

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Discussing Ordinance No. 866 – Authorizing the Placement of a Ballot Measure on the 2019 General Election Ballot to Authorize a Property Tax Bond Measure for the Community and Aquatics Center
PRESENTED BY:	Eric Friedli, PRCS Department Director Sara Lane, Administrative Services Director
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing <input checked="" type="checkbox"/> Discussion

PROBLEM/ISSUE STATEMENT:

In July 2017, following an 18-month community outreach engagement process, the City Council adopted the 2017-2023 Parks, Recreation and Open Space (PROS) Plan via Resolution No. 412. The PROS Plan identifies a 20-year vision and framework for Shoreline’s recreation and cultural programs, and for maintenance and investment in park, recreation and open space facilities. Strategic Action Initiative (SAI) #1 in the PROS Plan established a goal to build a new Community and Aquatics Center (CAC) with an objective to “place a proposal for a new community/aquatics center before the voters by 2020 and open a new facility in 2022.” Since the adoption of the PROS Plan, staff has been developing concept plans and cost estimates for a new CAC.

On May 20, 2019, staff was directed by Council to develop the legislation to place a ballot measure on the November 2019 ballot to fund the purchase of property and the construction of the CAC. Tonight, Council will discuss proposed Ordinance No. 866 (Attachment A) authorizing the placement of a ballot measure on the 2019 General Election Ballot to authorize a property tax bond measure for the CAC. The proposed Ordinance is scheduled to return to Council for adoption on July 29, 2019.

FINANCIAL IMPACT:

While proposed Ordinance No. 866 does not have an immediate financial impact, the Ordinance would authorize the City to place a measure on the ballot. If successful, the City would be authorized to issue bonds in the principal amount of up to \$88,100,000 for the CAC. Repayment of these bonds would be supported by a special property tax levy that is estimated to impact the median priced homeowner by a net average of \$16 per month for up to 20 years.

The Ordinance provides that Senior Citizens, Disabled Persons, and Disabled Veterans meeting age, income, and/or disability requirements identified in RCW 84.36.381 would be eligible, and can apply with King County, for an exemption or deferral from this tax.

RECOMMENDATION

No action is required tonight. Staff recommends that the City Council discuss proposed Ordinance No. 866 and provide guidance to staff on the proposed Ordinance. Proposed Ordinance No. 866 is scheduled to be brought back to Council for adoption on July 29, 2019.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

The 2017-2023 Parks, Recreation and Open Space Plan (PROS Plan), adopted through Resolution No. 412 by the City Council on July 31, 2017, establishes a 20-year vision and framework for Shoreline's recreation and cultural programs, and guides maintenance and investment in park, recreation and open space facilities. The staff report for the adoption of the PROS Plan is available at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2017/staffreport073117-7a.pdf>.

The PROS Plan includes a series of Strategic Action Initiatives (SAIs) with goals and objectives, including an SAI focused on the development of a new Community and Aquatic Center (CAC). SAI #1 established the objective to place a proposal for a new CAC before the voters by 2020 and open a new facility in 2022.

The City Council re-emphasized the importance of a new CAC in its 2019-2021 City Council Goals and Workplan with the adoption of Council Goal 2, Action Step 2:

- Goal 2: Continue to deliver highly-valued public services through management of the City's infrastructure and stewardship of the natural environment.
 - Action Step 2: Implement the Parks, Recreation, and Open Spaces Plan, including development of a strategy for a new community and aquatic center and priority park improvements and acquisitions.

Additionally, the Council further emphasized this goal with guidance from their March 1, 2019 Strategic Planning Workshop. At the workshop, Council discussed the development of a proposal for a voter-approved bond measure to fund a new CAC and possibly other improvements to parks and directed staff to work on a proposal for Council consideration.

Information on the development of the concept design for the CAC, including public comments, is available at the following link: www.shorelinewa.gov/cac.

May 20, 2019 Council Discussion

On May 20, 2019, the City Council further discussed the CAC and priority park improvements and the funding considerations for the development of these improvements. The staff report from this Council discussion is available at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2019/staffreport052019-9a.pdf>.

At this meeting, Council gave staff formal direction to prepare appropriate legislation to place a 20-year bond measure before the voters for an approximately 75,000 gross square foot CAC including the following features:

- a 2-court gymnasium and walking/jogging track,
- community spaces for classes, rentals, and informal gatherings,
- space prioritized for senior programs including a commercial kitchen,
- an activity pool with play features,

- a separate lap pool that includes eight (8) lanes and accommodates both recreational and competitive diving, lessons, shallow and deep-water exercise classes, a viewing area for approximately 500 spectators and is ADA accessible,
- a courtyard and other outdoor areas for casual community gatherings and play,
- parking, and
- adjacent parks and open space to complement the activities contemplated in the building.

The bond measure would also fund the purchase of the property at 17828 Midvale Avenue N (Storage Court site) to locate the CAC. The cost projection for property acquisition, construction and construction inflation to 2021 is \$88.1 million (see Table 1):

Table 1: Projected Costs of 2018 CAC Concept Design

	Estimated Costs
CAC Construction and Related Costs	\$61.8
Cost Escalation - 2021 Construction	\$7.3
Property Acquisition (17828 Midvale Ave N)	\$19.0
Total Project Cost	\$88.1

DISCUSSION

If approved by voters, general obligation bonds would be issued for \$88.1 Million, which would be repaid by an increase in property taxes (excess property tax levy) to fund this project. The current parks and open spaces bond measure (approved by voters in 2006) is set to be retired in 2021 and will be removed from property tax bills in 2022. Under that bond measure, a property owner of a median priced home has been paying approximately \$72 per year in property tax towards the repayment of the 2006 bonds. Table 2 below shows the taxpayer impact of an \$88.1 million bond measure for a median valued home (\$480,000), a home valued at \$750,000 and a home valued at \$1,000,000.

Table 2: Impacts of a \$88.1 Million Bond Measure

	Amount of Bond Issue = \$88,100,000			Cost of Expiring Bond		Net Increase	
	Length of Issue (Years)	Annual Impact	Monthly Impact	Annual	Monthly	Annual	Monthly
Median Valued Home (\$480,000)	20	\$269	\$22	\$72	\$6	\$197	\$16
Home Valued at \$750,000	20	\$420	\$35	\$122	\$10	\$298	\$25
Home Valued at \$1,000,000	20	\$560	\$47	\$162	\$14	\$398	\$33

Property Tax Exemptions and Deferrals Available

RCW 84.36.381 allows jurisdictions to provide exemptions for this type of Excess Property Tax Levy to Senior Citizens, Disabled Persons, and Disabled Veterans meeting certain criteria detailed in the Revised Code of Washington (RCW). Ordinance No. 866 includes this exemption. Under current criteria, an exemption for this excess levy would be available for taxpayers who will be turning 62 or older in the tax year or who are retired with a disability, with an income equal to or less than \$40,000. Thresholds will be updated in August 2019 to an amount that will be indexed to King County median household income.

Those who are 60 or older who are retired with a disability, with an income equal to or less than \$45,000 may qualify for deferral of property tax liability (deferred taxes become a lien on the property.) Limited income deferrals are also available for 50% of tax due if specific income and tax filing requirements are met. Income thresholds for deferrals will also be updated in August 2019.

Exemptions or deferrals are available only for residents who own and occupy a house, mobile home, condo or co-op. Those who believe they may be eligible can complete a simple application process with King County. Details of the exemption and deferral programs and application instructions are available at the following link:
<https://www.kingcounty.gov/depts/assessor/TaxRelief.aspx>.

Other Funding Considerations

Two outstanding questions may influence the Council's decision about what dollar amount to put on the ballot:

- **Potential School District Contribution.** The Shoreline School District will be discussing options available to meet the needs of the District's swim teams including how to secure preferred practice times in the new CAC. This likely will include discussions of either a capital contribution towards the CAC or the payment of annual rental fees to secure their preferred practice times. The estimated capital cost for the additional two lanes for the competitive pool and the additional pool viewing area is approximately \$2.4 million. The Shoreline School District Superintendent has indicated that the School Board will make a final decision on July 15, 2019.
- **Potential King County Park Levy Funding.** King County is placing a renewal of their Park Levy on the Primary Election Ballot in August 2019. The proposed levy includes \$20 million for pool grants, with a cap of \$5 million per agency, for entities that are doing major aquatic investments. If the levy is approved by King County voters, Shoreline will apply for one of these grants. This levy will appear on the August Primary Election ballot on the same day in which ballot language must be submitted to the King County Elections Office for measures to appear on the November General Election ballot. As such, the City will not know if the levy has passed or if the City will be the recipient of one of the grants by the time the City must submit ballot language for the CAC.

There has also been discussion among some residents regarding the potential for philanthropic donations to help fund the CAC. The City Council has added Action Step 11 to Council Goal No. 2 in their current Council Goals to explore establishment of a Shoreline Parks Foundation. At this time, it is hard to determine the potential level of giving that could be used to help fund the CAC.

Staff will continue to evaluate opportunities to seek funding for the CAC that can lessen the property tax request to voters prior to Council finalizing the ballot language. Outside funding opportunities can continue to provide benefits to tax payers even if the full cost of the bond measure is approved, as the City would not ultimately issue the full amount of bonds if not needed. The challenge is determining if the initial ask to voters should be less than the estimated cost to build the facility.

Ballot and Voter Pamphlet Requirements

If the Council decides to move forward with placing the CAC ballot measure on the November ballot, the title of the ballot measure and the voters' pamphlet are required to adhere to the following requirements:

- **Ballot Title.** The ballot title for the proposed bonds and excess property tax levy consists of three elements:
 1. An identification of the enacting legislative body and a statement of the subject matter (not to exceed 10 words);
 2. A concise description of the measure (not to exceed 75 words); and
 3. A question for the voting public (no word limit).

The ballot title must be approved by the City Attorney and must conform to the requirements and be displayed substantially as provided under RCW 29A.72.050, except that the concise description must not exceed 75 words. Any person who is dissatisfied with the ballot title may, at any time within 10 days from the time of the filing of the ballot title with King County Elections, appeal to King County Superior Court. The currently proposed ballot title in proposed Ordinance No. 866 is as follows:

CITY OF SHORELINE PROPOSITION NO. 1

GENERAL OBLIGATION BONDS
PARKS, RECREATION AND OPEN SPACE
IMPROVEMENTS

The City Council of the City of Shoreline adopted Ordinance No. 866 concerning the construction of a new community and aquatic center. This proposition would authorize the City to acquire property and construct a community and aquatic center for senior, youth, family and community activities including class rooms and exercise spaces, a commercial kitchen, recreation and lap pools, gymnasiums with an indoor walking track, and outdoor active spaces; to issue up to \$88,100,000 of general obligation bonds maturing within a maximum of 20 years; and levy annual excess property taxes to repay such bonds, as provided in Ordinance No. 866.

Should this proposition be approved:

YES?

NO?

Staff is still working on small edits to the language of the ballot proposition and may continue to provide updates to the City Council prior to final adoption of proposed Ordinance No 866 on July 29, 2019.

- **Voters' Pamphlet.** For the primary and general election, King County publishes a voters' pamphlet. Districts placing measures on the ballot are automatically included in the voters' pamphlet.

The City must provide an explanatory statement of the ballot title for the voter's pamphlet. The statement describes the effect of the measure if it is passed into law and cannot intentionally be an argument likely to create prejudice either for or against the measure. The explanatory statement is limited to 250 words, must be signed by the City Attorney, and submitted to King County Elections by August 6, 2019. City staff is working with the City's Bond Counsel to finalize the proposed voters' pamphlet content.

The City is also responsible for appointing committees to prepare statements in favor of and in opposition to the ballot measure for the voters' pamphlet. There is a limit of three members per committee. The committee appointments must be filed by August 6, 2019. Assuming that the Council moves forward with adoption of proposed Ordinance No. 866, staff has scheduled for Council to make appointments to these committees at the City Council meeting on August 5, 2019. Staff is recommending that Council direct staff to begin advertising for interested parties to submit applications on July 16, 2019.

The statements in favor of or in opposition to the ballot measure must be submitted by the Pro and Con committees to King County Elections no later than August 13, 2019. These statements are limited to 200 words. Rebuttal statements by each of the respective committees must be submitted to the County no later than August 15, 2019. Rebuttal statements are limited to 75 words.

ALTERNATIVES ANALYSIS – AMENDMENT TO ADD COMMUNITY PARKS

During the May 20, 2019 Council discussion, Council discussed the possibility of adding community park improvements to the proposed bond measure. This would provide for new investment in the park system and further the implementation of the PROS Plan. It would also increase the cost of a bond measure to property owners.

Concept designs were developed for eight parks (nine sites) which were reviewed during four open houses and online surveys. This public engagement process resulted in preferred concept designs for each park. More detailed information about these park concept designs is available at the following link:

<http://www.shorelinewa.gov/government/projects-initiatives/park-concept-designs-2018>.

The intent of the park concept designs was to set the stage for implementing the PROS Plan SAI #3 to expand recreation amenities including “at least 1 community garden, 2 basketball courts, 2 multipurpose/pickleball courts, 1 playground, 1 swing set, 1, paved loop path, 1 spray park and 1, adventure playground by 2023.” The PROS Plan determined that these amenities are the highest priorities to keep pace with the projected growth in Shoreline over the next several years. The parks selected for the development of concept design are parks that generally did not receive funding from the 2006 Parks and Open Space Bond measure.

On May 20th, staff recommended that if Council wanted to include park improvements in the ballot measure, that the following four community park improvements in Table 3 below be selected:

Table 3: Potential Park Improvements

Park	Estimated Cost (in millions)
Brugger’s Bog Park	\$4.2
Richmond Highlands Park	\$5.3
Hillwood Park	\$3.7
Briarcrest Community Park (Hamlin)	\$4.7
Total	\$17.9

Adding these park improvements to the preferred 20-year bond measure would impact property owners of a median valued home at a cost of \$5 per month. Table 4 below provides the estimated cost for just these additional park improvements for a median valued home, a home valued at \$750,000 and a home valued at \$1,000,000.

Table 4: Impacts of an \$17.9 Million Bond Measure

Amount of Bond Issue = \$17,900,000			
	Bond Term (Years)	Annual Impact	Monthly Impact
Median Valued Home (\$480,000)	20	\$55	\$5
Home Valued at \$750,000	20	\$85	\$7
Home Valued at \$1,000,000	20	\$114	\$9

Adding this additional \$17.9 Million cost to the \$88.1M cost of the CAC would provide for a \$106 Million ballot measure. Table 5 below provides the estimated cost of this combined ballot measure for the 20-year bond:

Table 5: Impacts of a \$106 Million Bond Measure

Amount of Bond Issue = \$106,000,000				Cost of Expiring Bond		Net Increase	
	Bond Term (Years)	Annual Impact	Monthly Impact	Annual	Monthly	Annual	Monthly
Median Valued Home (\$480,000)	20	\$324	\$27	\$72	\$6	\$252	\$21
Home Valued at \$750,000	20	\$506	\$42	\$122	\$10	\$384	\$32
Home Valued at \$1,000,000	20	\$674	\$56	\$162	\$14	\$512	\$42

During the May 20th Council discussion, while some Councilmembers were interested in including these additional community park improvements, Council as a whole directed staff to develop legislation to place a ballot measure on the November 2019 ballot to fund the purchase of property and the construction of the CAC only. Councilmember Robertson has asked staff to draft a motion that would direct staff to amend proposed Ordinance No. 866 to include these community park improvements in the Ordinance. If any Councilmember is interested in making this motion, the following motion language is recommended:

I move to direct staff to amend proposed Ordinance No. 866 so that the Ordinance includes the park improvements to Brugger’s Bog Park, Richmond Highlands Park, Hillwood Park and Briarcrest Community Park totaling \$17.9 million and depicted in the Preferred Park Concept Designs as noted in tonight’s staff report.

If this motion is adopted by Council, staff will make the necessary changes to proposed Ordinance No. 866 so that these community park improvements would be included when Council is scheduled to take final action on the proposed Ordinance on July 29, 2019.

NEXT STEPS

If Council directs staff to continue to move forward with a ballot measure to fund the CAC, the next steps in the process would be as follows:

- Continued Council discussion of proposed Ordinance No. 866 and potential action on July 29, 2019.
- If the proposed Ordinance is adopted, staff would solicit interested persons and Council would appoint Pro and Con committees for the Voters' Pamphlet on August 5, 2019.
- Staff would then execute the Communication Plan regarding the ballot measure.

FINANCIAL IMPACT

While proposed Ordinance No. 866 does not have an immediate financial impact, the Ordinance would authorize the City to place a measure on the ballot. If successful, the City would be authorized to issue bonds in the principal amount of up to \$88,100,000 for the CAC. Repayment of these bonds would be supported by a special property tax levy that is estimated to impact the median priced homeowner by a net average of \$16 per month for up to 20 years.

The Ordinance provides that Senior Citizens, Disabled Persons, and Disabled Veterans meeting age, income, and/or disability requirements identified in RCW 84.36.381 would be eligible, and can apply with King County, for an exemption or deferral from this tax.

RECOMMENDATION

No action is required tonight. Staff recommends that the City Council discuss proposed Ordinance No. 866 and provide guidance to staff on the proposed Ordinance. Proposed Ordinance No. 866 is scheduled to be brought back to Council for adoption on July 29, 2019.

ATTACHMENTS

Attachment A: Proposed Ordinance No. 866

ORDINANCE NO. 866

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, PROVIDING FOR THE FORM OF THE BALLOT PROPOSITION AND SPECIFYING CERTAIN OTHER DETAILS CONCERNING SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY AT A SPECIAL ELECTION TO BE HELD THEREIN ON NOVEMBER 5, 2019, OF A PROPOSITION FOR THE ISSUANCE OF ITS GENERAL OBLIGATION BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$88,100,000, OR SO MUCH THEREOF AS MAY BE ISSUED UNDER THE LAWS GOVERNING THE INDEBTEDNESS OF CITIES FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE AND REFINANCE THE CITY'S PARKS, RECREATION AND OPEN SPACE PLAN, AND LEVY EXCESS PROPERTY TAXES TO PAY THE BONDS.

WHEREAS, on July 31, 2017, following an 18-month community outreach engagement process, the Shoreline City Council (the "Council") unanimously passed Resolution No. 412, adopting the 2017-2023 Parks, Recreation & Open Space Plan (the "PROS Plan"); as it may be amended from time to time; and

WHEREAS, the PROS Plan identifies a 20-year vision and framework for the City of Shoreline's (the "City") recreation and cultural programs, and for maintenance and investment in park, recreation and open space facilities; and

WHEREAS, Strategic Action Initiative #1 in the PROS Plan established a goal to build a new community and aquatics center ("CAC") with an objective to "place a proposal for a new community/aquatics center before the voters by 2020 and open a new facility in 2022"; and

WHEREAS, since the adoption of the PROS Plan, City staff has been developing concept plans and cost estimates for a new CAC; and

WHEREAS, in order to pay the costs of financing and refinancing the PROS Plan, including the acquisition of real property, it is deemed necessary and advisable by the Council that the City issue and sell one or more series of its unlimited tax general obligation bonds in the principal amount of not to exceed \$88,100,000 (the "Bonds"); and

WHEREAS, the Constitution and laws of the State of Washington provide that the question of whether such Bonds may be issued and sold for such purposes and taxes levied to pay such Bonds must be submitted to the qualified electors of the City for their ratification or rejection;

THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Findings. The Council hereby finds that the best interests of the residents of the City require the City to construct, develop, equip, upgrade, acquire, and improve the parks and recreation facilities as described in the PROS Plan, as it may be amended from time to time (the “Projects”), including a community and aquatics center with fitness, aquatic and community gathering areas such as:

- gymnasium(s) and a walking/jogging track;
- community spaces for classes, rentals, and informal gatherings;
- space prioritized for senior programs including a commercial kitchen;
- leisure/activity pool with play features;
- lap pool;
- courtyard and other outdoor areas for community gatherings and play;
- parking; and
- adjacent parks and open space to complement the activities contemplated in the building.

The Projects shall include the acquisition of real property as necessary to locate such facilities. The City shall complete the Projects at the time, in the order and in the manner deemed most necessary and advisable by the Council. Costs of the Projects, which are estimated to be more than \$88,100,000, will be paid from proceeds of the Bonds (as defined in Section 2) authorized herein and other available funds of the City.

The cost of all necessary appraisals, negotiation, property acquisition, closing, architectural, engineering, project management, financial, legal and other consulting services, inspection and testing, demolition, administrative and relocation expenses, permitting, mitigation, construction, and other costs incurred in connection with the foregoing capital improvements shall be deemed a part of the capital costs of such Projects. Such Projects shall be complete with all necessary real property, equipment and appurtenances.

The Council shall determine the exact specifications for the Projects, and the components thereof, as well as the timing, order and manner of completing the components of the Projects. The Council may alter, make substitutions to, and amend such components as it determines are in the best interests of the City and consistent with the general descriptions provided herein. The Council shall determine the application of moneys available for the various Projects so as to accomplish, as nearly as may be, all of the Projects.

If the Council shall determine that it has become impractical to design, construct, improve, obtain permits, renovate, acquire, develop, or equip all or any component of the Projects by reason of changed conditions, incompatible development, costs substantially in excess of the amount of Bond proceeds or tax levies estimated to be available, or acquisition by or dependence on a superior governmental authority, the City shall not be required to provide such component or components. If all of the Projects have been constructed or acquired or duly provided for, or found to be impractical, the City may apply remaining proceeds of the Bonds authorized herein (including earnings thereon) or any

portion thereof to other park, recreation and open space capital purposes or to the redemption of the Bonds as the Council, in its discretion, shall determine.

In the event that the proceeds from the sale of the Bonds, plus any other money of the City legally available for such purpose, are insufficient to accomplish all of the Projects, the City shall use the available funds for paying the cost of those portions of the Projects deemed by the Council most necessary and in the best interest of the City.

Section 2. Authorization of Bonds. For the purpose of providing all or a portion of the funds necessary to finance and/or refinance debt previously issued by the City to finance the costs of the Projects, together with incidental costs and costs of issuance of the Bonds, the City shall issue and sell its unlimited tax general obligation bonds in the aggregate principal amount of not to exceed \$88,100,000 (the “Bonds”). The Bonds shall be issued in an amount not exceeding the amount approved by the electors of the City and not exceeding the amount permitted by the Constitution and laws of the State of Washington. The balance, if any, of the cost of the Projects shall be paid out of any other legally available funds. The Bond proceeds (and earnings thereon) shall be used to finance and refinance the costs of the Projects, together with incidental costs and costs related to the sale and issuance of the Bonds, and shall not be used for the replacement of equipment or for a purpose other than a capital purpose.

Section 3. Details of the Bonds. The Bonds provided for in Section 2 hereof shall be issued in such amounts and at such time or times as deemed necessary and advisable by the Council and as permitted by law. The Bonds may be issued in one or more series and shall bear interest payable at a rate or rates authorized by the Council. The Bonds shall mature in such amounts and at such times within a maximum term of 20 years from date of issue of a series, all as authorized by the Council and as provided by law. The Bonds shall be unlimited tax general obligations of the City and, unless paid from other sources, both principal of and interest on the Bonds shall be payable out of annual tax levies to be made upon all the taxable property within the City without limitation as to rate or amount and in excess of any constitutional or statutory tax limitations. The exact date, form, terms, maturities, covenants and manner of sale of the Bonds shall be as hereafter fixed by ordinance or ordinances of the Council.

In anticipation of the issuance of the Bonds, the City may issue short-term obligations as authorized by Ordinance No. 829 adopted by the Council on August 8, 2018, as may be amended, and as otherwise authorized by chapter 39.50 RCW. Such obligations may be paid or refunded with proceeds of the Bonds. The proceeds of the Bonds may also be used to reimburse the City for expenditures previously made for such Projects.

Section 4. Bond Election. It is hereby found that the best interests of the inhabitants of the City require the submission to the qualified electors of the City of a proposition authorizing the City to issue Bonds for the purposes of funding the Projects, at an election to be held on November 5, 2019. The City Council has determined that the excess levy would be eligible for exemptions and deferrals as allowed under RCW 84.36.381. The King County Director of Records and Elections, as *ex officio* supervisor of elections in King County, Washington, is hereby requested to assume jurisdiction of and

to call and conduct the election to be held within the City and to submit to the qualified electors of the City the proposition hereinafter set forth. Such election shall be conducted by mail.

The City Clerk is hereby authorized and directed to certify the proposition to the King County Director of Records and Elections (the "Director") in substantially the following form:

CITY OF SHORELINE PROPOSITION NO. 1

GENERAL OBLIGATION BONDS
PARKS, RECREATION AND OPEN SPACE
IMPROVEMENTS

The City Council of the City of Shoreline adopted Ordinance No. 866 concerning the construction of a new community and aquatic center. This proposition would authorize the City to acquire property and construct a community and aquatic center for senior, youth, family and community activities including class rooms and exercise spaces, a commercial kitchen, recreation and lap pools, gymnasiums with an indoor walking track, and outdoor active spaces; to issue up to \$88,100,000 of general obligation bonds maturing within a maximum of 20 years; and levy annual excess property taxes to repay such bonds, as provided in Ordinance No. 866.

Should this proposition be approved:

YES.....

NO

For purposes of receiving notice of the exact language of the ballot proposition required by RCW 29A.36.080, the City Council hereby designates: (a) the City Clerk and (b) the City Attorney, as the individuals to whom such notice should be provided. The City Attorney and City Clerk are each authorized individually to approve changes to the ballot title, if any, deemed necessary by the Director.

The City Clerk is authorized to make necessary clerical corrections to this ordinance including, but not limited to, the correction of scrivener's or clerical errors, references, numbering, section/subsection numbers, and any reference thereto.

The proper City officials are authorized to perform such duties as are necessary or required by law to submit the question of whether the Bonds shall be issued, as provided in this ordinance, to the electors at the November 5, 2019 election.

Section 5. Voters' Pamphlet. The Council finds and declares it to be in the best interests of the City to have information regarding the aforesaid proposition included in local voters' pamphlets, and authorizes the appropriate costs thereof to be charged to and paid by the City, and further authorizes and directs the City Attorney and City Clerk to provide such information to the Director and to take such other actions as may be necessary or appropriate to that end.

Section 6. Ratification. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and confirmed.

Section 7. Effective Date. This ordinance shall take effect and be in force five (5) days from and after its passage, approval, and publication, as required by law. A summary of this ordinance, consisting of the title, may be published in lieu of publishing the ordinance in its entirety.

PASSED BY THE CITY COUNCIL ON JULY 29, 2019.

Mayor

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
City Clerk

[Pacifica Law Group LLP
Bond Counsel]

Date of Publication: _____, 2019

Effective Date: _____, 2019

CERTIFICATE

I, the undersigned, City Clerk of the City of Shoreline, Washington, and keeper of the records of the City Council, DO HEREBY CERTIFY:

1. That the attached Ordinance is a true and correct copy of Ordinance No. _____ of the City (the "Ordinance"), as finally adopted at a regular meeting of the City Council held on _____, 2019, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that quorum of the City Council was present throughout the meeting and a legally sufficient number of members of the City Council voted in the proper manner for the adoption of said Ordinance; that all other requirements and proceedings incident to the proper adoption or passage of said Ordinance have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

Dated this ____ day of _____, 2019.

CITY OF SHORELINE, WASHINGTON

City Clerk