

CITY OF SPOKANE, WASHINGTON

RESOLUTION NO. 2014-\_\_\_\_\_

A RESOLUTION of the City of Spokane, 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 4, 2014, of a proposition for the issuance of its general obligation bonds in the aggregate principal amount of not to exceed \$64,300,000, or so much thereof as may be issued under the laws governing the indebtedness of the City for the purpose of providing funds to finance capital improvements to Riverfront Park and the Parks system

ADOPTED \_\_\_\_\_, 2014

PREPARED BY:

K&L GATES LLP  
Spokane, Washington

CITY OF SPOKANE, WASHINGTON

GENERAL OBLIGATION BONDS

RESOLUTION NO. 2014-\_\_\_\_\_

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\* This Table of Contents and the cover page are not a part of the following Resolution and are included only for the convenience of the reader.

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WHEREAS, the City of Spokane, Washington (the “City”) is a first-class charter city duly organized and existing under and by virtue of the Constitution and the laws of the state of Washington and the Charter of the City; and

WHEREAS, the City of Spokane Park Board (the “Park Board”) by Resolution dated June 20, 2014 requested the City Council to consider the financing of proposed improvements to Riverfront Park through the issuance of an unlimited tax general obligation bond; and

WHEREAS, Riverfront Park was created for the grounds for Expo 74 and opened to the public as a park in 1978; and

WHEREAS, Riverfront Park, after nearly 40 years as the central and iconic public gathering space for the City of Spokane, is in need of major capital improvements; and

WHEREAS, the Park Board and Parks Department staff have engaged in master planning to identify suitable capital improvements for Riverfront Park; and

WHEREAS, the master planning process for Riverfront Park included extensive deliberations among Park Board members, the Riverfront Park Advisory Committee, Parks Department staff, and numerous professionals, as well as public input, culminating in the “Riverfront Park Master Plan 2014”; and

WHEREAS, with voter approval, the City issued its general obligation bonds in 1999 to purchase new playgrounds and parks (the “1999 Parks Bonds”); and

WHEREAS, with voter approval, the City issued its general obligation bonds in 2008 to finance various Parks system improvements, including, but not limited to, improvements to the Albi Sports Complex, the reconstruction of multiple neighborhood swimming pools and the construction of strategically located splashpads throughout the Parks system (the “2008 Parks Bonds”); and

WHEREAS, the Parks Department staff and Park Board, in conjunction with the Mayor and key City of Spokane finance staff, have developed a plan to finance priority capital improvements in Riverfront Park and other improvements to the Parks system through debt service savings and the issuance of a voter-approved general obligation park bond of up to \$64,300,000 (the “Riverfront Park Bonds”) while maintaining a debt service levy rate at approximately the same rate as is currently levied to pay debt service on the 2008 Park Bonds and the 1999 Bonds (\$0.34/\$1000 assessed valuation in 2014) resulting in no net increase in the debt service levy for park bonds over the life of the Riverfront Park Bonds; and

WHEREAS, the City Council believes the Riverfront Park Bonds, if approved by the citizens of Spokane, will provide funding for the highest priority capital improvements to Riverfront Park, including infrastructure repair, safety enhancements, modern community event space, and other major improvements to Riverfront Park and the Parks system (the “Project”); and

WHEREAS, subject to voter approval, in order to provide financing for the Project it is deemed necessary and advisable that the City issue and sell its general obligation bonds in the principal amount of not to exceed \$64,300,000 (the “Bonds”); and

WHEREAS, the constitution and laws of the State of Washington provide that the question of whether or not the City may issue the Bonds be submitted to the qualified electors of the City for their ratification or rejection.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Spokane, that:

Section 1. Findings . The City Council hereby finds and declares that it is in the best interests of the inhabitants of the City to carry out the plans hereinafter provided at the time or times and in the order deemed most necessary and advisable by the City Council or the Park Board as authorized by the City Charter.

Section 2. Capital Improvements. The City Council approves of the Park Board's plan of capital improvements to Riverfront Park and the Parks system as generally set forth in Tier 1 of the Riverfront Park Master Plan and other capital improvements to the Parks system (the "Improvements"), including, but not limited to:

- Improvements to the Riverfront Park grounds, infrastructure, entrances and playgrounds;
- Renovation, improvement and installation of event facilities, lighting enhancements, roofing and energy efficient systems in the U.S. Pavilion/Event Center and Parks administration facility;
- Improvements to the Loeff Carrousel Building including, but not limited to, improved ADA accessibility, installation of energy efficient heating and cooling systems and enhancement of visitor facilities;
- Improved parking access and facilities;
- Improvements to the mechanical, electrical, concession, ticketing and public use

facilities of the Skyride and Ice Rink;

- Improvements to the Riverfront Park shelters, installation of security cameras, emergency phones, and improved lighting and signage throughout Riverfront Park.

The costs of all necessary architectural, engineering, and other consulting services, inspection and testing, administrative and relocation expenses, on and off-site utilities, site acquisition, related improvements and other costs incurred in connection with the making of the foregoing Improvements shall be deemed a part of the costs of such Improvements. Such Improvements shall be complete with all necessary furniture, and equipment and appurtenances.

Pursuant to Article V of the City Charter and upon issuance of the Bonds, the Park Board shall determine the application of available moneys so as to accomplish, as nearly as may be, all of the Improvements described or provided for in this section. The Park Board shall determine the exact extent and specifications for construction of structures or other improvements.

If the Park Board determines that it has become impractical to accomplish any of such Improvements or portions thereof by reason of state or local circumstances, including changed conditions, incompatible development, lack of additional state funding, or costs substantially in excess of those estimated, the Park Board shall not be required to accomplish such Improvements and may apply the Bond proceeds or any portion thereof to other portions of the Improvements, or to other Park system capital improvements, as the Park Board may determine is necessary. Alternatively, the Park Board may request the Council to apply the unspent Bond proceeds or any portion thereof to payment of principal of or interest on the Bonds, as the Council may determine is necessary.

In the event that the proceeds of sale of the Bonds, plus any other moneys of the Park Board legally available, are insufficient to accomplish all of the Improvements provided by this section, the Park Board shall use the available funds for paying the cost of those Improvements for which the Bonds were approved deemed by the Park Board most necessary and in the best interest of the Parks system.

If available funds are sufficient from the proceeds of Bonds to accomplish all of the Improvements authorized above and proceeds of Bonds remain available, and state or local circumstances require, the Park Board shall use such funds to pay the principal of or interest on the Bonds or acquire, construct, equip, modernize and make other capital improvements to Riverfront Park or the Park systems, all as the Park Board may determine is necessary.

Section 3. Authorization of Bonds. For the purpose of providing the funds necessary to pay the costs of financing the Project, together with incidental costs of acquisition and outfitting, and costs related to the issuance and sale of the Bonds, the City shall issue and sell its general obligation bonds in the aggregate principal amount of not to exceed \$64,300,000 (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 Project shall be paid out of any other legally available funds. The Bond proceeds shall not be used for anything other than a capital purpose.

Section 4. Details of Bonds. The Bonds shall be issued in such amounts and at such time or times as found necessary and advisable by the City 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 City Council. The Bonds shall mature in such amounts and at such times within a maximum term of 20 years from date of issue, all as authorized by the City Council and

as provided by law. The Bonds shall be 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 limitation. The exact date, form, terms, options of redemption, maturities, covenants and manner of sale of the Bonds shall be as hereafter fixed by ordinance or ordinances of the City Council. After voter approval of the Bond proposition and in anticipation of the issuance of such Bonds, the City may issue short-term obligations as authorized by Chapter 39.50 RCW.

Section 5. Election. It is hereby found and declared that the best interests of the inhabitants of the City require the submission to the qualified electors of the City of the proposition of whether the City shall issue the Bonds at a special election to be held on November 4, 2014. The Spokane County Auditor, as *ex officio* supervisor of elections in Spokane County, Washington is hereby requested to call and conduct the special election to be held within the City and to submit to the qualified electors of the City the proposition set forth below. The City Clerk is hereby authorized and directed to certify the proposition to said officials in the following form:



CITY OF SPOKANE  
PROPOSITION NO. \_\_\_\_

RIVERFRONT PARK GENERAL OBLIGATION BONDS - \$64,300,000

The City Council of the City of Spokane passed Resolution No. 2014-\_\_\_\_ approving a plan to finance the renovation, improvement and modernization of the aging infrastructure of Riverfront Park, including the Loeff Carrousel building, U.S. Pavilion, Ice Rink, Skyride and Park facilities without a net increase in the current annual tax levy for Parks. This proposition authorizes the City to finance the renovation of Riverfront Park buildings, facilities and infrastructure; enhance security and safety facilities; improve parking, lighting, heating and cooling systems; and improve other capital facilities of Riverfront Park and the Parks system. General obligation bonds would be issued in a maximum principal amount of \$64,300,000, maturing within 20 years from date of issue, and repaid from an annual excess levy on real property, all as provided in the Resolution. Should this proposition be:

APPROVED?..... ☐

REJECTED? ..... ☐

Certification of this proposition by the City Clerk to the Spokane County Auditor, in accordance with law, prior to the date of the election, and any other acts consistent with the authority, and prior to the effective date, of this resolution, are hereby ratified.

Section 6. Severability. In the event that any provision of this resolution shall be held to be invalid, such invalidity shall not affect or invalidate any other provision of this resolution or the Bonds, but they shall be construed and enforced as if such invalid provision had not been contained herein; provided, however, that any provision which shall for any reason be held by reason of its extent to be invalid shall be deemed to be in effect to the extent permitted by law.

Section 7. Effective Date This resolution shall become effective immediately upon its passage and publication, as required by law.

Adopted this \_\_\_\_ day of July, 2014.

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City Clerk

Approved as to form:

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Assistant City Attorney