

CITY OF LYNNWOOD

ORDINANCE NO. 2266

AN ORDINANCE 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.

WHEREAS, the City of Lynnwood 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 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; and

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

WHEREAS, the City Council of the City of Lynnwood desires to set forth certain principles relating to the South Snohomish County Public Facilities District and its Board

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LYNNWOOD DO ORDAIN AS FOLLOWS:

Section 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 South Snohomish County Public Facilities District, co-extensive with the boundaries of the City of Lynnwood, 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 Lynnwood. Members shall not include any member of the Lynnwood City Council. Members should include persons with experience in the convention, hospitality, and tourism industries.

C. The Council declares the following principles shall apply to the South Snohomish County Public Facilities District and its Board:

1. Pursuant to state law, the South Snohomish County 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 Lynnwood.
3. While new taxes are authorized by the state legislation allowing the South Snohomish County 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 Lynnwood City Council. Unless otherwise approved by the City Council, the South Snohomish County 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 sale 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 South Snohomish County 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 South Snohomish County 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 on a part time basis (approximately 50%) and the South Snohomish County Public Facilities District should use the services of the City's Economic Development Manager for necessary assistance; that the City should make available and the South Snohomish County 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 South Snohomish County Public Facilities District; that the City should provide incidental assistance to the South Snohomish County 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 \$25,000 in money, subject to approval of a specific Board request for monies. 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 moneys 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 the Council.

5. 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.


6. Public Facilities District activity shall be done in an open, accountable, public manner consistent with the 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.

7. 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 shall take effect and be in full force five (5) days after its passage, approval and publication.

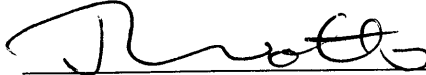
PASSED AND ADOPTED this 24 day of August, 1999


TINA ROBERTS, MAYOR

ATTEST:


MICHAEL BAILEY
Finance Director

APPROVED AS TO FORM:


JOHN P. WATTS
Lynnwood City Attorney

PUBLISHED:
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