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ORDINANCE NO. 3358

AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, CREATING A PUBLIC FACILITIES DISTRICT PURSUANT TO CHAPTER 165, LAWS OF 1999, STATE OF WASHINGTON, INCLUDING THE AUTHORITY TO ACQUIRE, CONSTRUCT, OWN, FINANCE, AND OPERATE A REGIONAL CENTER, AND FIXING A TIME WHEN THE SAME SHALL BECOME EFFECTIVE.

WHEREAS, the City of Edmonds is a municipal corporation operated as a noncharter code city, organized and existing under and by virtue of the laws of the State of Washington, and

WHEREAS, pursuant to state statute Chapter 165, Laws of 1999, public facilities districts may be created in any city, which district shall be co-extensive with the boundaries of the city, and shall be created by the legislative authority of the city in which the proposed district is located; and

WHEREAS, once a public facilities district is created by adoption of resolutions providing for the creation of such district by the legislative authority of the city in which the proposed district is located, the district shall be governed by a Board of Directors consisting of five (5) members as follows:

- (1) Two (2) members appointed by the legislative authority of the city to serve for four-year staggered terms, which members shall not be members of the legislative authority,
- (2) Three (3) members appointed by the legislative authority of the city, based on recommendations from local organizations, to serve for four-year staggered terms; and

WHEREAS, once a public facilities district is created and the Board of Directors appointed, the public facilities district is authorized to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more regional centers. "Regional Center" means a convention, conference, or special events center, or any combination of facilities, and related parking facilities, serving a regional population constructed, improved, or rehabilitated after the effective date of Chapter 165, Laws of 1999, at a cost of at least ten million dollars, including debt service; and

WHEREAS, as authorized by state statute Chapter 165, Laws of 1999 and subject to certain restrictions, a public facilities district may impose a 0.033 percent sales and use tax that is deducted from the amount of the tax otherwise required to be collected and paid over to the State Department of Revenue under chapter 82.08 or 82.12 RCW; and

WHEREAS, as authorized by state statute Chapter 165, Laws of 1999 and subject to certain restrictions, a public facilities district may issue 30-year general obligation bonds and may also issue 30-year revenue bonds to fund the revenue-generating facilities that it operates; and;

WHEREAS, as authorized by state statute Chapter 165, Laws of 1999 and subject to certain restrictions, a public facilities district may impose, only if voter-approved, a 0.2 percent sales and use tax after August 1, 2000; and

WHEREAS, as authorized by state statute Chapter 165, Laws of 1999, a public facilities district may levy and fix a tax of not more than 5% or one cent on twenty cents or fraction thereof to be paid by the person who pays an admission charge to a regional center, and may levy and fix a tax on any vehicle parking charges imposed at any parking facility that is owned or leased by the public facilities district as part of the regional center at a rate of not more than 10%; and

WHEREAS, the City Council of the City of Edmonds finds that it is in the public interest to create a public facilities district co-extensive with the boundaries of the City; and

WHEREAS, the City Council of the City of Edmonds desires to set forth certain principles relating to the Edmonds Public Facilities District and its Board, NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF EDMONDS, WASHINGTON, DO ORDAIN AS FOLLOWS:

Sections 1. Formation of Public Facilities District.

A. Pursuant to Chapter 165, Laws of 1999, there is hereby created a public facilities district, to be known as the Edmonds Public Facilities District, co-extensive with the boundaries of the City of Edmonds, with all the powers and authority set forth in the provisions of Chapter 165, Laws of 1999, including any amendments thereto, including, to acquire, construct, own, finance, and operate a regional center.

B. Members of the Board of Directors need not be residents of the City of Edmonds. Members shall not

include any member of the Edmonds City Council. Members should include persons with experience in the convention, hospitality, and tourism industries.

C. The City Council declares the following principles shall apply to the Edmonds Public Facilities District and its Board;

1. Pursuant to state law, the Edmonds Public Facilities District is authorized to acquire, build, own, and operate a "regional center." Regional center means a convention, conference or special events center, or combination, and related parking facilities, serving a regional population, constructed at a cost of at least ten million dollars, including debt service.

2. Every effort shall be made to ensure that a regional center is a first class facility that provides benefit to the citizens of the City of Edmonds, and is located within that portion of the Central Business District zoned Community Business and located generally north of Dayton Street, west of 6th Avenue, south of Edmonds Street, and east of Railroad Street. Property currently occupied by the Puget Sound Christian College shall also be under consideration (see Attachment A).

3. While new taxes are authorized by state legislation allowing the Edmonds Public Facilities District to be formed, the Council declares that new taxes shall not be utilized by the District in connection with a regional facility without prior consultation and approval of the Edmonds City Council. Unless otherwise approved by the City Council, the Edmonds Public Facilities District funding source from taxes it may impose shall be limited to imposing a 0.0333 percent sales and use tax that is deducted from the state sales tax (which is not an additional tax, but a deduction from an existing tax that would otherwise be paid to the state).

4. The City Council declares its intention, consistent with and subject to its determination of the public interest, to cooperate with the Edmonds Public Facilities District in the development and operation of a regional facility. Cooperation may take the form of providing monetary and in-kind contribution to the Edmonds Public Facilities District, and entering into interlocal agreements providing for capital and/or operating funding. Initially, the Council declares that the City should make available and the Edmonds Public Facilities District should use the services of the City's Finance Director as a treasurer, and that the Finance Director should be an ex officio member of the Board of the Edmonds Public Facilities District; that the City should provide incidental assistance to the Edmonds Public Facilities District in the form of routine legal services (for organization and routine matters for the first year) and meeting room space; and that the Council commits to providing up to \$34,000 in money for budget year 2001, subject to approval of a specific Board request for monies in 2001 and future budget cycles. In addition, the Council recognizes that in order for the District to collect moneys from the 0.0333 sales and use tax reapportionment that it must be matched from other public or private sources to thirty-three percent of the amount collected, and that the Council agrees, consistent with and subject to its determination of the public interest, to provide matching moneys and/or other qualifying contributions. The Council declares that any City monies contributed to the District shall (1) be subject to the terms of a Council approved interlocal or other agreement with the District, and (2) be limited to hotel-motel tax receipts, unless otherwise approved by Council.

5. The Public Facilities District shall perform a market demand and feasibility study for the downtown area referenced in Section 1, Item C.2 above prior to forwarding a decision on whether to move forward with the planning and construction of a regional center recommendation to the City Council. The City Council will then decide on whether to authorize continued or new matching funds for the purpose of moving forward with the planning and construction of a regional center.

6. In connection with the development and operation of a regional facility, every effort shall be made to obtain private funds and to partner, consistent with and subject to the public interest, private developer(s), if this

achieves public goals and maximizes public benefit.

7. Public Facilities District activity shall be done in an open, accountable, public manner consistent with public interest. The Board shall comply with the Open Public Meetings Act. All meetings of the Board shall be open to the public, except when executive sessions are necessary.

8. The Public Facilities District shall report not less than quarterly, and otherwise as directed, to the Council on the District's activities. The report shall include a report on all financial matters, and other items as may be requested by the Council.

Section 2. Severability. If any section, subsection, sentence, clause, phrase, or word of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase, or word of this Ordinance.

Section 3. Effective Date. This ordinance, being an exercise of a power specifically delegated to the City legislative body, is not subject to referendum, and shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

APPROVED:

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MAYOR, GARY HAAKENSON

ATTEST/AUTHENTICATED:

CITY CLERK, SANDRA S. CHASE

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY:

BY _____

W. SCOTT SNYDER

FILED WITH THE CITY CLERK: 04/20/2001

PASSED BY THE CITY COUNCIL: 04/24/2001

PUBLISHED: 04/29/2001

EFFECTIVE DATE:

05/04/2001

ORDINANCE NO. 3358

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SUMMARY OF ORDINANCE NO. 3358

of the City of Edmonds, Washington

On the 24th day of April, 2001, the City Council of the City of Edmonds, passed Ordinance No. 3358. A summary of the content of said ordinance, consisting of the title, provides as follows:

AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, CREATING A PUBLIC FACILITIES DISTRICT PURSUANT TO CHAPTER 165, LAWS OF 1999, STATE OF WASHINGTON, INCLUDING THE AUTHORITY TO ACQUIRE, CONSTRUCT, OWN, FINANCE, AND OPERATE A REGIONAL CENTER, AND FIXING A TIME WHEN THE SAME SHALL BECOME EFFECTIVE.

The full text of this Ordinance will be mailed upon request.

DATED this 25th day of April, 2001.

CITY CLERK, SANDRA S. CHASE