

CITY OF SEATTLE
ORDINANCE 126288
COUNCIL BILL 120006

AN ORDINANCE relating to contracting indebtedness; amending Ordinance 126219; and ratifying and confirming certain prior acts.

WHEREAS, The City of Seattle, Washington (the “City”) has determined that it is in its best interest to authorize the financing of certain improvements at the Seattle Center as part of the previously authorized general obligation bond issuance for 2021; and

WHEREAS, it is therefore necessary to amend the description of capital projects identified in Exhibit A that was attached to Ordinance 126219 and to adjust the maximum principal amount of bonds authorized to be issued to accommodate this additional project; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. **Amendments to Section 4 of Ordinance 126219.** Section 4 of Ordinance 126219 is amended as follows:

Section 4. **Appointment of Designated Representative; Bond Sale Terms.**

(a) **Designated Representative.** The Director of Finance is appointed to serve as the City’s designated representative in connection with the issuance and sale of the Bonds in accordance with RCW 39.46.040(2) and this ordinance.

(b) **Parameters for Bond Sale Terms.** The Director of Finance is authorized to approve on behalf of the City Bond Sale Terms for the sale of the Bonds in one or more Series and, in connection with each such sale, to execute a Bond Purchase Contract (or, in the case of a competitive sale, a Pricing Certificate) confirming the Bond

1 Sale Terms and such related agreements as may be necessary or desirable, consistent with
2 the following parameters:

3 (i) **Maximum Principal Amount.** The maximum aggregate
4 principal amount of all Series of the Bonds authorized by this ordinance may not exceed
5 ~~((\$212.7))~~\$221 million.

6 (ii) **Date or Dates.** Each Bond shall be dated its Issue Date, as
7 determined by the Director of Finance, which Issue Date may not be later than December
8 31, 2023.

9 (iii) **Denominations.** The Bonds shall be issued in Authorized
10 Denominations.

11 (iv) **Interest Rate(s).** Each Bond shall bear interest from its
12 Issue Date or from the most recent date to which interest has been paid or duly provided,
13 unless otherwise provided in the applicable Bond Documents. One or more rates of
14 interest shall be established for each maturity of each Series of the Bonds, which rate or
15 rates may be fixed or variable. The net interest cost for any fixed rate Series may not
16 exceed a rate of 10% per annum.

17 (v) **Payment Dates.** Interest shall be payable on dates
18 acceptable to the Director of Finance. Principal shall be payable on dates acceptable to
19 the Director of Finance, which shall include payment at the maturity of each Bond, in
20 mandatory redemption installments applicable to Term Bonds, and otherwise in
21 accordance with any redemption or tender provisions set forth in the Bond Documents.

22 (vi) **Final Maturity.** Each Bond shall mature no later than 31
23 years after its Issue Date.

1 (vii) **Redemption Prior to Maturity.** The Bond Sale Terms
2 may include redemption provisions, as determined by the Director of Finance, consistent
3 with Section 7 and subject to the following:

4 (A) **Optional Redemption.** The Director of Finance
5 may designate any Bond as being subject to optional redemption prior to its maturity.
6 Any Tax-Exempt Bond that is subject to optional redemption prior to maturity must be
7 callable on at least one or more dates occurring not more than 10½ years after the Issue
8 Date, consistent with Section 7(a).

9 (B) **Mandatory Redemption.** The Director of Finance
10 may designate any Bond as a Term Bond, subject to mandatory redemption prior to its
11 maturity in mandatory redemption installment payments of principal, consistent with
12 Section 7(b).

13 (C) **Extraordinary Redemption.** The Director of
14 Finance may designate any Bond as subject to extraordinary optional redemption or
15 extraordinary mandatory redemption upon the occurrence of an extraordinary event, as
16 such event or events may be set forth in the applicable Bond Documents, consistent with
17 Section 7(c).

18 (viii) **Price.** The Director of Finance may approve in the Bond
19 Sale Terms an aggregate purchase price for each Series of the Bonds that is, in his or her
20 judgment, the price that produces the most advantageous borrowing cost for the City for
21 that Series consistent with the parameters set forth herein and in any applicable bid
22 documents.

23 (ix) **Other Terms and Conditions.**

1 (A) **Debt Capacity and Limitations.** A Series of the
2 Bonds may not be issued if it would cause the indebtedness of the City to exceed the
3 City’s legal debt capacity on the Issue Date of such Series.

4 (B) **Reasonably Expected Life.** As of the Issue Date
5 of each Series, the Director of Finance must find to his or her satisfaction that the average
6 expected life of the capital facilities to be financed with the proceeds (or allocable share
7 of proceeds) of that Series exceeds the weighted average maturity of such Series (or share
8 thereof allocated to financing those capital facilities).

9 (C) **Additional Terms, Conditions, and Agreements.**
10 The Bond Sale Terms for any Series may provide for bond insurance or for any other
11 credit enhancement as the Director of Finance may find necessary or desirable. The Bond
12 Sale Terms may include such additional terms, conditions, and covenants as may be
13 necessary or desirable, including but not limited to: restrictions on investment of Bond
14 proceeds and pledged funds (including any escrow established for the defeasance of any
15 of the Bonds), provisions for the conversion of interest rate modes, provisions for the
16 reimbursement of a credit enhancement provider, and requirements to give notice to or
17 obtain the consent of a credit enhancement provider. The Director of Finance is
18 authorized to execute, on behalf of the City, such additional certificates and agreements
19 as may be necessary or desirable to reflect such terms, conditions, and covenants.

20 (D) **Tax Status of the Bonds.** The Director of Finance
21 may designate any Series of the Bonds as Tax-Exempt Bonds, Taxable Bonds, or Tax
22 Credit Subsidy Bonds, consistent with Section 13.

1 Section 2. **Amendment of Exhibit A to Ordinance 126219.** Ordinance 126219
2 authorized issuance of limited tax general obligation bonds of the City (the “2021 Bonds”), and
3 provided that proceeds of the 2021 Bonds would be used to carry out the costs of projects
4 specified in Exhibit A to Ordinance 126219, as well as other projects authorized by ordinance.
5 Exhibit A to Ordinance 126219 is amended to read as set forth in Exhibit A, attached hereto and
6 by this reference made a part hereof.

7 Section 3. **General Authorization.** In addition to the specific authorizations in this
8 ordinance, the Mayor and the Director of Finance and each of the other appropriate officers of
9 the City are each authorized and directed to do everything as in their judgment may be necessary,
10 appropriate, or desirable in order to carry out the terms and provisions of, and complete the
11 transactions contemplated by, this ordinance.

12 Section 4. **Intent to Reimburse.** The Council declares that the expression of its
13 intent to reimburse the interfund loans for the repair of the West Seattle Bridge authorized by
14 Ordinance 126161, passed on September 11, 2020, was not intended to limit the City’s ability to
15 utilize the lowest cost financing available for that project. The Council hereby clarifies and
16 expressly states that the full amount of the interfund loan authorized by Ordinance 126161 was
17 intended to be reimbursed from proceeds of general obligation bonds to be issued pursuant to
18 this ordinance, but that its intent was not to limit the ability to finance the project on either a
19 taxable or tax-exempt basis. For the sake of clarity, the City Council acknowledges, ratifies and
20 confirms the declarations of intent to reimburse expenditures for this project set forth in the June
21 25, 2020 and August 11, 2020 declarations of the Director of Finance and clarifies that the
22 Council intends that the full amount of up to \$70 million authorized to be drawn on the interfund

1 loans be eligible to be reimbursed by tax-exempt bond proceeds, to the extent permitted under
2 applicable federal tax law and regulations, if deemed advisable by the Director of Finance.

3 Section 5. **Severability.** The provisions of this ordinance are declared to be separate
4 and severable. If a court of competent jurisdiction, all appeals having been exhausted or all
5 appeal periods having run, finds any provision of this ordinance to be invalid or unenforceable as
6 to any person or circumstance, such offending provision shall, if feasible, be deemed to be
7 modified to be within the limits of enforceability or validity. However, if the offending provision
8 cannot be so modified, it shall be null and void with respect to the particular person or
9 circumstance, and all other provisions of this ordinance in all other respects, and the offending
10 provision with respect to all other persons and all other circumstances, shall remain valid and
11 enforceable.

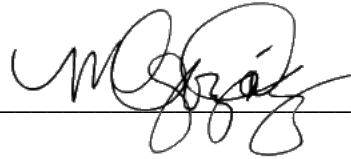
12 Section 6. **Ratification of Prior Acts.** Any action taken after passage of this
13 ordinance but prior to its effective date that is consistent with the authority of this ordinance, is
14 ratified, approved and confirmed.

15 Section 7. **Section Headings.** Section headings in this ordinance are used for
16 convenience only and shall not constitute a substantive portion of this ordinance.

17

1 Section 8. **Effective Date.** This ordinance shall take effect and be in force 30 days
2 after its approval by the Mayor, but if not approved and returned by the Mayor within ten days
3 after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

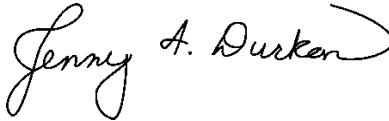
4 Passed by the City Council the 8th day of March, 2021,
5 and signed by me in open session in authentication of its passage this 8th day of
6 March, 2021.

7 

8 President _____ of the City Council

9 Approved / returned unsigned / vetoed

10 this 12th day of March, 2021.

11 

12 Jenny A. Durkan, Mayor

13 Filed by me this 12th day of March, 2021.

14 

15 Monica Martinez Simmons, City Clerk

16 (Seal)

17 Exhibits
18 Exhibit A – Amended Exhibit A to Ordinance 126219

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EXHIBIT A
AMENDED DESCRIPTION OF 2021 PROJECTS¹

Description	Approximate Principal Amount
Seattle Municipal Tower Elevator Rehab	\$ 8,500,000
Fire Station 31	11,283,000
Human Capital Management System	7,500,000
Computing Services Architecture	6,429,807
Data and Telephone Infrastructure	11,503,229
Criminal Justice Information System	10,000,000
Alaskan Way Main Corridor (CPT-2.5%)	10,000,000
Overlook Walk and East-West Connections Projects (CPT 2.5%)	4,260,000
West Seattle Bridge Immediate Response	97,200,000
West Marginal Way Safe Street and Accessibility Improvements	2,800,000
Aquarium Expansion	9,000,000
Pike Place Market	6,000,000
Various Transportation Projects	22,000,000
<u>Seattle Center</u>	<u>8,000,000</u>
Issuance Costs and Pricing Adjustments	((6,194,281))
	<u>6,434,281</u>
 Total	 ((<u>\$ 212,670,317</u>)) <u>\$ 220,910,317</u>

¹ Strikethroughs and insertions indicate changes to the text set forth in Ordinance 126219 (Exhibit A).