

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	Executive Contact/Phone:
FAS	Michael Van Dyck 4-8347	Caleb Wagenaar 3-9228

1. BILL SUMMARY

- a. 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; amending Ordinance 125197 to rescind and reapprove the authorization for certain previously authorized but unissued debt; and ratifying and confirming certain prior acts.

b. Summary and background of the Legislation:

This legislation provides the legal authorization to issue up to ~~\$858~~7 million of Limited Tax General Obligation Bonds, as assumed in the 2018 Proposed Budget and the Proposed 2018-2023 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 2018. 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.

Description	Approximate Project Fund Deposit	Approx. Par Amount (1)	Max. Term	Approx. Rate	Debt Service Proposed 2018	Debt Service Estimated 2019	Debt Service Funding Source
Financial IT Upgrades (GF)	1,238,844	1,276,009	8	3.5%	33	186	General Fund
Financial IT Side Systems	726,915	748,722	8	3.5%	20	109	General Fund
Muni Court IT	5,349,000	5,509,470	8	3.5%	145	801	General Fund
Low Income Housing (reauthorized) (4)	29,000,000	29,870,000	20	5.0%	1,120	2,397	General Fund
Police IT	1,094,000	1,126,820	8	3.5%	30	164	General Fund
Pay Stations	1,920,000	1,977,600	7	3.5%	52	323	General Fund
Fire Station 32	1,400,000	1,442,000	20	4.5%	49	111	REET I
Center City Streetcar (CPT-10%)	6,050,000	6,231,500	20	4.5%	210	479	SDOT (CPT-10%) (2)
Seawall - LTGO (CPT-10%)	8,578,642	8,836,001	30	5.0%	331	575	SDOT (CPT-10%) (2)
Seawall - LTGO (CPT-2.5%)	6,000,000	6,180,000	30	5.0%	232	402	SDOT (CPT-2.5%) (3)
Alaskan Way Corridor (CPT-2.5%)	6,965,966	7,174,945	20	4.5%	242	552	SDOT (CPT-2.5%) (3)
CWF Overlook Walk (CPT-2.5%)	3,280,000	3,378,400	20	5.0%	127	271	SDOT (CPT-2.5%) (3)
Financial IT Upgrades (FAS)	8,248,000	8,495,440	8	3.5%	223	1,236	FAS
King Station TI for Arts	4,400,000	4,532,000	10	4.3%	144	566	Arts
Subtotal Project Fund Deposits	84,251,367	86,778,908			2,958	8,171	

- (1) Includes 3% for costs of issuance and pricing adjustments.
 (2) Proceeds from Bridging the Gap - commercial parking tax receipts (original 10%).
 (3) Receipts from additional 2.5% commercial parking taxes.
 (4) This is a re-authorization of authority for housing bonds, under the new form of bond ordinance which conforms to recent SEC regulations. Only \$19 m of the authorization is expected to be issued in 2018, with the balance issued in 2019. Debt service on \$19 m would be \$734,000 in 2018 and \$1.57 m in 2019.

2. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
 This legislation affects FAS, SDOT, OH, SeaIT, Arts 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?**
 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

- h. Other Issues:**

None.

List attachments/exhibits below: