

CITY OF ISSAQUAH, WASHINGTON

**ORDINANCE NO. 2774**

AN ORDINANCE of the City of Issaquah, Washington, providing for the submission to the voters of the City at a special election to be held therein on November 8, 2016, in conjunction with the State general election to be held on the same date, of a proposition authorizing the City to issue its general obligation bonds, for the purpose of financing certain transportation improvements, in the principal amount of no more than \$50,000,000, payable by annual property tax levies to be made in excess of regular property tax levies, and to levy those excess property taxes.

THE CITY COUNCIL OF THE CITY OF ISSAQUAH, WASHINGTON, DO ORDAIN, as follows:

Section 1.     **Findings and Determinations.** The City is in need of funds to finance certain transportation improvements (the “Projects,” as further defined below) and to pay incidental costs incurred in connection with carrying out such Projects, the estimated cost of which is expected to be at least \$50,000,000. The City Council therefore finds and determines that it is in the best interests of the City to submit to the voters this ballot proposition approving the issuance of bonds or other evidences of indebtedness issued or entered into to finance all or a portion of the Projects (the “Bonds”) to be repaid by a special excess levy for this purpose.

Section 2.     **Description of the Transportation Projects.** The Projects consist of capital projects designed to reduce congestion, enhance safety, and improve local streets and related amenities. The Projects include intersection control, traffic congestion relief, pedestrian and multimodal safety and mobility enhancements, and related improvements to the City’s local, collector and arterial transportation infrastructure, such as the proposed improvements to Providence Point, East Sunset Way, and Newport Way NW, developed and reviewed in conjunction with the Traffic Task Force report and related public processes. The cost of all necessary architectural, engineering, legal and other consulting services, inspection and testing, administrative expenses, site acquisition or improvement, demolition, on and off-site utilities, related improvements, payments for fiscal and legal expenses; printing, advertising, establishing and funding accounts; necessary and related planning, consulting, inspection and testing costs; administrative expenses; and other similar activities or purposes incurred in connection with the Projects shall be deemed a part of the costs of such capital improvements. The City may modify details of the Projects as it may find necessary or advisable. The Projects, or any portion or portions thereof, shall be made insofar as is practicable with available money and in such order of time as shall be deemed necessary or advisable by the City. The economic life of the Projects is expected to exceed the life of the Bonds.

Section 3.     **Description of Proposed Bonds.** The Bonds may be issued as a single bond, as a single issue, as a part of a combined issue with other authorized bonds, or in more than one series, as deemed advisable by the City and as permitted by law. The Bonds shall be fully registered bonds, bearing interest payable as permitted by law, and maturing within 25

years from the date of issue, or within any shorter period fixed by the City. The Bonds shall be paid by annual property tax levies sufficient in amount to pay both principal and interest when due, which annual property tax levies shall be made in excess of regular property tax levies without limitation as to rate or amount but only in amounts sufficient to meet such payments of principal and interest as they come due. The Bonds shall be issued and sold in such manner, at such times and in such amounts as shall be required for the purpose for which such bonds are to be issued. The specific date, form, terms, option of prior redemption, price, interest rate or rates and maturities of the Bonds (or parameters with respect to the same) shall be hereafter fixed by ordinance of the City. Pending the issuance of the Bonds, the City may issue short-term obligations pursuant to chapter 39.50 RCW or such other obligations as are permitted by law to pay for the costs of the Projects. Such obligations and their costs may be paid or refunded with proceeds of the Bonds when issued.

**Section 4. Proceeds of the Bonds.** The proceeds of the Bonds shall be used for capital purposes only (which shall not include the replacement of equipment) to pay the costs of the Projects and to pay costs related to the sale, issuance and delivery of the Bonds. The City shall determine the application of available money between the various portions of the Projects so as to accomplish, as near as may be, all of the Projects. If available money from the proceeds of the Bonds is more than sufficient to pay the costs of the Projects, or if state or local circumstances require any alteration in the Projects, the City may acquire, construct, equip and make other capital improvements to the City's transportation infrastructure or retire and/or defease a portion of the Bonds, all as the City may determine and as permitted by law. If the proceeds of the sale of the Bonds and other available money are insufficient to make all of the capital improvements herein provided for, or if it has become impractical to accomplish the Projects or portions of the Projects, the City may use the proceeds of the Bonds and other available money for paying the costs of those portions of the Projects deemed by the City to be most necessary and in the best interest of the City.

**Section 5. Calling of Election.** The City requests that the Director of Records and Elections of King County, Washington (the "Director of Elections") call and conduct a special election in the City, in the manner provided by law, to be held therein on November 8, 2016, in conjunction with the State general election to be held on the same date, for the purpose of submitting to the voters of the City, for their approval or rejection, the question of whether or not general obligation bonds of the City shall be issued in the principal amount of not more than \$50,000,000 or such lesser maximum amount as the City may determine and as may be legally issued under the laws governing the limitation of indebtedness, the proceeds of which shall be expended to pay the costs of the Projects, and annual excess property taxes shall be levied to pay and retire the Bonds.

If such proposition is approved by the requisite number of voters, the City shall be authorized to issue the Bonds in the manner described in this ordinance, to spend the proceeds thereof to pay the costs of the Projects and the costs of issuance and sale of such Bonds, and to levy excess property taxes to pay and retire such Bonds.

**Section 6. Ballot Proposition.** The City Clerk of the City is authorized and directed to certify, no later than August 2, 2016, to the Director of Elections, as *ex officio* supervisor of elections in the City, a copy of this ordinance and the proposition to be submitted at that election in the form of ballot title prepared pursuant to RCW 29A.36.071, as follows:

PROPOSITION \_\_

CITY OF ISSAQUAH  
TRAFFIC IMPROVEMENT BONDS

The Issaquah City Council adopted Ordinance No. 2774, regarding voter approval for financing traffic improvements. If approved, this proposition authorizes the City to finance capital projects designed to reduce congestion, enhance safety, and improve local streets and related amenities. It would authorize issuance of no more than \$50,000,000 of general obligation bonds maturing within 25 years to be repaid by the annual levy of excess property taxes, all as provided in Ordinance No. 2774. Should this proposition be approved?

YES .....   
NO.....

For purposes of receiving notice of any matters related to the ballot title, as provided in RCW 29A.36.080, the City hereby designates its City Attorney (Wayne Tanaka, 206-447-7000, wtanaka@omwlaw.com) bond counsel, Stradling Yocca Carlson & Rauth PC (Alice Ostdiek, 206-829-3002, aostdiek@sycr.com), as the persons to whom such notice shall be provided.

**Section 7. Authorization of Local Voters’ Pamphlet.** The City authorizes preparation and distribution of a local voters’ pamphlet, including an explanatory statement and statements in favor of and in opposition to the ballot measure, if any. The preparation of explanatory statement, the appointment of pro/con committees and the preparation of statements in favor or and in opposition to the ballot title shall be in accordance with chapter 29A.32 RCW and the rules and guidelines of the Director of Elections.

**Section 8. General Authorization.** The proper City officials are authorized to perform such duties as are necessary or required by law to the end that the question of whether or not the Bonds shall be issued and excess taxes necessary to pay and retire the Bonds be levied, all as provided in this ordinance, shall be submitted to the voters of the City at the November 8, 2016 election.

**Section 9. Intent to Reimburse.** The City Council declares that to the extent that the City makes capital expenditures for the Projects, prior to the date the Bonds or other short-term obligations are issued to finance the Projects, from funds that are not (and are not reasonably expected to be) reserved, allocated on a long-term basis or otherwise set aside by the City under its existing and reasonably foreseeable budgetary and financial circumstances to finance the Projects, those capital expenditures are intended to be reimbursed out of proceeds of the Bonds or other short-term obligations issued in an amount not to exceed the principal amount of the Bonds provided by this ordinance.

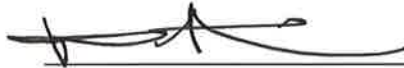
**Section 10. Severability.** If any provision of this ordinance is declared by any court of competent jurisdiction to be invalid, then such provision shall be null and void and shall be severable from the remaining provisions of this ordinance, and shall in no way affect the validity of the other provisions of this ordinance or of any other ordinance or resolution or of the Bonds.

Section 11. **Effective Date.** This ordinance shall take effect and be in force from and after its passage and five days following its publication as required by law.

Section 12. **Ratification of Prior Acts.** Any action taken consistent with the authority and prior to the effective date of this ordinance is hereby ratified, approved and confirmed.

PASSED by the City Council and APPROVED by the Mayor of the City of Issaquah, Washington, at a regular open public meeting thereof, this 18th day of July, 2016.

APPROVED:



Fred Butler, Mayor

ATTEST/AUTHENTICATED:



Christine L. Eggers, City Clerk

APPROVED AS TO FORM:



~~Stradling Yocca Carlson & Rauth, PC,  
Bond Counsel~~ CITY ATTORNEY

FILED WITH THE CITY CLERK: July 12, 2016

PASSED BY THE CITY COUNCIL: July 18, 2016

PUBLISHED: July 22, 2016

EFFECTIVE DATE: July 27, 2016

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