

Monica Lusk

From: Monica Lusk
Sent: Monday, August 15, 2011 5:39 PM
To: 'Chestine Edgar'
Cc: Jerry Robison; Lisa Clausen
Subject: FW: Berk Report on annexation-missing facts
Attachments: Berk Report revised.doc

Thank you for your message to the Burien City Council. It will be included in the Correspondence for the Record for the next City Council meeting.

I have passed your email on to Councilmember Robison. His email can be found on the City's website, <http://burienwa.gov/Directory.aspx?did=3>.

Monica Lusk
City Clerk

From: Chestine Edgar [mailto:c_edgar2@yahoo.com]
Sent: Sunday, August 14, 2011 11:54 PM
To: Joan McGilton; Gordon Shaw; Rose Clark; Lucy Krakowiak; Brian Bennett; Jack Block Jr.; Monica Lusk
Subject: Berk Report on annexation-missing facts

To the Burien City Council Members,
To Monica Lusk,

The attached letter is for the public record on the Berk Report and annexation of Area Y/White Center. I do not have Jerry Robison's email address so please pass it on to him.

Thanks.

CFTR: 09/12/11

Some Facts the Berk Report failed to mention about annexing Area Y/White Center-Part 1

While the Burien City Manager and the media have quoted the Berk Report as stating that the Annexation of Area Y/White Center would be revenue neutral or even make some money for the City of Burien, there is no evidence to support that these claims are true for the long term future of Burien. Additionally, there are some missing facts and missing actual costs from the Berk Report that suggest their analysis is incomplete and flawed. It is strange that Berk never bothered to request information from King County that breaks out the actual costs that were needed to run White Center for the years 2009, 2010. (If you are buying a house and you want to know how much it costs to heat it, you don't guess, you ask the owner how much he pays in heating bills.)

The following facts are missing from the Berk Report and warrant serious consideration;

1. White Center has more housing units per 1000 citizens than Burien but generates significantly less real estate tax revenues. The housing values for White Center are less than Burien's and a greater number of units pay little to no taxes as compared to Burien.
2. White Center generates 50% less taxable retail sales revenues per citizen than Burien does. Therefore, White Center will contribute significantly less to the sales tax revenues of the city than the city currently takes in.
3. As reported in 2009, the average and median family incomes are significantly lower in White Center than in the base City of Burien. These families have greater economic needs and have less money to spend in the city.
4. White Center has 3 times as many children living with unemployed parents than the base City of Burien has. This suggests that there are 3 times as many human services needs in White Center-food, clothing, housing, medical-than in the base City of Burien(the city before the annexation of Area X). In 2000, 22% of all of the households in White Center received economic or medical assistance from the Department of Social and Health Services and required translators in 25 different languages. Since the onset of the Recession in 2007, the number of families needing service has significantly increased.
5. White Center has approximately twice as many people who did not graduate from high school than the base city of Burien. This means that in hard economic times they will have more difficulty securing employment at or above the minimum wage. Many of the families in White Center are new immigrants to the U.S.A. and cannot be immediately employed. Additionally, the area has a high percentage of undocumented people living in it.
6. The proportion of the population living below poverty level is larger in White Center than in Des Monies, Sea Tac, Normandy Park, or Burien/Boulevard Park. It is 4.5% greater than Burien/Boulevard Park.
7. White Center has a higher crime rate than Burien for thefts, domestic violence, family and juvenile issues, gang related activities, illegal use of controlled substances/drugs and drunkenness. It is hard to compare the statistics for White Center vs. Burien because the King County Sheriff's report does not display the data in the same way for both areas. However, for

2009-2010, when Burien annexed Area X/ Boulevard Park, crime in Burien increased significantly in these areas: Domestic Violence 31.8%, Gang Activity 62.2%, Car Theft 65.8%, Forcible Rape 205.9%, Residential Burglary 70.3%, Adult Charges/arrest 37%. The basis of population, White Center Area and Boulevard Park areas have always had a higher crime rate than the City of Burien prior to annexation. This means that there are greater police service and legal costs to keep these areas safe for citizens and their property.

Therefore White Center will never be paying or carrying its own weight in taxes to fund the City of Burien. The area will always need more resources than monies/revenues it contributes to the cost of running the city. For this reason, both Ron Sims and Dow Constantine have tried to get rid of White Center. They claim that the whole of King County cannot afford to adequately support the Area Y/White Center. The Berk Report used the City of Burien's estimates of what the City Manager believes it will take to fund services in White Center. Some of these numbers are so far off projected amounts from the Seattle Study and the actual costs of King County that it makes one wonder how Berk could have accepted them with a straight face and put them into their report. As an example, Seattle projected-on the low end-that Human Services for White Center would cost \$1.7 million ongoing and \$88,000 one-time start fee. And the needs mentioned in the previous-facts support that projected cost. Mike Martin/Burien City Manager claims that the Human Services for White Center can be handled for \$100,000 per year. Clearly someone missed some important facts in making up that dollar amount. Human Services is not like Burien's mismanaged, underfunded Animal Control. We cannot ignore human needs or plan to get rid of the people in three days. This is just one example of projected costs by the City of Burien that makes no sense in the Berk Report.

All of the Hocus Pocus talk about sales tax credits for 10 years is just funny money numbers because Burien will have gained no long term extra revenues from the annexation-only extra debt.. And it will have an area of the city that cannot pay its own way. It is equivalent to a kid borrowing his allowance in advance to buy a car on credit that he will never be able to afford the monthly credit payments, insurance and maintenance costs on. By the end of 2023, the City of Burien will be -23% in the hole/in the red annually in its budget. Currently, Burien spends twice as much as it takes in-in revenues. This means that if it cost \$30 million to run the city in 2023, the city will be \$7million short (-23%) of what it needs. However if Burien annexes White Center, it will be actually be \$53 million short of what it needs, because there is a minimum of \$46 million dollars—a low end estimate-in infrastructure repairs that Burien will never be able to pay for plus the additional \$7 million it cannot come up with from its revenues. I would hardly call this a revenue neutral situation as a result of annexing Area Y/White Center. It is important to note that the projected cost for infrastructure repair to White Center varies from \$46 million to \$77 million-no one is sure of what it will be.

The Berk Report failed to mention this scenario when it stated that annexing White Center would be a revenue neutral situation. However by 2023, Mr. Martin/Burien City Manager will have retired and moved away but those of us left living in the City of Burien will be left with this Black Hole-sucking deficit caused by the annexation of AreaY/White Center. The citizens of Burien and White Center deserve better than what is being offered to them by Mike Martin/Burien and King County.

C. Edgar

Data sources: 2011 Library Service Area Analysis-King County,
Seattle-2011 report, King County Sheriff's Office-2009-2010 crime statistics, Berk Report, 2011.