

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

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

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 ShARCC. On June 24, 2019, Council discussed proposed Ordinance No. 866 and directed staff to make changes to the Ordinance and return with two alternatives for consideration and action. Tonight, Council will discuss those alternatives and take action on proposed Ordinance No 866.

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 \$85,700,000 for constructing the ShARCC only and up to \$103,600,000 for constructing both the ShARCC and other PROS Plan improvements. Repayment of these bonds would be supported by a separate property tax levy that is estimated to impact the median priced homeowner by a net average of \$16 per month for the ShARCC and an additional \$4 per month, for a total of \$20 per month for the ShARCC and other PROS Plan improvements 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

Staff recommends that Council adopt Ordinance No. 866 to place a measure on the November 5, 2019 General Election. Staff has provided two forms of the ordinance: Attachment A to fund construction of a Shoreline Aquatics, Recreation and Community and Attachment B which includes construction of both the Shoreline Aquatics, Recreation and Community Center and other Parks Improvements. Both versions of the ordinance place a ballot measure on the November 5, 2019 election.

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 a SAI focused on the development of a new Shoreline Aquatics, Recreation and Community Center (ShARCC). SAI #1 established the objective to place a proposal for a new ShARCC before the voters by 2020 and open a new facility in 2022.

The City Council re-emphasized the importance of a new ShARCC 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 ShARCC and possibly other improvements to parks and directed staff to work on a proposal for Council consideration.

On May 20, 2019, the City Council further discussed the ShARCC 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 ShARCC 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.

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

June 24, 2019 Council Discussion and Direction

On June 24, the City Council discussed proposed Ordinance No. 866. 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/staffreport062419-9a.pdf>.

During this discussion, Council provided direction on several options relating to the proposed Ordinance, including:

Other Funding Considerations

The Shoreline School District had indicated support for and has now taken formal action to approve a capital contribution of \$2.43 Million to support construction of the ShARCC. The contribution is predicated on the following requirements:

- An eight-lane pool,
- Ample capacity for spectators for swim and dive competitions,
- Pool depth sufficient to support dive teams,
- Preferred scheduling for School District swim and dive team practices and meets for 50 years, and
- The District pays no use or maintenance fees for 50 years.

Additionally, King County has placed a Parks Measure on the August 2019 Ballot. The City may receive funding to support the ShARCC through this measure. Finally, there is potential interest and discussion regarding the potential for philanthropic contributions to help offset the construction of the ShARCC.

Staff requested direction on whether to reduce the amount of the proposed bond measure by the amount of the School District capital contribution, the King County Parks Levy potential contribution, and estimated potential philanthropic contributions. Council directed staff to reduce the amount of the measure to reflect the School District contribution if the School Board were to take affirmative action at their July 15 School Board meeting. And because the King County Levy vote will not have taken place by the time Council needs to act on proposed Ordinance No. 866 and philanthropic contributions have not been secured, staff should not reduce the ballot measure amount for those potential contributions.

Impact on Ordinance No. 866:

The proposed funding amount in both versions of proposed Ordinance No. 866 has been reduced to reflect the School District contribution given that the District took formal action to approve a capital contribution to the ShARCC.

Inclusion of Other Priority Park Improvements in the Ballot Measure

Councilmember Robertson requested that amendment language be included in the discussion that would provide for the four community park improvement projects that had been discussed with Council on May 20th. During the discussion there was not consensus on whether to include these projects in the measure. There were several Councilmembers supportive of the amendment, one that was undecided and wanted to do more outreach, one that is concerned about the dollar amount of either measure and impacts to tax payers and one that was supportive of including some park improvements but concerned that the recommended improvements were not the right ones. Council directed staff to prepare two versions of proposed Ordinance No. 866.

Impact on Ordinance No. 866:

- Alternative 1 includes only the ShARCC (Attachment A).
- Alternative 2 includes the ShARCC and other priority parks improvements (Attachment B).

Flexibility to Support Other Parks Improvements

Councilmember Roberts asked staff to confirm whether proposed Ordinance No. 866 as drafted provided any flexibility to use savings for other parks improvements. Staff confirmed that as drafted the ordinance, ballot title and explanatory statement did provide flexibility to use any savings up to the bond amount on other parks improvements identified in the PROS Plan. Staff requested direction on whether that flexibility should be retained or eliminated. Council members generally supported more clarity in the ballot title but retaining some flexibility in the Ordinance and Explanatory Statement. Using funds for other PROS Plan projects would require approval by the sitting City Council.

Impact on Ordinance No. 866:

For Alternative 1 (Attachment A) the ballot measure title has been edited to ensure that it is clear that the funding is intended for the ShARCC only, with no dedicated funding for other PROS plan projects. The proposed Ordinance language would allow any savings that might be realized after completion of the ShARCC to be used for other projects included in the adopted PROS plan as approved by Council.

The ballot measure title for Alternative 2 (Attachment B) was drafted to reflect that it provides funding for both the construction of the ShARCC and the priority parks improvements. The supporting Ordinance also enables any savings to be used on other priority parks improvements as included in the adopted PROS plan as approved by Council.

Cost Projections

The cost projection for property acquisition, construction and construction inflation to 2021, netted with the School District Capital Contribution is detailed below in Table 1:

Table 1: Projected Costs of 2018 ShARCC Concept Design

Estimated Costs (in Millions)		
	Alternative 1 ShARCC Only	Alternative 2 ShARCC & Priority Improvements
Project(s) Construction and Related Costs	\$61.8	\$78.3
Cost Escalation - 2021 Construction	\$7.3	\$8.7
Property Acquisition (17828 Midvale Ave N)	\$19.0	\$19.0
Total Project Cost	\$88.1	\$106.0
School District Capital Contribution	(\$2.4)	(\$2.4)
Net Project Cost for Bond Measure	\$85.7	\$103.6

DISCUSSION

If approved by voters, general obligation bonds would be issued for either \$85.7 Million under Alternative 1 or \$103.6 Million under Alternative 2, which would be repaid by an increase in property taxes (excess property tax levy) to fund the project(s). 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 both an \$85.7 Million and \$103.6 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 \$85.7 or \$103.6 Million Bond Measures

Net Impact Analysis								
	Alternative 1 (ShARCC Only) \$85.7 Million 20 Year Bond Issue				Alternative 2 (ShARCC + Parks Improvements) \$103.6 Million 20 Year Bond Issue			
	Annual Impact	Less Retiring Bond	Net Annual	Net Monthly	Annual Impact	Less Retiring Bond	Net Annual	Net Monthly
Median Valued Home \$480,000	\$262	\$72	\$190	\$16	\$316	\$72	\$244	\$20
Home Valued at \$750,000	\$409	\$122	\$287	\$24	\$494	\$122	\$372	\$31
Home Valued at \$1,000,000	\$545	\$162	\$383	\$32	\$659	\$162	\$497	\$41

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). Proposed 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>.

Alternatives for Considerations

As noted earlier, based on Council direction from their June 24th meeting, staff have drafted two alternative versions of proposed Ordinance No. 866 for consideration and action tonight:

Alternative 1 (Attachment A)- ShARCC Only

Attachment A supports an \$85.7 Million Bond Measure that is limited to funding the construction of the ShARCC. The estimated cost to purchase the land and construct the ShARCC has been reduced from the original amount of \$88.1 Million to the \$85.7 in recognition of the School Districts capital contribution. The numbers have been rounded to reflect that the amounts are in fact estimates.

Alternative 2 (Attachment B) – ShARCC and Priority Park Improvements

This version has been expanded to include \$17.9 Million in other priority park improvement projects. The language in this version would allow any savings from the construction of either the ShARCC or priority park improvements to be used for other park improvement projects identified in the PROS Plan. This would provide for new investment in the park system and further the implementation of the PROS Plan.

The park improvements would implement 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. Except for the community garden, all of the listed amenities would be constructed under this proposal. The community garden is being addressed through volunteer efforts elsewhere.

In order to ensure that the priority park improvements were located in appropriate parks, staff engaged the community in a process to develop a set of park concept designs. Thirteen parks were evaluated for receiving potential park improvements. 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. The parks selected for the development of concept designs are parks that generally did not receive funding from the 2006 Parks and Open Space Bond measure. 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>.

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

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

Improvements to these parks would meet the SAI #3 objectives by adding a new play area including a swing set and adventure play area, new splash pads, new multi-sport courts, new paved loop paths, a fully ADA accessible play area and other park amenities that would improve the character of these four parks.

The impact of adding these park improvements to the preferred 20-year bond measure in Table 4 below:

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	\$54	\$4
Home Valued at \$750,000	20	\$85	\$7
Home Valued at \$1,000,000	20	\$114	\$9

Ballot and Voter Pamphlet Requirements

If the Council decides to move forward with placing the ballot measure on the ballot for the November General Election, 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.

Alternative 1 (Attachment A, ShARCC only) Ballot Title

The currently proposed ballot title for Alternative 1 of proposed Ordinance No. 866 is as follows:

CITY OF SHORELINE PROPOSITION NO. 1

**GENERAL OBLIGATION BONDS FOR AN AQUATIC, RECREATION
AND COMMUNITY CENTER**

The City Council of the City of Shoreline adopted Ordinance No. 866 concerning a new Aquatic, Recreation and Community Center. This proposition authorizes the City to acquire property and construct an aquatic and community center for senior, youth, family and community activities, including classrooms, a commercial kitchen, recreation/lap pools, two-court gymnasium, exercise space, indoor walking/jogging track, and outdoor active spaces; issue up to \$85,700,000 of general obligation bonds maturing within a maximum of 20 years to finance and refinance such projects; and levy annual excess property taxes to repay such bonds, as provided in Ordinance No. 866.

Should this proposition be approved:

YES..... ☐

NO ☐

Alternative 2 (Attachment B, ShARCC and Priority Park Improvements) Ballot Title

The currently proposed ballot title for Alternative 2 of proposed Ordinance No. 866 is as follows:

CITY OF SHORELINE PROPOSITION NO. 1

**GENERAL OBLIGATION BONDS FOR AQUATIC, RECREATION AND
COMMUNITY CENTER AND PARKS AND RECREATION
IMPROVEMENTS**

The City Council of the City of Shoreline adopted Ordinance No. 866 concerning a new aquatic and community center and neighborhood park improvements. This proposition authorizes the City to acquire property and construct an aquatic and community center for senior, youth, and family activities, including classroom/exercise space, recreation/lap pools, gymnasiums, indoor walking/jogging track, and a commercial kitchen; construct park amenities, playgrounds, splash-pads, and/or trails in parks; issue up to \$103,600,000 of general obligation bonds maturing within 20 years to finance and refinance such projects; and levy annual excess property taxes to repay such bonds, as provided in Ordinance No. 866.

Should this proposition be approved:

YES..... ☐

NO ☐

- **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 have drafted statements for each of the alternatives and will work with the City's Bond Counsel to finalize the proposed voters' pamphlet content for the alternative selected by Council.

The City Council 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 Council would move 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.

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.

Because there are two alternatives presented for Council's action tonight, Council will need to make one of the following motions for discussion and action:

I move to adopt Ordinance No. 866 as presented as Attachment A, that includes construction of the Shoreline Aquatics, Recreation and Community Center: or

I move to adopt Ordinance No. 866 as presented as Attachment B, that includes construction of the Shoreline Aquatics, Recreation and Community Center and the priority park improvements as detailed in the staff report.

COUNCIL GOALS ADDRESSED

This item addresses 2019-2021 City Council Goals and Workplan 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.

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 \$85,700,000 for constructing the ShARCC only and up to \$103,600,000 for constructing both the ShARCC and other PROS Plan improvements. Repayment of these bonds would be supported by a separate property tax levy that is estimated to impact the median priced homeowner by a net average of \$16 per month for the ShARCC and an additional \$4 per month, for a total of \$20 per month for the ShARCC and other PROS Plan improvements 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

Staff recommends that Council adopt Ordinance No. 866 to place a measure on the November 5, 2019 General Election. Staff has provided two forms of the ordinance: Attachment A to fund construction of a Shoreline Aquatics, Recreation and Community and Attachment B which includes construction of both the Shoreline Aquatics, Recreation and Community Center and other Parks Improvements. Both versions of the ordinance place a ballot measure on the November 5, 2019 election.

ATTACHMENTS

Attachment A: Proposed Ordinance No. 866 – Alternative 1 ShARCC Only
Attachment B: Proposed Ordinance No. 866 – Alternative 2 ShARCC and Priority Park Improvements

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 \$85,700,000, 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 Shoreline aquatics, recreation and community center ("ShARCC") 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 ShARCC; 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 \$85,700,000 (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 an aquatics, recreation and community center with approximately 75,000 square feet of fitness, aquatic and community gathering areas such as:

- Space for classes, informal gatherings and rentals;
- 6,000 square feet of space prioritized for senior programs, including a commercial kitchen;
- Gymnasium and indoor walking/jogging track;
- Exercise/weight rooms;
- Leisure/Activity pool with play features;
- Separate eight-lane lap pool for recreational and competitive swimming and diving; swim lessons; and shallow and deep-water exercise classes;
- ADA accessible pool viewing area for 500 spectators;
- Adjacent park, open space and outdoor play/gathering areas 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 \$85,700,000, 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 \$85,700,000 (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 FOR AN AQUATIC, RECREATION
AND COMMUNITY CENTER**

The City Council of the City of Shoreline adopted Ordinance No. 866 concerning a new Aquatic, Recreation and Community Center. This proposition authorizes the City to acquire property and construct an aquatic and community center for senior, youth, family and community activities, including classrooms, a commercial kitchen, recreation/lap pools, two-court gymnasium, exercise space, indoor walking/jogging track, and outdoor active spaces; issue up to \$85,700,000 of general obligation bonds maturing within a maximum of 20 years to finance and refinance such projects; and levy annual excess property taxes to repay such bonds, as provided in Ordinance No. 866.

Should this proposition be approved:

YES.....	<input type="checkbox"/>
NO	<input type="checkbox"/>

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. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds. All acts taken pursuant to the authority granted in this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 8. 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 Will Hall

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
City Clerk

Pacifica Law Group LLP
Bond Counsel

Date of Publication: August 1, 2019

Effective Date: August 6, 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

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 \$103,600,000, 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 Shoreline aquatic, recreation and community center ("ShARCC") 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 ShARCC; 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 \$103,600,000 (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 the construction of park amenities, playgrounds, splash-pads and/or trails at Brugger’s Bog, Hillwood, Richmond Highlands, and Briarcrest Community (Hamlin) parks and an aquatics, recreation and community center with approximately 75,000 square feet of fitness, aquatic and community gathering areas such as:

- Space for classes, informal gatherings and rentals;
- 6,000 square feet of space prioritized for senior programs, including a commercial kitchen;
- Gymnasium and indoor walking/jogging track;
- Exercise/weight rooms;
- Leisure/Activity pool with play features;
- Separate eight-lane lap pool for recreational and competitive swimming and diving; swim lessons; and shallow and deep-water exercise classes;
- ADA accessible pool viewing area for 500 spectators;
- Adjacent park, open space and outdoor play/gathering areas 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 \$103,600,000, 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 \$103,600,000 (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 FOR AQUATIC, RECREATION AND
COMMUNITY CENTER AND PARKS AND RECREATION
IMPROVEMENTS**

The City Council of the City of Shoreline adopted Ordinance No. 866 concerning a new aquatic and community center and neighborhood park improvements. This proposition authorizes the City to acquire property and construct an aquatic and community center for senior, youth, and family activities, including classroom/exercise space, recreation/lap pools, gymnasiums, indoor walking/jogging track, and a commercial kitchen; construct park amenities, playgrounds, splash-pads, and/or trails in parks; issue up to \$103,600,000 of general obligation bonds maturing within 20 years to finance and refinance such projects; 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. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds. All acts taken pursuant to the authority granted in this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 8. 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 Will Hall

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
City Clerk

Pacifica Law Group LLP
Bond Counsel

Date of Publication: August 1, 2019

Effective Date: August 6, 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