



Memorandum

Date: 11/12/2025

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 25-601

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748
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DEPARTMENT STAFF:

Finance	Haritha Narra	Deputy Finance Director
Finance	Hailey Zurcher	Financial Planning Manager

TITLE:

Adoption of an Ordinance Establishing the 2026 Property Tax Levy for General Operations

OVERVIEW STATEMENT:

Pursuant to state law, the City of Redmond may levy property taxes annually for general operations. The Revised Code of Washington (RCW) 85.55.005 allows a jurisdiction over 10,000 in population to raise property taxes by the lesser of the implicit price deflator or 1% plus new construction, annexations, and other miscellaneous adjustments (e.g., refunds) with a simple majority vote.

The property tax ordinance establishes the 2026 property taxes for general operations and for supporting Redmond's Levy Funds for Parks and Public Safety.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information**

☒ **Provide Direction**

☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
2025-2026 Adopted Budget
Fiscal Policies
- **Required:**
RCW 85.55.005
- **Council Request:**
N/A
- **Other Key Facts:**

N/A

OUTCOMES:

Redmond received preliminary property tax figures from King County for 2026 on October 9, 2025. The numbers are estimates and are subject to change once the final worksheet is received from King County. The attached ordinance (Attachment A) is based on preliminary information, as King County must receive Redmond's property tax request by December 1, 2025.

The rate of inflation (Implicit Price Deflator rate) was determined to be 2.44% by the Bureau of Economic Analysis. The 1% limitation applies to the 2025 levy. The attached ordinance sets the 2026 total property tax levy at \$34,455,724, with \$27,561,411 for general operations and \$6,894,313 related to three levy lid lifts. Relative to the 2025 total levy, a 1% increase amounting to \$331,753 is included, as well as \$626,728 from new construction and \$71,957 from prior year refunds that will be re-levied in 2025.

The City's assessed valuation has increased from \$39.6 billion in 2024 to \$42.04 billion in 2025, or by 6.3% according to King County's final numbers.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:**Total Cost:**

The attached ordinance sets the 2026 regular property tax levy at \$34,455,724, which includes the 1% property tax increase.

Approved in current biennial budget:☒ **Yes**☐ **No**☐ **N/A****Budget Offer Number:**

N/A

Budget Priority:

Strategic and Responsive

Other budget impacts or additional costs:☐ **Yes**☐ **No**☒ **N/A*****If yes, explain:***

N/A

Funding source(s):

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Budget/Funding Constraints:

N/A

☐ Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
N/A	Item has not been presented to Council	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
11/18/2025	Business Meeting	Approve

Time Constraints:

Council must adopt the ordinance for the 2026 property tax levy prior to King County's deadline of December 1, 2025, for property tax collections in 2026.

ANTICIPATED RESULT IF NOT APPROVED:

If action is not taken by December 1, 2025, Redmond will not comply with the County deadline for submitting 2026 property tax levies.

ATTACHMENTS:

Attachment A: Ordinance - 2026 Property Tax