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JUL 18 2011

CITY OF BURIEN

To: Burien City Council

Subject: Annexation of Area Y

Date: July 18, 2011

From: Bob Edgar

For almost one and a half years, the Burien City Manager (Mike Martin) has been publicly insisting that Burien can afford to annex White Center/Area Y. As a matter of fact, he made such statements prior to the official annexation of Area X. Never has he been able to produce an independent analysis to support this claim, but he has repeatedly tried to push the City Council to annex White Center/Area Y without any written analysis.

Seattle has produced two reports (2010, 2011) that clearly show this is not an economically-feasible issue for Seattle at this point in time, because White Center costs far more money to manage than it brings in. Also, King County can no longer afford to run White Center. Mr. Martin's argument has been that Burien can do things cheaper than Seattle. His position is that, generally, the staff in Seattle knows nothing about running a city economically. Burien can run outside contract services in White Center to reduce the costs that Seattle has projected in its report. There are three things wrong with Mr. Martin's argument about how he can annex White Center on the cheap:

1. Seattle already runs its city services at a lower cost than Burien runs its city support services at. The tax rate for Seattle and all of its services is 9.65. The tax rate for Burien is 12.92. And if you consider the new vehicle tax as part of Burien's overall taxes, the Burien tax rate is probably 13+. This means that citizens are paying more for services in Burien and getting a lower level of service than citizens in Seattle.
2. Burien cannot run White Center on outside contract services cheaper. Repeatedly at City Council meetings, Mr. Martin has stated that police services cost too much in Burien because they are outside contract services. That is the reason that he has stated that he wants to have Burien create its own in-house police department. Also, the City of Burien changed its Public Works Services to in-house services this year. The reason for this change was that Mr. Martin felt that in-house services could be run cheaper than contract services. Mr. Martin knows that outside contract services cost more than in house services.
3. The current outside contract services that Burien uses will have to significantly increase in cost per year to deal with the crime rate in White Center. While the King County Sheriff's office has not posted the stats on crime in White Center/Area Y, the 2010 Seattle report stated that crime was significantly higher in White Center than in comparable neighborhoods in Seattle. In Seattle neighborhoods where there were 60 to 65 burglaries and property crimes, there were 241 in the White Center area; 15 to 30 vehicle thefts were reported in comparable Seattle neighborhoods while 156 were

reported in the White Center area. The outside contact King County Police services that Burien uses cost more than Seattle's in house police services.

Further, Mr. Martin has suggested that maybe Burien could annex White Center but not bring its infrastructure up to the level that Seattle is promising to. Maybe Burien would not even bring White Center up to the level that the rest of Burien currently has. The problems with this argument are:

1. White Center has severe infrastructure problems with its roads, storm drainage systems and facilities for its needed services. Seattle projected that White Center is \$77 million dollars deficit in deferred infrastructure repair. Even if Burien only did two thirds of the repairs needed in the area, White Center would have used up more monies than are being provided by the \$50 million dollars (\$5 million dollars for 10 years) in the sales taxes being offered by King County without having sufficient monies to then run the area annually.
2. The White Center area costs more to run annually than the extra \$5 million dollars in sales tax per year (without repairing the infrastructure) than is being offered by King County. Seattle projects White Center will cost \$12.6 million dollars in excess to be run annually-without considering any repairs to the infrastructure. King County is trying to dump White Center because of how much more it costs to run annually as compared to what it brings in-in tax revenue. A whole county cannot afford this area but Burien can? Plainly stated, the citizens of White Center are not going to be content to pay more in taxes to Burien and have a lower quality of infrastructure or annual city services than the rest of the citizens in Burien. They will not be content to be treated like second class citizens.
3. Once the 10 year monies from the sales tax credit infusion run out, there is no reliable income source to run White Center from other than to raise taxes for all of Burien. Burien is one of the most expensive cities in King County for taxes. It is always in top 5 highest tax cities in King County to live and do business in. Annexing White Center will require that Burien raise its taxes. To further raise taxes in a city that provides a lower level of service than Seattle, makes it an undesirable city to set up a business in or to buy a home in. This means that needed monies to improve the infrastructure or support the city will not be readily flow into Burien from new business or real estate.

Mr. Martin and the city staff always agree to prepare reports for the City Council and the citizens/public that are never produced. Some specific examples are the written reports that we have never seen on the Annexation of Area X, the written analysis of how Area X is going to be funded after the sales tax credits run out, City Council budget work sessions that never happen, reports on animal control services that never quite make it into the City Council packets, annual budget displays that are never ready for the public comment period, models and maps for land use in the city that can never be explained, explanations of how long the vehicle tax is going to last, proposals that come up for public comment and City Council vote but never have any financial analysis attached for the public to see, etc.

Every thinking citizen in Burien as well as White Center should be concerned about this issue of annexation. Seattle has been a city far longer than Burien and has managed budgets for a far

longer period in time. Seattle has been fairly consistent in retaining the people in its finance department. Burien has had 3 Finance Directors in 3 years. Who even knows what is going on with the budget and what Burien can and cannot afford? As one Seattle City council member stated after looking at the reports prepared by Seattle on the topic of annexing White Center, "The facts and figures on this area simply do not pencil out, that's why we turned it down for now."

It is time to put away the smoke and mirrors. It is time that the mayor stop scolding and criticizing every citizen that stands up and asks for the facts at a City Council meeting. It is time for the City Manager to stop using propaganda to advance his agenda to annex White Center/Area Y. Show the citizens the written budget report on Area X and how it will be funded after the tax credits run out and the financial analysis on the White Center/Area Y before any additional annexations are considered by Burien.

- *Bob Edgar*

