

**SUMMARY and FISCAL NOTE\***

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**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, to provide loans to one or more public development authorities of the City for certain eligible capital purposes, 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 2022 Multipurpose LTGO Bond Fund; amending Ordinance 126219; and ratifying and confirming certain prior acts.

**Summary and background of the Legislation:** This legislation provides the legal authorization to issue up to \$127.3 million of Limited Tax General Obligation Bonds, as assumed in the 2022 Proposed Budget and the Proposed 2022-2027 Capital Improvement Program (CIP) and includes \$1.8 million of financing to provide financing support to Historic Seattle Public Development Authority (PDA) for a seismic retrofit improvement of the Good Shepherd Center and \$12 million for the Aquarium Expansion. A loan agreement with Historic Seattle will be developed and will be subject to authorization by Council Ordinance that will describe the full terms of the loan and repayment schedule.

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 2022. 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.

## 2022 Multipurpose LTGO Bond Issue (\$1000's)

Description	Approx.	Approx.	Max.	Approx.	Debt Service		Debt Service
	Project	Par			Proposed	Estimated	
	Fund	Amount	Term	Rate	2022	2023	Funding Source
	Deposit	(1)					
Seattle Municipal Tower Elevator Rehab	9,500	9,785	10	3.0%	294	1,147	FAS Rates
Human Capital Management System	17,636	18,165	8	3.0%	545	2,588	FAS Rates
Fire station 31	3,500	3,605	20	4.0%	108	265	REET I
Data and Telephone Infrastructure	4,277	4,406	8	3.0%	132	628	IT Rates
Computing Service Architecture	1,100	1,133	8	3.0%	34	161	IT Rates
Criminal Justice Information System Projects	13,076	13,468	8	3.0%	404	1,919	General Fund
Alaskan Way Main Corridor (CPT-2.5%)	10,275	10,583	20	4.0%	317	779	CPT 2.5% (2)
Overlook Walk and East-West Connections Project (CPT-2.5%)	4,630	4,769	20	4.5%	161	367	CPT 2.5% (2)
West Seattle Bridge Immediate Response	44,634	45,973	20	4.0%	1,379	3,383	REET II
W Marginal Way	1,150	1,185	20	4.0%	36	87	REET II
Aquarium Expansion	11,975	12,334	20	4.5%	416	948	REET I
Historic Seattle	1,800	1,854	20	4.5%	63	143	HS/BIRF
<b>Total 2022 Bonds</b>	<b>123,553</b>	<b>127,260</b>			<b>3,889</b>	<b>12,414</b>	

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

## 2. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**  
 FAS and various operating departments with projects being financed by this bond issue.
- b. **Is a public hearing required for this legislation?**  
 No.
- c. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
 No.
- d. **Does this legislation affect a piece of property?**  
 No.
- e. **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?**  
 N/A
- f. **Climate Change Implications**
  1. **Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**  
 No.
  2. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so,**

**explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

N/A

- 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

**List attachments/exhibits below:**