

## **SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
FAS	Michael Van Dyck 4-8347	Caleb Wagenaar 3-9228

### **1. BILL SUMMARY**

- 1. 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 2019 Multipurpose LTGO Bond Fund; amending Ordinance 125197; and ratifying and confirming certain prior acts.

- 2. Summary and background of the Legislation:**

This legislation provides the legal authorization to issue up to \$55 million of Limited Tax General Obligation Bonds, as assumed in the 2019 Proposed Budget and the Proposed 2019-2024 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 2019. 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	Debt Service	Debt Service Funding Source
					Proposed 2018	Estimated 2019	
Criminal Justice IT	3,500	3,605	8	3.5%	95	524	General Fund
Police Car Computers	5,415	5,578	8	3.5%	146	811	General Fund
Low Income Housing	10,000	10,300	20	5.3%	406	844	General Fund
IT Computing	1,866	1,922	8	3.5%	50	280	SeaIT
Data & Phone	4,385	4,517	8	3.5%	119	657	SeaIT
SMT Remodel - IT	2,000	2,060	8	3.5%	54	300	SeaIT
FAS IT Initiative	1,333	1,373	8	3.5%	36	200	FAS
SMT Chiller	3,500	3,605	10	3.8%	101	439	FAS
CWF Alaskan Way Corridor (CPT-2.5%)	14,692	15,133	20	4.3%	482	1,138	SDOT CPT-2.5% (2)
Elliot Bay Seawall (CPT-2.5%)	4,200	4,326	30	4.5%	146	266	SDOT CPT-2.5% (2)
CWF Overlook (CPT-2.5%)	1,000	1,030	20	5.3%	41	84	SDOT CPT-2.5% (2)
AWV Habitat Beach (CPT-2.5%)	1,300	1,339	20	4.3%	43	101	SDOT CPT-2.5% (2)
<b>Total 2019 Bonds</b>	<b>53,191</b>	<b>54,787</b>			<b>1,719</b>	<b>5,644</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?**

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.