

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
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*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

**1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to contracting indebtedness; authorizing and providing for the issuance and sale of limited tax general obligation bonds to pay all or part of the costs of various elements of the City’s capital improvement program and for other City purposes approved by ordinance, and to pay the costs of issuance of the bonds; providing parameters for the bond sale terms including conditions, covenants, and other sale terms; creating the 2020 Multipurpose LTGO Bond Fund (Tax-Exempt) and 2020 Multipurpose LTGO Bond Fund (Taxable); amending Ordinance 124924 and Ordinance 125715; and ratifying and confirming certain prior acts.

**Summary and background of the Legislation:**

This legislation provides the legal authorization to issue up to \$65.3 million of Limited Tax General Obligation Bonds, as assumed in the 2019 Proposed Budget and the Proposed 2020-2025 Capital Improvement Program (CIP).

Although the Budget and CIP make specific assumptions about the use of debt financing for a certain share of the CIP, separate authorization for the issuance of bonds is technically required.

This bond sale is anticipated to occur in early 2020. The bond proceeds will support a share of the City’s general government capital program for about 12 months.

The bond sizing is based on the proposed budget and current cash-flow projections. The bond proceeds will also be used to pay issuance costs.

The City’s Capital Improvement Program (CIP) identifies debt financing for certain projects and the City’s budget appropriates the associated debt service. The following table provides details of this bond issue.

Description	Approximate Project Fund Deposit	Approx. Par Amount (1)	Max. Term	Approx. Rate	Debt Service Proposed 2019	Debt Service Estimated 2020	Debt Service Funding Source
Criminal Justice IT	10,000	10,300	8	4.0%	309	1,530	General Fund
Low Income Housing	18,000	18,540	18	6.0%	834	1,712	General Fund
IT Architecture	1,100	1,133	8	4.0%	34	168	SeaIT
Data & Phone	7,275	7,493	8	4.0%	225	1,113	SeaIT
SMT Remodel - IT	1,000	1,030	8	4.0%	31	153	SeaIT
FAS Technology	1,470	1,514	8	4.0%	45	225	FAS
SMT Elevator Rehab	1,500	1,545	10	4.0%	46	190	FAS
SMT Chiller	6,500	6,695	10	4.0%	201	825	FAS
CWF Alaskan Way Corridor (CPT-2.5%)	14,756	15,199	20	5.0%	570	1,220	SDOT CPT-2.5% (2)
CWF Overlook (CPT-2.5%)	1,725	1,777	20	6.0%	80	155	SDOT CPT-2.5% (2)
Subtotal 2020 Bonds	63,326	65,226	-	0.0%	2,376	7,292	0
<b>Total 2019 Bonds</b>	<b>63,326</b>	<b>65,226</b>			<b>2,376</b>	<b>7,292</b>	

(1) Includes 3% for costs of issuance and pricing adjustments.  
 (2) Receipts from additional 2.5% commercial parking taxes.

#### 4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**  
 This legislation affects FAS, SDOT, OH, SeaIT, and CBO
  
- b. Is a public hearing required for this legislation?**  
 No.
  
- c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**  
 No.
  
- d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
 No.
  
- e. Does this legislation affect a piece of property?**  
 No.
  
- f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**  
 None.
  
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**  
 N/A