1998 Seattle Voters' Pamphlet

Proposition 1 - Library Facilities Bonds - $196,400,000

Text of Ordinance

Prop. 1
Ballot Title
Ordinance Text
Statement For
Statement Against

ORDINANCE 119019

AN ORDINANCE relating to library facilities; providing for the submission to the voters of the City, at an election to be held therein in conjunction with the state election to be held on the same date, of a proposition authorizing the City to incur indebtedness by issuing its general obligation bonds or other evidences of indebtedness, payable in part by annual property tax levies to be made in excess of regular property tax levies, for the purpose of paying all or a part of the cost of designing, constructing, acquiring, improving, renovating, and equipping neighborhood and central library facilities and to levy those excess property taxes; and requesting an election.

WHEREAS, the public libraries of The City of Seattle, Washington (the "City") provide our community with easy access to a vast array of ideas and information and an opportunity for lifelong learning; and

WHEREAS, the Seattle Public Library Board of Trustees (the "Board") on May 13, 1998, approved, and the City Council by Resolution 29761 on May 26, 1998, expressed its support of a Seattle Public Library Capital Plan (the "Plan") referred to as "Libraries for All"; and

WHEREAS, the Plan was the result of careful planning by the Board, with extensive contributions of ideas from the community through a public process including numerous open hearings and meetings in neighborhoods throughout the City; and

WHEREAS, the community expressed a clear desire to bring existing library facilities up to date by providing additional spaces, services and collections; and

WHEREAS, the Plan calls for constructing a new central library downtown, and building and renewing neighborhood libraries throughout the City; and

WHEREAS, the Plan identifies a need for additional off-street parking in conjunction with the new central library and the need for additional or improved parking in conjunction with many of the proposed neighborhood library improvements, and the City intends to establish such off-street parking as described in the Plan, and has made studies and has held community meetings and a public hearing on the Plan (see Clerk File 302635); and

WHEREAS, the Board has requested that the Mayor and City Council place before the voters for approval, a bond issue as described in this ordinance of not to exceed One Hundred Ninety-Six Million Four Hundred Thousand Dollars ($196,400,000) to carry out the Plan; and

WHEREAS, the City has provided by Council Bill 112179 for the issuance of non-voted debt in the amount of $5.8 million, to be issued as the central library nears completion, to pay for the extra costs of including an underground parking garage in the central library facility, with the expectation of repaying that debt from revenues generated from the garage, rather than from excess taxes; NOW, THEREFORE,

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BE IT ORDAINED BY THE CITY OF SEATTLE as follows:

Section 1. The City of Seattle (the "City") shall acquire, design, construct, renovate, improve and equip library facilities comprised of three major components: (a) neighborhood library facilities, including equipping those facilities with new technology, to which Fifty-Seven Million Nine Hundred Thousand Dollars ($57,900,000) of Bond proceeds shall be devoted, which facilities shall include three new libraries, replacement of six current libraries, additions to seven current libraries, interior improvements to seven current libraries, and relocation of two current libraries to improved facilities, all as more specifically listed as "elements" of this component in Attachment A; (b) additional neighborhood capital improvements, which may include mobile libraries, to which up to Six Million Dollars ($6,000,000) of Bond proceeds shall be devoted through an "opportunity fund," with purpose, criteria, and timeline described in Attachment A; and (c) a central library, including equipping that facility with new technology, on the site of the current library at 1000 Fourth Avenue in downtown Seattle, to which One Hundred Twenty-Eight Million Six Hundred Thousand Dollars ($128,600,000) of Bond proceeds shall be devoted; together with such changes or additions as may be approved pursuant to Section 3 of this ordinance (collectively, the "Project"). As part of some or all of these components of the Project, Bond proceeds will be used to provide books and other materials to equip new library facilities. The estimated cost of the Project, including the costs of issuing and selling the Bonds authorized by this ordinance, is declared to be, as nearly as may be, Two Hundred Thirty-Nine Million Five Hundred Thousand Dollars ($239,500,000). The difference between the amount of Bonds authorized in this ordinance and the total estimated cost of the Project is

expected to be paid from private donations and from other public fund sources. The economic life of the Project is expected to be at least twenty (20) years, although the useful life of some of the elements of the Project will vary from this number.

The City shall authorize the Board to acquire, design, construct, renovate, improve, and equip the elements of the Project for the City.

Section 2. The City shall incur indebtedness and borrow an amount not to exceed One Hundred Ninety-Six Million Four Hundred Thousand Dollars ($196,400,000) on the credit of the City and issue and sell its general obligation bonds or other evidences of indebtedness, which may include but are not limited to, lease obligations, ("Bonds") in an amount not to exceed that principal amount for strictly municipal capital purposes, other than the replacement of equipment, to provide all or part of the funds for the Project. Costs of engineering, architectural, planning, project management, financial, legal and other services lawfully incurred incident to the Project, costs of issuance and sale of the Bonds, an apportionment equal to not more than one percent (1%) of construction expenditures on the Project upon public works for art pursuant to Seattle Municipal Code Section 20.32.030, and the costs of acquiring, improving, equipping, and occupying temporary space pending completion of the Project, shall be appropriate capital costs to be paid from the proceeds of the Bonds authorized by this ordinance.

The City Council declares that to the extent, if any, the City prior to the date that Bonds or other short-term obligations are issued to finance the Project shall make capital expenditures for the Project 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 Project, 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 authorized by this ordinance.

Section 3. Elements may be deleted from or added to any component of the Project only by an ordinance amending the list set forth in Attachment A, passed by a two-thirds (2/3) vote of the City Council after a public hearing and after City Council consideration of the recommendations of the Board, the Oversight Committee established in Section 6, and the Mayor.

The amounts of Bond proceeds to be devoted to the neighborhood library and central library components of the Project, as established in Section 1, may be changed only by an ordinance passed by a two-thirds (2/3) vote of the City Council after a public hearing and after City Council consideration of the recommendations of the Board, the Oversight Committee established in Section 6, and the Mayor.

Should the funds, including the Bond proceeds, available for the Project be insufficient to complete the Project as and when anticipated in the Plan, the City may delay completion of all or any element of the Project until adequate funding is available, but no element shall be eliminated from the Project absent compliance with the first sentence of this Section 3.

Section 4. The City may seek supplemental, matching or additional funds from other sources to pay all or part of the cost of the Project or any component thereof and, if successful, may apply such funds to accomplishment thereof or to complement or enlarge any element or component of the Project.

If the Project shall have been completed and Bond proceeds remain unexpended, then those proceeds shall be applied to other library capital purposes, except that any unexpended proceeds that shall have been allocated to the Opportunity Fund component shall be used to pay debt service as provided in Attachment A.

The City may execute joint use agreements with other public entities, grant temporary permits, leases, concessions, or franchises, and make other arrangements for use of the Project so long as the right, privilege, or use granted furthers the purposes for which the Project was constructed.

For the longer of (a) the time the series of Bonds that funded each improvement is outstanding or (b) the useful life of that improvement, each improvement made with proceeds of the Bonds may only be transferred, sold, leased, exchanged, or devoted for a substantial period of time to another purpose if the proceeds attributable to the improvement are devoted to library capital purposes.

Section 5. The Bonds shall be issued in one or more series, or as a part of a combined issue or issues with other authorized bonds, and shall be issued within ten (10) years of the date of voter approval of the Bonds. The Bonds also may evidence a line or lines of credit. The Bonds shall bear interest (which may be fixed or variable) payable as permitted by law; may mature serially or as term bonds with the longest maturities being within twenty (20) years from their date or within any shorter period fixed by ordinance; and shall be issued and sold in the manner, at the times and in the amounts as shall be determined by or pursuant to ordinance. The exact date, form, terms, options of prior redemption, price, interest rate or rates and maturities of the Bonds and pledges and covenants shall be fixed hereafter by or pursuant to ordinance. 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 pay both principal and interest when due.

Pending the issuance of the Bonds and receipt of their proceeds, the City may authorize the issuance of short-term obligations pursuant to chapter 39.50 RCW, and the costs of those short-term obligations shall be included in the cost of the Project for which the Bonds are issued.

Section 6. There is established the Libraries for All Oversight Committee (the "Oversight Committee") composed of (a) the chairs of the City Council's Finance and Budget Committee and Culture, Arts, and Parks Committee, or their functional successors with respect to finance and libraries, respectively; (b) two Library Trustees selected by the Board; (c) the City's Finance Director; and (d) four (4) Seattle citizens appointed by the Mayor and confirmed by the City Council. In making and confirming these citizen appointments, the Mayor and City Council shall strive to represent a variety of City neighborhoods and reflect the diversity of Seattle's citizens.

The Oversight Committee shall monitor the expenditure of Bond proceeds and other funds on the Project, and may make its recommendation to the Board, Council, and Mayor regarding any proposed changes that are required to be made by ordinance according to Section 3. Meetings of the Oversight Committee shall be open to the public unless, had the Oversight Committee been subject to chapter 42.30 RCW, that law would not have required that the meeting or portion of the meeting be open to the public.

The Board shall submit to the Mayor and City Council at least twice a year, and more often if required by

ordinance, a report on the progress in completing the Project; a report on leveraged funds obtained from grants, other agencies, or other sources to help pay the cost of the Project; a comparison of actual to budgeted expenditures for each component and for each element of the neighborhood libraries component; and compliance with the terms of this and other ordinances related to the Project.

Section 7. The City Council requests that the Director of Records and Elections of King County, Washington, as ex officio Supervisor of Elections, conduct a special election in the City in conjunction with the state general election to be held on November 3, 1998, for the purpose of submitting to the qualified electors of the City for their approval the question of whether or not the City shall be authorized to borrow money in an amount not to exceed One Hundred Ninety-Six Million Four Hundred Thousand Dollars ($196,400,000), issue its general obligation bonds or other evidences of indebtedness in that principal amount only for capital purposes other than replacement of equipment, and levy the excess taxes necessary to pay and retire the Bonds as herein set forth.

Section 8. The City Clerk is directed promptly to certify to the Director of Records and Elections of King County, Washington, as ex officio Supervisor of Elections, a copy of this ordinance and the proposition to be submitted at the November 3, 1998, special election in the form of a ballot title as follows:

PROPOSITION ___

LIBRARY FACILITIES BONDS - $196,400,000

To construct and improve 25 neighborhood libraries and a central library, including books and technology, shall Seattle: borrow up to $196.4 million, allocating $57.9 million for specified neighborhood libraries, $6 million

for other neighborhood library facilities, and $128.6 million for the central library; issue general obligation debt therefor maturing in less than 30 years; and levy annual excess property taxes to pay and retire the debt; all as provided in Ordinance _____?

BONDS .. YES BONDS .. NO

Section 9. Any actions of officers or employees of the City or other governmental agencies prior to the effective date of this ordinance and consistent with its provisions, are hereby ratified and confirmed.

Section 10. This ordinance shall take effect and be in force immediately upon its approval by the Mayor or, if not approved and returned by the Mayor within ten (10) days after presentation, then on the eleventh (11th) day after its presentation to the Mayor or, if vetoed by the Mayor, then immediately upon its passage over his veto.

Passed by the City Council the 26 day of May, 1998, and signed by me in open session in authentication of its passage this _____ day of _____, 1998.

President of the City Council

Approved by me this _____ day of _____, 1998.

Mayor

Filed this _____ day of _____, 1998.

City Clerk

(SEAL)

ATTACHMENT A
Library Capital Improvement Project Elements

Neighborhood Libraries Component

New Facilities Elements:

Delridge
International District
Northgate

Replacement Facilities Elements:

Ballard
Beacon Hill
Greenwood
Henry (North Capitol Hill)
High Point
Montlake

Additions to Current Facilities Elements:

Broadview
Columbia City
Douglass-Truth
Lake City
Northeast
Rainier Beach
Southwest

Relocation to Improved Facilities Elements:

Wallingford
Holly Park

Interior Improvements to Current Facilities Elements:

Greenlake
Fremont

Madrona Sally Goldmark
Magnolia
Queen Anne
University
West Seattle

Opportunity Fund Component

Purpose Element:

Purpose: The $6 million Opportunity Fund will be used to address new or unanticipated neighborhood library capital needs that are not addressed by specific projects in the "Libraries for All" capital Plan. The fund is not to be used for the central library or for cost overruns in those facilities specified in the Plan for elements of the neighborhood libraries component.

Criteria Element:

Criteria for using the Opportunity Fund and for prioritizing capital projects to be funded from it are as follows:

Correction of service deficiencies not identified in the Plan

Targeting of specific user groups that have difficulty accessing existing or planned services

Improvement of geographic distribution of facilities and services

Response to neighborhood plans

Improvement of operational efficiency

Response to demonstration of substantial community support

Enhancement of other City goals (for example, historic preservation or environmental stewardship)

For any proposed use of the Opportunity Fund, consideration must be given to ongoing operating and maintenance costs that would be incurred as a result of the proposed use

Timeline Element:

Timeline: Any portion of the authorized $6,000,000 not allocated (by City Council resolution or ordinance) to particular Opportunity Fund projects by December 31, 2000, will be used to pay debt service on the Bonds or reduce the total borrowing for the Project so as to reduce excess taxes that must be levied to pay off the Bonds and to assist the City in complying with applicable provisions of the Internal Revenue Code relating to the tax-exempt status of the City's bonds.

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