

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
FAS	Michael Van Dyck 206-619-0393	Caleb Wagenaar 206-733-9228

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 one or more loans to the Pike Place Market Preservation and Development Authority for the financing of certain improvements, 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 2021 Multipurpose LTGO Bond Fund (Taxable); and ratifying and confirming certain prior acts.

Summary and background of the Legislation:

This legislation provides the legal authorization to issue up to \$212.7 million of Limited Tax General Obligation Bonds, as assumed in the 2021 Proposed Budget and the Proposed 2021-2026 Capital Improvement Program (CIP) and includes \$6 million of financing to assist the Pike Place Market in addressing revenue shortfalls resulting from the COVID-19 crisis. This loan will not be dispersed until bonds are issued and the City and Market finalize a lending agreement.

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 2021. 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.

2021 Multipurpose LTGO Bond Issue (\$1000's)

Description	Approximate Project Fund Deposit	Approx. Par Amount (1)	Max. Term	Approx. Rate	Debt Service		Debt Service Funding Source
					Proposed 2021	Estimated 2022	
Seattle Municipal Tower Elevator Rehab	8,500	8,755	10	2.8%	181	1,013	FAS Rates- Space
Fire station 31	11,283	11,621	20	3.8%	327	836	REET I
Human Capital Management System	7,500	7,725	8	2.8%	159	1,089	FAS
Computing Services Architecture	6,430	6,623	8	2.8%	137	934	IT Rates
Data and Telephone Infrastructure	11,503	11,848	8	2.8%	244	1,670	IT Rates
Criminal Justice Information System Proj	10,000	10,300	8	2.8%	212	1,452	General Fund
Alaskan Way Main Corridor (CPT-2.5%)	10,000	10,300	20	3.8%	290	741	CPT 2.5% (2)
Overlook Walk and East-West Connectic	4,260	4,388	20	4.3%	140	330	CPT 2.5% (2)
West Seattle Bridge Immediate Respons	100,000	103,000	20	4.3%	3,283	7,748	REET I
Aquarium Expansion	9,000	9,270	20	4.3%	295	697	REET I
Pike Place Market	6,000	6,180	10	3.3%	151	734	BIRF
Various Transportation Projects	22,000	22,660	4	1.0%	170	7,877	Move Seattle Levy
Total 2019 Bonds	206,476	212,670			5,589	25,121	

(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?**
 FAS and various operating departments with projects being financed by this bond issue.
- 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?**
 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: