designations and subfund balances include the following for each of the years (in millions):

	<b>2026-2027</b>	<b>2028-2029</b>	<b>2030-2031</b>
Loans	0.0	0.0	0.0
Assigned for Capital Projects	0.0	0.0	0.0
Crime Victim Compensation Program	0.7	0.7	0.7
Drug Enforcement Program	1.4	1.4	1.4
Anti-Profitteering Program	0.1	0.1	0.1
Dispute Resolution	0.0	0.0	0.0
Wheelchair Access	0.6	0.2	0.0

**2026-2027 General Fund Financial Plan Footnotes**

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Total*	2.9	2.5	2.2
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\*Totals may not match financial plan exactly due to rounding

- The Credit Rating Reserve dedicates fees collected from other county funds to increase fund balance and maintain the county's bond rating. Other funds that have issued debt and benefit from the county's bond rating through lower interest contribute to this reserve based on the amount of outstanding principal on LTGO debt. 35% of the Credit Enhancement Fee is placed in this reserve. The goal for this reserve is to reach 1% of total outstanding GO debt backed by the full faith and credit of the General Fund.
- The Risk Reserve sets aside fund balance to mitigate known and unknown risks.
- County policy requires undesignated fund balance of 6%-8% of certain revenues. Per county policy, the county will strive to maintain reserves in times of economic prosperity to offset times of declining revenue.