

Where are the Benson Hill Communities?

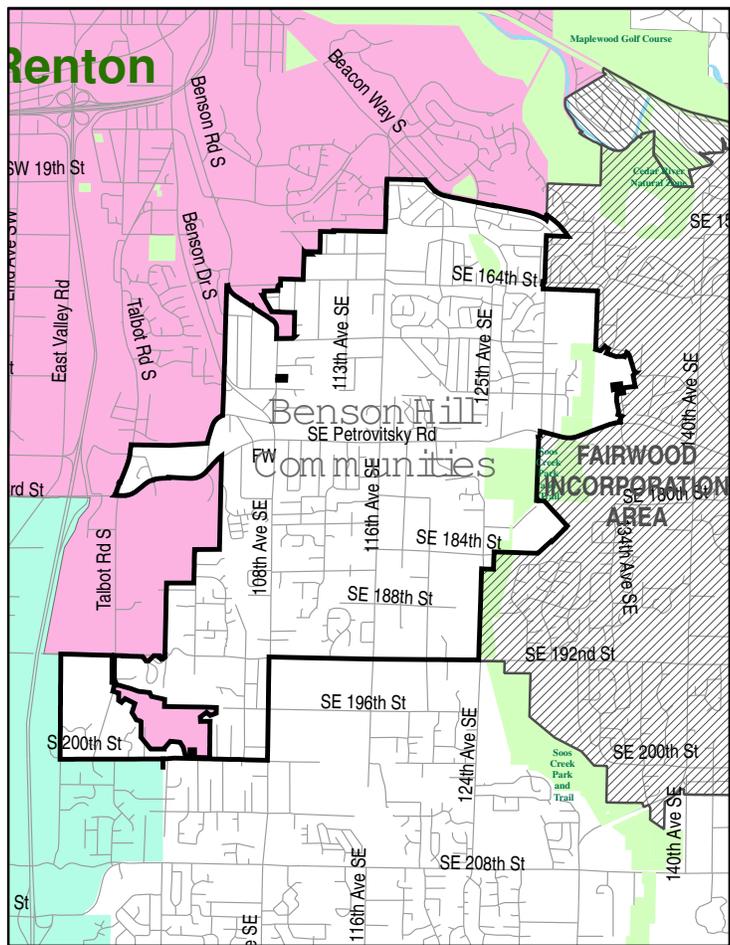
The Benson Hill Communities are made up of residents living South and Southeast of the City of Renton, West of 130th Ave SE, and North of Kent (between SE 200th and SE 192 depending on the cross streets). This area includes Spring Glen, Springbrook, Cascade, Renton Park and many other neighborhoods.

Governance Options. The Benson Hill Communities are part of the City of Renton's Potential Annexation Area (PAA). The residents of this area have the option of annexing to the City of Renton or staying unincorporated. The City of Renton's PAA also includes the proposed City of Fairwood. The Benson Hill Communities are not included in this proposed incorporation area.

Population. The population of the Benson Hill Communities in 2005 was approximately 16,400. If the Benson Hill Communities area was part of the City of

Renton, the area would represent 22% of Renton's total population. A voter in a larger City of Renton would vote for councilmembers elected at-large (not from districts). Future councilmember's could come from the newly annexed area.

Community Desires. In a survey commissioned by King County and conducted by Evans/McDonough Company in March 2005 for the Benson Hill Communities and Fairwood areas, residents of the Benson Hill Communities rated their neighborhood and the level of public service both positively and better than nearby cities. Overall, Benson Hill Communities residents responding were opposed to the incorporation of the nearby City of Fairwood and thought the area would be better off by joining Renton. These residents wanted to see the quality of local government services improve, but strongly opposed being annexed into the City of Fairwood because the fear that service levels would not improve. Residents would rather have the whole Fairwood area join the City of Renton than incorporate any part.



WHAT IF THE BENSON HILL COMMUNITIES ANNEXED TO RENTON?

If the Benson Hill Communities were annexed to Renton, the typical homeowner would see a very slight decrease in taxes and utility service of \$12 per year.

In terms of utility services, Renton households face substantially lower costs in surface water fees (which are billed on residents' property taxes).

For purposes of illustration only, from 2000 to 2005, a selected homeowner with a house valued at \$250,000 (in 2005) saw their total property tax payment increase by 20%. An owner of an equivalent home in Renton saw overall property tax payments increase by 15%.

TAX BURDEN		
PROPERTY TAXES	Unincorporated	Annex to Renton
<i>Consolidated Levy</i>	\$4.33	\$4.33
<i>Property Tax (city)</i>	0.00	3.23
<i>Road Levy (County)</i>	1.83	0.00
<i>School Levy</i>	3.99	3.99
<i>Fire Levy</i>	0.99	0.00
<i>Hospital Levy</i>	0.09	0.09
<i>Library</i>	0.53	0.05
<i>EMS</i>	0.23	0.23
<i>Flood Levy</i>	0.00	0.00
Total Regular Levy	\$12.00	\$11.92
Total Property Tax	\$3,443	\$3,420
OTHER TAXES AND FEES		
Utility Taxes	\$0	\$190
Fire District 40 Benefit Charge	142	0
Surface Water Fee	102	65
Cable Franchise Fee (5%)	24	24
Total Other Taxes & Fees	\$268	\$279
SERVICE COSTS		
Soos Creek Water & Sewer charges	\$810	\$0
Solid Waste Collection Charges	256	256
Total Services Costs	\$1,066	\$1,066
TOTAL TAXES/FEES/SERVICES COSTS	\$4,777	\$4,765

This table is based on actual 2005 taxes and fees, and is for illustration purposes only. Individual tax experiences will vary by household based on consumption. This tax burden was based on levy code 4250 and a house valued at \$287K.

WHAT WOULD IT COST RENTON TO ANNEX THE BENSON HILL COMMUNITIES?

Operating Costs	Total
Police Services	\$3,728,000
Planning, Building and Public Works	\$1,769,000
Fire Services	\$1,113,000
Administrative, Judicial & Legal Services	\$627,000
Community Services	\$481,000
Finance and Information Services	\$341,000
Human Resources & Risk Management	\$73,000
Economic Development	\$233,000
Legislative	\$14,000
Staff-related Facility Costs	\$340,000
TOTAL COST	\$8,719,000

Operating Revenues	
Property Tax	\$3,685,000
Utility Tax	\$1,387,000
Sales Tax	\$833,000
State Shared Revenues	\$546,000
Gambling Tax	\$399,000
Permit Fees	\$345,000
Sales Tax-Criminal Justice	\$323,000
Fines & Forfeits	\$294,000
Cable Franchise Fees	\$137,000
Recreation Fees	\$66,000
Business License Fees	\$23,000
TOTAL REVENUE	\$8,038,000
NET REVENUES	(\$681,000)

Planning-level estimates show that annexing the Benson Hill Communities would cost Renton \$681,000 per year in the short-term. This assumes Renton would take responsibility for the FD 40 station in Cascade and locate a fire engine and aid car there. Estimates focus only on ongoing operation costs, not one-time transition costs, or how Renton might serve the area with different service levels or staffing. Long-term, Renton will need to develop a financial strategy to deal with the shortfall.

Usually, residential areas cost more than the revenues they generate. Development may bring one-time revenues from construction sales taxes, impact fees, and real estate excise taxes.

How Would Local Service Levels Change?

POLICE

Now: KC Sheriff
With Renton: Renton Police Dept.

- Renton's response time is about two minutes faster for highest priority calls (roughly 2.5 minutes compared with about 4.5 minutes for King County).

FIRE

Now: Fire District 40
With Renton: Renton Fire Department

- Today, Fire District 40 staffs Station 42 in Benson Hill Communities (Headquarters) located on 176th/Petrovitsky Road and Benson Highway (SR 515). FD 40 Responds to most area calls with one fire engine. In addition, Renton Fire Department responds to calls from Station 13 (on 108th Avenue) with one fire engine.
- Annexation of Benson Hill Communities means a portion of facilities, equipment, and full-time fire district staff would become part of the Renton Fire Department. Renton indicates that Station 13 would likely be closed, and the City would respond from the new District Station 42, now under construction on 108th. This is subject to negotiations between the City of Renton and Fire District 40
- In addition to moving the existing Station 13 engine and crew to Station 42, Renton would locate an aid car and crew there, for a total of five full-time staff positions.

PARKS

Now: King County
With Renton: Renton Parks & Recreation

- Benson Hill Communities currently have three local parks maintained by King County: Boulevard Land Park (30.28 acres), Cascade Park (10.94 acres), and Renton Park (19.09 acres).
- If Renton annexed Benson Hill Communities, it would further develop parks and build a community center. Renton provides significantly more active and passive park space, trail miles, and athletic field per capita than King County.
- Renton residents pay lower fees than non-residents for Renton Parks & Recreation programs, including a pool, golf course, boat launch, athletics, and more.

UTILITIES

Soos Creek Water and Sewer District

- Annexation to Renton would not affect the status of water and sewer services provided by Soos Creek Water and Sewer District.

SCHOOLS

Renton School District

- School district boundaries are not affected by municipal annexations so current Renton School District boundaries would stay the same if Renton annexed Benson Hill Communities.

LIBRARY

Now: King County Library System (KCLS)
With Renton: Renton Library System

- There are currently no libraries in Benson Hill Communities neighborhoods. The nearest libraries likely used by residents include Renton Library System, KCLS' Foster/Tukwila library and Southcenter Mall sites to the west, and the Kent Regional and Fairwood libraries to the south and east.
- If Benson Hill communities were to annex to Renton, Renton would assume responsibility for library services in the area. Renton is not currently part of the KCLS system, but residents may use libraries in both systems through reciprocal borrowing agreements, which are borrowing privileges extended to people who live or own property in the cities.
- Today, Renton spends less per resident for library operations than does KCLS (\$22 per resident for Renton versus \$62 per resident for KCLS).
- KCLS voters approved a 2004 bond levy to support system capital and operating costs. Even if Benson Hill Communities is no longer part of CKLS, taxpayers must continue to pay property taxes for the part of the levy that supports construction improvements through 2022. (See tax burden table).

SHOULD THE BENSON HILL COMMUNITIES EXPECT TO SEE REDUCED SERVICE LEVELS FROM KING COUNTY?

From 2002 to 2005, King County general fund revenues increased at a rate of 2.7% per year. At the same time, the basic costs of providing services increased at more than twice that rate. The County estimates that, in order to maintain 2002 staffing levels and levels of service in 2005, King County would have needed an additional \$137 million in general fund revenues in 2005 (25% more than the County actually received).

Without an increase in tax rates, the County's structural deficit will continue to erode its effective resources. This means that, for the foreseeable future, the County will have to make difficult choices when it comes to the provision of local government services. The County is in a position where it must first fund state-mandated services (criminal justice and public health) and regional services (sewer and courts) before it provides local services (such as parks, human services, and police services).

King County's general fund is where most of the revenues are collected by the county to pay for day-to-day operations. The short answer is that, services provided out of King County's general fund will all be under pressure to reduce expenditures in urban unincorporated areas.

- The Sheriff's Office budget relies on funding from the King County general fund. Resources will be increasingly constrained.
- Roads are funded from a source other than the general fund, so road maintenance dollars would still be available. However, the construction and capital funding for roads would be increasingly constrained.
- As a result of constraints on the County's general fund, parks and recreation expenditures have been scaled back in recent years. In some instances, active maintenance of local parks in unincorporated King County has greatly decreased.

It is difficult to say which services may be cut or reduced in unincorporated areas as available revenues continue to decline. Those decisions must be made each year through the County's budget adoption process. However, until the County is able to fully address its structural deficit, the County will be forced to make cuts across all of its service areas, including services to local urban unincorporated areas.

In urban unincorporated King County, there are ten large areas that have yet to be annexed to a city or incorporate into a new city. There are now about 218,000 residents in these urban areas for whom King County currently provides local services.

Due to the budgetary issues described above, in 2004, the King County Executive created the County's Annexation Initiative. The Initiative is a three-year encouragement for these areas, through funding and other resources, to discuss and plan changes in governance to incorporated status. The Initiative is intended to be a positive step toward assisting communities in determining their own future.

The County cannot compel a community to annex or incorporate. At the same time, it is clear that the level of service provided by the County will begin to erode in those communities that don't transition to incorporated status over the next few years.