

Ordinance No. 110124

AN ORDINANCE providing for the submission to the qualified electors of the City, at a special election to be held therein in conjunction with the general municipal election on November 3, 1981, of a proposition authorizing the City to issue its unlimited tax levy general obligation bonds in the principal amount of \$48,170,000 for the purpose of providing housing for low-income elderly or handicapped persons in the City, by providing the Seattle Housing Authority with capital funds for the development of additional low-income elderly and handicapped housing units under the Housing Cooperation Law; authorizing an agreement with the Seattle Housing Authority for such purpose; providing for creation of a housing development fund and a bond redemption fund; providing for the annual levy and the collection of taxes, to pay the principal of and interest on the bonds; and authorizing interim financing.

COMPTROLLER
FILE NUMBER _____

Council Bill No. 102575

INTRODUCED: SEP 14 1981	BY: KRAABEL
REFERRED: SEP 14 1981	TO: FULL COUNCIL
REFERRED:	
REFERRED:	
REPORTED: SEP 16 1981	SECOND READING: SEP 16 1981
THIRD READING: SEP 16 1981	SIGNED: SEP 16 1981
PRESENTED TO MAYOR: SEP 16 1981	APPROVED: SEP 16 1981
RETD. TO CITY CLERK: SEP 17 1981	PUBLISHED:
VETOED BY MAYOR:	VETO PUBLISHED:
PASSED OVER VETO:	VETO SUSTAINED:

CSS 8.1.97



Unanimous Voto
YES..... NO.....

See Department

SEE BACK COVER

- Ord. 110433 -Auth an agreement between City & Housing Authority for the development of low-income elderly & handicapped dwelling units in the City with general obligation bond proceeds & to provide management & operation of such dwelling units.
- Ord. 110460 -Re to the Low Income Elderly & Handicapped Housing Development Program, increasing an expenditure allowance in the 1982 Budget of DCD to advance administrative costs for the Housing Authority in carrying out the program, making appropriations & authorizing implementing agreements, etc.
- Ord. 110759 -Auth sale of notes for the purpose of providing interim financing to pay part of the cost of the program of developing, acquiring, constructing & rehabilitating add'l housing for low-income elderly & handicapped persons, etc.
- Ord. 110791 -Auth & provides for the issuance & sale of its unlimited tax levy general obligation bonds of the City in the principal amount of \$48,170,000, re ... Low Income Elderly & Handicapped Housing Program, etc.
- Res. 26835 -Re the City's Low-Income Elderly/Handicapped Housing Program; fixes the date options for redemption & conditions of sale of the City's Gen'l Obligation Bonds, 1982, in the principal amount of \$48,170,000, etc.
- 110858
Ord. 110858 -Re to the Low-Income Elderly/Handicapped Housing Program; appropriating the



proceeds of the sale of bond anticipation notes & general obligation bonds issued for said program; & auth transfer thereof to the Seattle Housing Authority.

- Res. 26867 -Approves an administrative budget for the Seattle Housing Authority's Seattle Senior Housing Program, a program funded by gen'l obligation bonds issued by the City of Seattle.

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ORDINANCE 110124

AN ORDINANCE providing for the submission to the qualified electors of the City, at a special election to be held therein in conjunction with the general municipal election on November 3, 1981, of a proposition authorizing the City to issue its unlimited tax levy general obligation bonds in the principal amount of \$48,170,000 for the purpose of providing housing for low-income elderly or handicapped persons in the City, by providing the Seattle Housing Authority with capital funds for the development of additional low-income elderly and handicapped housing units under the Housing Cooperation Law; authorizing an agreement with the Seattle Housing Authority for such purpose; providing for creation of a housing development fund and a bond redemption fund; providing for the annual levy and the collection of taxes, to pay the principal of and interest on the bonds; and authorizing interim financing.

WHEREAS, there exists a severe shortage of safe, sanitary and affordable housing in the City for low-income elderly and handicapped persons; and

WHEREAS, the Seattle Housing Authority needs additional resources to provide such housing through development, acquisition, construction and rehabilitation of additional housing; and

WHEREAS, the Housing Cooperation Law (Chapter 35.83 RCW) authorizes the City to supply financial assistance to the Seattle Housing Authority; and

WHEREAS, to provide such assistance it is deemed necessary and advisable that the City issue its unlimited tax levy general obligation bonds in the principal amount of \$48,170,000; and

WHEREAS, the Constitution and laws of the State of Washington require that the question of whether or not the City may issue unlimited tax levy general obligation bonds for such purpose must be submitted to the qualified electors of the City for their ratification or rejection; and

WHEREAS, a similar measure submitted to the voters of the City at a special election called and held in conjunction with the municipal primary election on September 15, 1981, failed to receive the necessary "validation" required by Article VII, § 2 of the Washington Constitution and, therefore, the Mayor is recommending resubmission at a special election to be called and held in conjunction with the municipal general election to be held on November 3, 1981; Now, Therefore,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council hereby makes the following

1 findings.

2 The 1981 Seattle Housing Assistance Plan, adopted by
3 City Council Resolution 26413, September 15, 1980,
4 concludes that in recent years the creation of new
5 housing in Seattle has not kept pace with the demand
6 for additional housing. There exists a critical shortage
7 of low-income housing in Seattle. Studies prepared for
8 the City conclude that the shortage of low-income
9 housing in Seattle will continue for the foreseeable
10 future.

11 Hardships imposed by the shortage of housing in
12 Seattle fall most severely upon elderly and handicapped
13 persons of low income. Such persons frequently are
14 limited to low, fixed incomes and have increasingly
15 been unable to find any decent, safe and affordable
16 housing.

17 The waiting list for low income, elderly persons
18 requesting assistance from the Seattle Housing Authority
19 exceeds 1600 applicants; the waiting time for housing
20 ranges from one to nine years, depending on the project.
21 The Puget Sound Council of Governments has calculated
22 that in 1978, over thirty-eight thousand households in
23 Seattle were in need of housing assistance on the basis
24 that household income was less than eighty percent of
25 median income and housing costs exceeded twenty-five
26 percent of available income. Ninety-three percent of
27 households needing assistance were renters and approx-
28 imately one-third were handicapped or elderly.

The Seattle Housing Authority requires capital
funds for housing development to alleviate the housing
shortage in Seattle. Existing sources of funds for
capital expenditures, including federal grants and
housing assistance programs, are insufficient to meet
fully the existing and projected need for housing
assistance.

Financial assistance to the Seattle Housing Authority
in the amount of \$48,170,000 would make it possible for
the authority to provide approximately one thousand
additional units of housing for low-income elderly or
handicapped persons within the City, or a greater
number of units of housing if supplemental sources of
capital funds are available to the Authority.

Based upon the foregoing facts and findings, the City
Council further finds that the public interest requires that
the City assist the Seattle Housing Authority in providing
approximately one thousand or more units of additional
housing for low-income elderly or handicapped persons by
providing funds for the capital costs of new or rehabilitated

1 housing. Such assistance shall be provided in the manner
2 hereinafter set forth and at the time or times deemed most
3 necessary and advisable by the Legislative Authority of the
4 City. The City Council hereby further finds and declares
5 that the expenditures of public funds and the acquisition of
6 property or property rights necessary for the development,
7 acquisition, construction and rehabilitation of housing for
8 elderly and handicapped persons pursuant to this ordinance
9 is for a public use and a public and strictly municipal
purpose.

10 Section 2. As used in this ordinance, the words here-
11 inafter defined shall have the meaning set forth in this
12 section:

13 A. "City" means The City of Seattle, Washington.

14 B. "Legislative Authority" means the Mayor and City
Council of the City.

15 C. "Bond" or "Bonds" means any or all of the general
16 obligation bonds of the City issued pursuant to this ordinance,
17 or any series of such bonds.

18 D. "Seattle Housing Authority" means the body corporate
19 and politic created pursuant to RCW 35.82.030 within the
20 corporate limits of the City and authorized to transact
21 business, and exercise its powers by Resolution 12562 of the
City.

22 E. "Housing Authorities Law" means Chapter 35.82 RCW
23 as now or hereafter amended.

24 F. "Housing Cooperation Law" means Chapter 35.83 RCW
25 as now or hereafter amended.

26 G. "Housing Cooperation Agreement" means an agreement
27 or agreements, or amendments thereto, between the City and
28

1 the Seattle Housing Authority connected with the assistance
2 contemplated in this ordinance.

3 H. "Housing Project" means any work or undertaking by
4 the Seattle Housing Authority, as defined in the Housing
5 Act, including the planning, design, purchase,
6 development, construction, equipping or rehabilitation
7 of new and/or existing buildings for lease to elderly
8 or handicapped persons or households of low income.

9 I. "Elderly" means age sixty-two or older.

10 J. "Handicapped" means subject to a sensory, physical
11 or mental disability.

12 K. "Low-income Elderly or Handicapped Persons" means
13 individuals or members of a household living as a single
14 residential unit meeting the following requirements:

- 15 (1) The individual or at least one member of the
16 household elderly or handicapped, and
- 17 (2) The individual, or the household collectively,
18 lacks the amount of income which shall not exceed
19 eighty percent (80%) of median income, necessary
20 to enable them, without financial assistance, to
21 live in decent, safe and sanitary dwellings,
22 without overcrowding, as determined by the Seattle
23 Housing Authority pursuant to RCW 35.82.020(10).

24 The definitions of the terms "Elderly," "Handicapped,"
25 and "Low-income Elderly or Handicapped Persons" may be
26 amended by subsequent action of the Legislative Authority of
27 the City to meet changing economic or social conditions as
28 long as the general purpose of this ordinance to provide
additional housing for low-income elderly or handicapped
persons is being accomplished. Such terms may also be

1 further defined in the Housing Cooperation Agreement or, if
2 the Housing Cooperation Agreement so provides, by the
3 Seattle Housing Authority.

4 Section 3. The City shall aid and cooperate with the
5 Seattle Housing Authority in the planning, undertaking,
6 development, acquisition, construction, rehabilitation, or
7 equipping of approximately one thousand additional units of
8 housing for low-income elderly or handicapped persons within
9 the City. The eventual number of units of housing to be
10 developed by the Seattle Housing Authority as a result of
11 the assistance furnished pursuant to this Ordinance shall be
12 determined by the actual cost of the units and upon the
13 availability of other sources of capital funds to the Authority.
14 If sufficient funds are available the number of units may
15 exceed one thousand. If sufficient funds are not available,
16 the number of units may be less than one thousand. Proceeds
17 of the sale of the Bonds shall be transferred to and used by
18 the Seattle Housing Authority, pursuant to a Housing Cooperation
19 Agreement entered into pursuant to the Housing Cooperation
20 Law (Chapter 35.83 RCW), to fund as necessary the capital
21 costs of housing projects for low-income elderly or handicapped
22 persons to be developed, purchased, constructed or rehabilitated
23 by the Seattle Housing Authority. The Legislative Authority
24 of the City must adopt the Housing Cooperation Agreement by
25 ordinance.

26 The Housing Cooperation Agreement shall contain criteria
27 for projects to be developed, purchased, constructed or
28 rehabilitated by the Seattle Housing Authority. These
criteria shall be developed through a process involving
members of the private sector such as lenders and developers.

1 The Housing Cooperation Agreement shall also establish a
2 procedure for City review of proposed projects in accordance
3 with such criteria and for disbursement of bond proceeds by
4 the City Comptroller to the Seattle Housing Authority, and
5 contain such other provisions as the Legislative Authority
6 of the City and the Seattle Housing Authority agree are
7 necessary and appropriate to carry out the purposes of this
8 ordinance, subject to the following:

9 A. Proceeds of the sale of the Bonds shall be expended
10 solely for capital costs of housing projects for low-income
11 elderly or handicapped persons. The term "capital costs"
12 shall be construed consistently with the term "capital
13 purposes" in Article VII, § 2(b) of the Washington Constitution
14 and RCW 84.52.056 but subject thereto may include the costs
15 of property acquisition and development, engineering, architecture,
16 planning, financial, legal, relocation and other services
17 lawfully incurred incident to the development of housing
18 projects and their financing, including the costs incident
19 to issuance of the Bonds, as well as the costs of acquiring,
20 equipping, installing, rehabilitating, or constructing
21 housing units. The term capital costs shall not include
22 replacement of equipment.

23 B. All property paid for or financed with the proceeds
24 of the sale of the Bonds shall be owned by the Seattle
25 Housing Authority but may be leased, mortgaged or otherwise
26 encumbered to the extent permitted by law and the Housing
27 Cooperation Agreement. All housing units developed, purchased,
28 constructed or rehabilitated with the proceeds of the sale
of the Bonds shall be managed by the Seattle Housing Authority
or its agents.

1 C. The obligation of the City shall be limited to
2 carrying out the provisions of the Housing Cooperation
3 Agreement. All contracts for the development, acquisition,
4 construction or rehabilitation of the housing provided
5 pursuant to this ordinance and the responsibility for subsequent
6 maintenance and operation shall be obligations of the
7 Seattle Housing Authority.

8 D. The Housing Cooperation Agreement may provide that
9 bond proceeds be advanced to the Seattle Housing Authority
10 on a reimbursable basis in accordance with RCW 35.83.050, in
11 which case rentals in excess of the costs of maintenance and
12 operation of housing developed pursuant to this ordinance,
13 and reasonably required reserves for such costs, shall be
14 used as provided in the Housing Cooperation Agreement.

15 E. Any property or housing units developed, acquired,
16 constructed or rehabilitated by the Seattle Housing Authority
17 with the proceeds of the Bonds may be sold or otherwise
18 disposed of by the Seattle Housing Authority to the extent
19 permitted by law if utilization of such housing units for
20 the purposes of this ordinance is no longer feasible or if
21 such sale or other disposition would further the purposes of
22 this ordinance by increasing the supply of housing for low-
23 income elderly or handicapped persons, but only with the
24 approval of the City in such manner as may be provided in
25 the Housing Cooperation Agreement. The proceeds of any such
26 sale, including interest if the sale is on a deferred
27 payment basis, shall be remitted to the City for deposit in
28 the Low-income Elderly and Handicapped Housing Development
Fund created by this ordinance to be used for the same
purposes as authorized for use of the Bond proceeds or for

1 deposit in the Bond Redemption Fund created by Section 6 of
2 this ordinance.

3 Section 4. For the purpose of providing funds necessary
4 to assist the Seattle Housing Authority in paying the capital
5 costs of approximately one thousand or more units of additional
6 housing for low-income elderly or handicapped persons pursuant
7 to this ordinance, the City shall issue the Bonds. The
8 Bonds shall be unlimited tax levy general obligation bonds
9 in the aggregate principal amount of Forty-eight Million One
10 Hundred Seventy Thousand Dollars (\$148,170,000). The Bonds
11 shall be issued in such amounts and at such time or times as
12 found necessary and advisable by the City Council; may be
13 issued in series; may be combined with other authorized
14 general obligation bonds of the City and issued and sold as
15 single issues of City bonds; and shall bear interest payable
16 at a rate not to exceed a maximum rate authorized by the
17 City Council. The Bonds shall mature serially beginning on
18 a date not less than two (2) nor more than five (5) years
19 from date of issue and ending on a date not more than twenty-
20 five (25) years from date of issue. The exact date, form,
21 terms, options of redemption, maturities, and conditions of
22 sale of the Bonds shall be as hereafter fixed by resolution
23 or resolutions of the City Council passed for such purpose.

24 Pending the printing, execution and delivery to the
25 purchaser of the definitive Bonds, the City may cause to be
26 executed and delivered to such purchaser a single temporary
27 Bond in the principal amount of the definitive Bonds. Any
28 temporary Bond shall bear the same date of issuance, interest
rates, principal payment dates and terms and covenants as
the definitive Bonds, shall be issued as a fully registered

1 bond in the name of the purchaser of the definitive Bonds,
2 and shall be in form acceptable to the purchaser. Any
3 temporary Bond shall be exchanged for the definitive Bonds
4 as soon as the same are printed, executed and available for
5 delivery.

6 Section 5. The principal proceeds of sale of the Bonds
7 and any premium shall be deposited in the "Low-income Elderly
8 and Handicapped Housing Development Fund," which shall be
9 created in the treasury of The City of Seattle if the Bonds
10 are approved by the voters, except that any accrued interest
11 on the Bonds received at the time of their delivery shall be
12 paid into the Bond Redemption Fund. Money in the "Low-
13 income Elderly and Handicapped Housing Development Fund" may
14 be temporarily deposited in such institutions or invested in
15 such obligations as may be lawful for the investment of City
16 money and may be temporarily advanced to the Bond Redemption
17 Fund to pay Bond interest pending receipt of taxes levied
18 therefor.

19 The principal proceeds of sale of the Bonds and any
20 interest received from the deposit or investment of such
21 proceeds shall be applied and used solely for the purpose of
22 assisting the Seattle Housing Authority in developing
23 additional housing for low-income elderly or handicapped
24 persons pursuant to the Housing Cooperation Agreement and
25 for paying costs incidental to the issuance of the Bonds;
26 provided that if for any reason the Legislative Authority of
27 the City determines that further assistance to the Seattle
28 Housing Authority is infeasible or impracticable, the balance
remaining in the Low-income Elderly and Handicapped Housing
Development Fund may, subject to the provisions of the

1 Housing Cooperation Agreement, be deposited in the Bond
2 Redemption Fund. Proceeds of the Bonds shall not be used to
3 pay any costs of maintenance and operation of housing units
4 or for any other than a capital purpose.

5 Section 6. There shall be created in the treasury of
6 the City a special fund of the City to be known as the "Low-
7 income Elderly and Handicapped Housing Development Bond
8 Redemption Fund," (herein referred to as the "Bond Redemption
9 Fund") into which shall be placed the taxes hereafter levied,
10 or the same may be placed in a consolidated bond interest
11 and redemption of the City, which Fund shall be drawn upon
12 for the sole purpose of paying the principal of and interest
13 on the Bonds. Any proceeds resulting from authorized
14 temporary investments of the Bond Redemption Fund or such
15 investment proceeds of any of the taxes hereafter levied placed
16 in a consolidated bond interest and redemption fund shall be
17 used for the sole purpose of retiring the bonds or paying
18 the interest thereon.

19 The City hereby irrevocably covenants and agrees that
20 each year during the life of the Bonds, if authorized by the
21 voters as provided in Section 8 hereof, it will cause to be
22 levied annually a tax upon all the property within the City
23 subject to taxation in an amount which, together with any
24 other money legally available to be used therefor, will be
25 sufficient to pay the principal of and interest on the Bonds
26 as the same shall become due. All of such taxes so collected
27 shall be paid into the Bond Redemption Fund.

28 The City hereby irrevocably pledges that the annual tax
provided for herein to be levied for the payment of such
principal and interest, if approved by the voters as provided

1 in Section 8 hereof, together with any other money legally
2 available and to be used therefor, will be and is hereby
3 irrevocably set aside, pledged and appropriated for the
4 payment of the principal of and interest on the Bonds.

5 The full faith, credit and resources of the City are
6 hereby pledged for the annual levy and collection of such
7 taxes and to the prompt payment of the principal of and
8 interest on the Bonds as the same shall become due.

9 Section 7. After voter approval and pending sale and
10 delivery of the Bonds authorized in Section 4 hereof, the
11 Mayor and City Comptroller are hereby authorized for and on
12 behalf of The City of Seattle to execute a promissory note
13 or notes or warrant or warrants providing for a loan or
14 loans of funds from a bank or banks, or other lending
15 institutions, in a total amount not to exceed the amount of
16 the Bonds, to bear interest at a rate to be negotiated by
17 the City Comptroller, with the maturity dates of such note
18 or notes or warrants to be no later than three (3) years
19 from the date of execution or issuance, and including, in
20 the discretion of the City Comptroller, provision for early
21 repayment. Such warrants may be redeemed or loans repaid
22 from the proceeds of the Bonds or the temporary Bond or the
23 General Fund or such other moneys as may be made available
24 therefor.

25 Section 8. It is hereby found that an urgent need
26 exists for the development of housing projects contemplated
27 in Section 3 hereof; and it is hereby declared that an
28 emergency exists requiring submission to the qualified
electors of The City of Seattle a proposition authorizing
the issuance of the general obligation Bonds of the City for

1 the purposes described in this ordinance at the special
2 election to be held in conjunction with the general municipal
3 election to be held therein on November 3, 1981.

4 The King County Director of Records and Elections as ex
5 officio supervisor of elections is hereby requested also to
6 find the existence of such emergency, and is requested to
7 assume jurisdiction of and to call and conduct a special
8 election and to submit to the qualified electors of The City
9 the proposition set forth below.

10 The City Clerk is hereby authorized and directed not
11 less than 45 days prior to November 3, 1981, to certify the
12 proposition to the King County Director of Records and
13 Elections in the following form:

14 THE CITY OF SEATTLE
15 PROPOSITION NO. _____

16 (LOW-INCOME ELDERLY AND HANDICAPPED HOUSING BONDS)

17 Shall The City of Seattle, for the purpose of
18 increasing the supply of low-income elderly and handi-
19 capped housing, issue \$48,170,000 of 25-year General
20 Obligation Bonds, payable from annual property tax
21 levies in excess of regular levies, to pay the capital
22 costs of the development, purchase, construction or
23 rehabilitation of such housing by the Seattle Housing
24 Authority, all as more specifically provided in Ordinance
25 No. 110124 ?

21 BONDS, YES

22 BONDS, NO

23 Section 9. The life of the housing units to be developed,
24 acquired, constructed, or rehabilitated with the proceeds of
25 the Bonds is hereby estimated to be, as nearly as practicable,
26 in excess of twenty-five (25) years.

27 Section 10. Certification of such proposition by the
28 City Clerk to the King County Director of Records and Elections,

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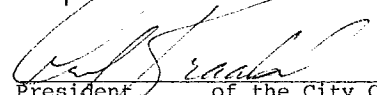
in accordance with law prior to the date of such election on November 3, 1981, and any other act consistent with the authority and prior to the effective date of this ordinance, are hereby ratified and confirmed.

Section 11. The Mayor, the City Comptroller, and other appropriate officials of the City are hereby authorized and directed to execute on behalf of the City an arbitrage certificate and all other necessary documents in connection with the issuance of the Bonds.

Section 12. In the event any one or more of the provisions of this ordinance shall for any reason be held to be invalid, such invalidity shall not affect any other provision of this ordinance or the Bonds, but this ordinance and the Bonds shall be construed and enforced as if such invalid provision had not been contained therein; provided, 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.

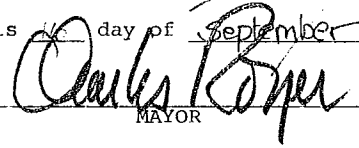
Section 13. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the City Charter.

PASSED the City Council the 16 day of September, 1981, and signed by me in open session in authentication of its passage this 16 day of September, 1981.



President of the City Council

Approved by me this 16 day of September, 1981.



MAYOR

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Filed by me this 17th day of September, 1981.

ATTEST: *Jim Hill*
City Comptroller and City Clerk

By: *Theresa Jordan*
Deputy

Office of the Comptroller
City of Seattle



Tim Hill, Comptroller

September 13, 1981

Mr. Clint Elsom, Manager
Department of Records and Elections
553 King County Administration Building
Seattle, Washington 98104

Attention: Donald R. Perrin, Elections Supervisor

Dear Sir:

Enclosed herewith is a certified copy of City of Seattle Ordinance No. 110124, relating to a special election to be held in conjunction with the municipal general election on November 3, 1981. The ordinance provides for the submission of a proposition to the qualified electors of the City authorizing the City to issue unlimited tax levy general obligation bonds in the principal amount of \$48,170,000 for the purpose of providing housing for low-income elderly or handicapped persons in the City.

The Ordinance directs the following form to be used in submittal of the proposition:

THE CITY OF SEATTLE
PROPOSITION NO. _____

(LOW-INCOME ELDERLY AND HANDICAPPED HOUSING BONDS)

Shall the City of Seattle, for the purpose of increasing the supply of low-income elderly and handicapped housing, issue \$48,170,000 of 25-year General Obligation Bonds, payable from annual property tax levies in excess of regular levies, to pay the capital costs of the development, purchase, construction or rehabilitation of such housing by the Seattle Housing Authority, all as more specifically provided in Ordinance No. 109989?

BONDS, YES
BONDS, NO

Thank you for your assistance.

Sincerely,

Alicia Macapinlac for
Tim Hill
City Comptroller

04/TD261LCE
Enclosure

"An Equal Employment Opportunity - Affirmative Action Employer"

City of Seattle - Office of the Comptroller, 101 Seattle Municipal Bldg., Seattle, WA 98104 - (206)625-2794

King County, State of Washington
Ron Dunlap, County Executive
Department of Executive Administration
Shari Taha, Director



Records & Elections Division
Clint G. Elsom, Manager
553 King County Administration Building
500 Fourth Avenue
Seattle, Washington 98104
(206) 344-4200 - Manager
(206) 344-2865 - Elections
(206) 344-5282 - Voter Registration
(206) 344-2562 - Records

MEMO TO: City of Seattle/Office of the City Clerk

FROM: Donald R. Perrin, Superintendent of Elections

DATE: September 24, 1981

Enclosed please find an Order of Election for City of Seattle.

This is to acknowledge receipt of your resolution/ordinance calling for a Special Election to be held on November 3, 1981.

The ballot title and text of the proposition(s) is that which will appear on the official ballot for the election. If you have any questions regarding the title and/or text, please contact this office immediately upon receipt of this memorandum.

Thank you for your assistance.

lydr:

ENC.

COMPTROLLER AND CITY CLERK

81 SEP 25 AM 11:20

FILED
CITY OF SEATTLE

AN ORDER OF THE MANAGER OF RECORDS AND ELECTIONS
AS SUPERVISOR OF ELECTIONS

WHEREAS, on September 3, 1981, and September 18, 1981, the City Council of the City of Seattle, King County, Washington, did present their Resolution No. 26600, and Ordinance No. 110124, dated August 31, 1981, and September 17, 1981, wherein they request a Special Election be held for the submission to the qualified electors of said city a proposed charter amendment, and a general obligation bond issue in the amount of \$48,170,000; and

WHEREAS, said City Council finds that an emergency exists and requests that said Special Election be held in conjunction with the General Election on November 3, 1981; and

WHEREAS, said Resolution and Ordinance provides the ballot title of said propositions;

NOW, THEREFORE, BE IT ORDERED by the Manager of Records and Elections, as Supervisor of Elections, that I do hereby concur in said request for a Special Election to be held in conjunction with the General Election to be held on November 3, 1981, for the purpose of submitting to the qualified electors of said city the following proposed charter amendment and proposition:

PROPOSED CHARTER AMENDMENT

Shall Charter Art. IV § 13 be amended permitting publication of general ordinances by title only and using City Code as annual summary?

YES

NO

PROPOSITION

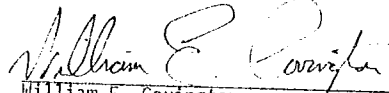
(LOW-INCOME ELDERLY AND HANDICAPPED HOUSING BONDS) - \$48,170,000

Shall The City of Seattle, for the purpose of increasing the supply of low-income elderly and handicapped housing, issue \$48,170,000 of 25-year General Obligation Bonds, payable from annual property tax levies in excess of regular levies, to pay the capital costs of the development, purchase, construction or rehabilitation of such housing by the Seattle Housing Authority, all as more specifically provided in Ordinance No. 110124?

BONDS, YES

BONDS, NO

Dated at Seattle, Washington, this 18th day of September, 1981.



William E. Covington
Acting Manager of Records and Elections
City of Seattle

THE CITY OF SEATTLE

LAW DEPARTMENT

MUNICIPAL BUILDING SEATTLE, WASHINGTON 98104

AREA CODE 206 TELEPHONE 625-2402

DOUGLAS N. JEWETT, CITY ATTORNEY

September 11, 1981

The City Council
The City of Seattle

Re: Resubmission of 1981 Housing Bond Issue

Honorable Members:

We forward with this letter a proposed ordinance resubmitting the 1981 Housing Bond Issue to the electors of the City. Various sources of information have prompted the Mayor to conclude, tentatively, that there is a reasonable probability insufficient numbers of voters will turn out for the Tuesday, September 15th Primary Election to "validate" the Housing Bond Issue pursuant to Article VII § 2 of the Washington Constitution.

Because the City under state law must transmit ballot propositions to the King County Director of Records and Elections forty-five days prior to the election, resubmission of the Housing Bond Issue at the November 3rd General Election will require enactment before the regular City Council meeting on Monday, September 21st. Thus, introduction at the regular Council meeting on Monday, September 15th will have to be followed by final passage by the Council at a special meeting and approval by the Mayor before the end of the week of September 14-18. Charter Article IV, § 6 allows the calling of a Special Meeting. The Open Meetings Act (RCW 42.30.080) requires 24 hours notice of a Special Meeting.

Charter Article IV, § 8 additionally requires that final passage of an ordinance take place at a meeting separate from that at which it was introduced. Thus, a special meeting later in the week of September 14-18 should be called at the regular meeting of the Council on Monday, September 15th after introduction and first reading of the proposed ordinance.

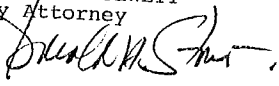
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Finally, the Council may have some rules which will have to be suspended to allow such quick passage, such as any rule requiring referral to a committee. Inasmuch as the proposed bond authorizing ordinance is, except for the date of submission, in other respects identical to that previously enacted, no difficulty should arise.

Very truly yours,

DOUGLAS N. JEWETT
City Attorney

By


DONALD STOUT, Assistant
Director, Advisory Division

DHS:rl

cc: w/encl.
Mayor
City Comptroller
Director, OPE
Exec. Director,
Seattle Housing Authority
Mr. Don Holman
Mr. Richard Schober

ORDINANCE 110124

AN ORDINANCE providing for the submission to the qualified electors of the City, at a special election to be held therein in conjunction with the general municipal election on November 3, 1981, of a proposition authorizing the City to issue its unlimited tax levy general obligation bonds in the principal amount of \$48,170,000 for the purpose of providing housing for low-income elderly or handicapped persons in the City, by providing the Seattle Housing Authority with capital funds for the development of additional low-income elderly and handicapped housing units under the Housing Cooperation Law; authorizing an agreement with the Seattle Housing Authority for such purposes; providing for creation of a housing development fund and a bond redemption fund; providing for the annual levy and the collection of taxes, to pay the principal of and interest on the bonds; and authorizing interim financing.

WHEREAS, there exists a severe shortage of safe, sanitary and affordable housing in the City for low-income elderly and handicapped persons; and

WHEREAS, the Seattle Housing Authority needs additional resources to provide such housing through development, acquisition, construction and rehabilitation of additional housing; and

WHEREAS, the Housing Cooperation Law (Chapter 35.83 RCW) authorizes the City to supply financial assistance to the Seattle Housing Authority; and

WHEREAS, to provide such assistance it is deemed necessary and advisable that the City issue its unlimited tax levy general obligation bonds in the principal amount of \$48,170,000; and

WHEREAS, the Constitution and laws of the State of Washington require that the question of whether or not the City may issue unlimited tax levy general obligation bonds for such purpose must be submitted to the qualified electors of the City for their ratification or rejection; and

WHEREAS, a similar measure submitted to the voters of the City at a special election called and held in conjunction with the municipal primary election on September 15, 1981, failed to receive the necessary "validation" required by Article VII, § 2 of the Washington Constitution and, therefore, the Mayor is recommending resubmission at a special election to be called and held in conjunction with the municipal general election to be held on November 3, 1981; Now, Therefore,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council hereby makes the following findings.

The 1981 Seattle Housing Assistance Plan, adopted by City Council Resolution 26413, September 15, 1980, concludes that in recent years the creation of new housing in Seattle has not kept pace with the demand for additional housing. There exists a critical shortage of low-income housing in Seattle. Studies prepared for the City conclude that the shortage of low-income housing in Seattle will continue for the foreseeable future.

Hardships imposed by the shortage of housing in Seattle fall most severely upon elderly and handicapped persons of low income. Such persons frequently are limited to low, fixed incomes and have increasingly been unable to find any decent, safe and affordable housing.

The waiting list for low income, elderly persons requesting assistance from the Seattle Housing Authority exceeds 1600 applicants; the waiting time for housing ranges from one to nine years, depending on the project. The Puget Sound Council of Governments has calculated that in 1978, over thirty-eight thousand households in Seattle were in need of housing assistance on the basis that household income was less than eighty percent of median income and housing costs exceeded twenty-five percent of available income. Ninety-three percent of households needing assistance were renters and approximately one-third were handicapped or elderly.

The Seattle Housing Authority requires capital funds for housing development to alleviate the housing shortage in Seattle. Existing sources of funds for capital expenditures, including federal grants and housing assistance programs, are insufficient to meet fully the existing and projected need for housing assistance.

Financial assistance to the Seattle Housing Authority in the amount of \$48,170,000 would make it possible for the authority to provide approximately one thousand additional units of housing for low-income elderly or handicapped persons within the City, or a greater number of units of housing if supplemental sources of capital funds are available to the Authority.

Based upon the foregoing facts and findings, the City Council further finds that the public interest requires that the City assist the Seattle Housing Authority in providing approximately one thousand or more units of additional housing for low-income elderly or handicapped persons by providing funds for the capital costs of new or rehabilitated housing. Such assistance shall be provided in the manner hereinafter set forth and at the time or times deemed most necessary and advisable by the Legislative Authority of the City. The City Council hereby further finds and declares that the expenditures of public funds and the acquisition of property or property rights necessary for the development, acquisition, construction and rehabilitation of housing for elderly and handicapped persons pursuant to this ordinance is for a public use and a public and strictly municipal purpose.

Section 2. As used in this ordinance, the words hereinafter defined shall have the meaning set forth in this section:

- A. "City" means The City of Seattle, Washington.
- B. "Legislative Authority" means the Mayor and City Council of the City.
- C. "Bond" or "Bonds" means any or all of the general obligation bonds of the City issued pursuant to this ordinance, or any series of such bonds.
- D. "Seattle Housing Authority" means the body corporate and politic created pursuant to RCW 35.82.030 within the corporate limits of the City and authorized to transact business and exercise its powers by Resolution 12562 of the City.
- E. "Housing Authorities Law" means Chapter 35.82 RCW as now or hereafter amended.
- F. "Housing Cooperation Law" means Chapter 35.83 RCW as now or hereafter amended.
- G. "Housing Cooperation Agreement" means an agreement or agreements, or amendments thereto, between the City and the Seattle Housing Authority connected with the assistance contemplated in this ordinance.
- H. "Housing Project" means any work or undertaking by the Seattle Housing Authority, as defined in the Housing Authorities Law, including the planning, design, purchase, acquisition, development, construction, equipping or rehabilitation of new and/or existing buildings for lease to elderly or handicapped persons or households of low income.
- I. "Elderly" means age sixty-two or older.
- J. "Handicapped" means subject to a sensory, physical or mental disability.
- K. "Low-income Elderly or Handicapped Persons" means individuals or members of a household living as a single residential unit meeting the following requirements:
 - (1) The individual or at least one member of the household elderly or handicapped, and
 - (2) The individual, or the household collectively, lacks the amount of income which shall not exceed eighty percent (80%) of median income, necessary to enable them, without financial assistance, to live in decent, safe and sanitary dwellings, without overcrowding, as determined by the Seattle Housing Authority pursuant to RCW 35.82.020(1g).

The definitions of the terms "Elderly," "Handicapped," and "Low-income Elderly or Handicapped Persons" may be amended by subsequent action of the Legislative Authority of the City to meet changing economic or social conditions as long as the general purpose of this ordinance to provide additional housing for low-income elderly or handicapped persons is being accomplished. Such terms may also be further defined in the Housing Cooperation Agreement or, if the Housing Cooperation Agreement so provides, by the Seattle Housing Authority.

Section 3. The City shall aid and cooperate with the Seattle Housing Authority in the planning, undertaking, development, acquisition, construction, rehabilitation, or equipping of approximately one thousand additional units of housing for low-income elderly or handicapped persons within the City. The eventual number of units of housing to be developed by the Seattle Housing Authority as a result of the assistance furnished pursuant to this Ordinance shall be determined by the actual cost of the units and upon the availability of other sources of capital funds to the Authority. If sufficient funds are available the number of units may exceed one thousand. If sufficient funds are not available, the number of units may be less than one thousand. Proceeds of the sale of the Bonds shall be transferred to and used by the Seattle Housing Authority, pursuant to a Housing Cooperation Agreement entered into pursuant to the Housing Cooperation Law (Chapter 35.83 RCW), to fund as necessary the capital costs of housing projects for low-income elderly or handicapped persons to be developed, purchased, constructed or rehabilitated by the Seattle Housing Authority. The Legislative Authority of the City must adopt the Housing Cooperation Agreement by ordinance.

The Housing Cooperation Agreement shall contain criteria for projects to be developed, purchased, constructed or rehabilitated by the Seattle Housing Authority. These criteria shall be developed through a process involving members of the private sector such as lenders and developers. The Housing Cooperation Agreement shall also establish a procedure for City review of proposed projects in accordance with such criteria and for disbursement of bond proceeds by the City Comptroller to the Seattle Housing Authority, and contain such other provisions as the Legislative Authority of the City and the Seattle Housing Authority agree are necessary and appropriate to carry out the purposes of this ordinance, subject to the following:

A. Proceeds of the sale of the Bonds shall be expended solely for capital costs of housing projects for low-income elderly or handicapped persons. The term "capital costs" shall be construed consistently with the term "capital purposes" in Article VII, § 2(b) of the Washington Constitution and RCW 84.52.056 but subject thereto may include the costs of property acquisition and development, engineering, architecture planning, financial, legal, relocation and other services lawfully incurred incident to the development of housing projects and their financing, including the costs incident to issuance of the Bonds, as well as the costs of acquiring, equipping, installing, rehabilitating, or constructing housing units. The term capital costs shall not include replacement of equipment.

B. All property paid for or financed with the proceeds of the sale of the Bonds shall be owned by the Seattle Housing Authority but may be leased, mortgaged or otherwise encumbered to the extent permitted by law and the Housing Cooperation Agreement. All housing units developed, purchased, constructed or rehabilitated with the proceeds of the sale of the Bonds shall be managed by the Seattle Housing Authority or its agents.

C. The obligation of the City shall be limited to carrying out the provisions of the Housing Cooperation Agreement. All contracts for the development, acquisition, construction or rehabilitation of the housing provided pursuant to this ordinance and the responsibility for subsequent maintenance and operation shall be obligations of the Seattle Housing Authority.

D. The Housing Cooperation Agreement may provide that bond proceeds be advanced to the Seattle Housing Authority on a reimbursable basis in accordance with RCW 35.83.050, in which case rentals in excess of the costs of maintenance and operation of housing developed pursuant to this ordinance, and reasonably required reserves for such costs, shall be used as provided in the Housing Cooperation Agreement.

E. Any property or housing units developed, acquired, constructed or rehabilitated by the Seattle Housing Authority with the proceeds of the Bonds may be sold or otherwise disposed of by the Seattle Housing Authority to the extent permitted by law if utilization of such housing units for the purposes of this ordinance is no longer feasible or if such sale or other disposition would further the purposes of this ordinance by increasing the supply of housing for low-income elderly or handicapped persons, but only with the approval of the City in such manner as may be provided in the Housing Cooperation Agreement. The proceeds of any such sale, including interest if the sale is on a deferred payment basis, shall be remitted to the City for deposit in the Low-income Elderly and Handicapped Housing Development Fund created by this ordinance to be used for the same purposes as authorized for use of the Bond proceeds or for deposit in the Bond Redemption Fund created by Section 6 of this ordinance.

Section 4. For the purpose of providing funds necessary to assist the Seattle Housing Authority in paying the capital costs of approximately one thousand or more units of additional housing for low-income elderly or handicapped persons pursuant to this ordinance, the City shall issue the Bonds. The Bonds shall be unlimited tax levy general obligation bonds in the aggregate principal amount of forty-eight million one

Hundred Seventy Thousand Dollars (\$48,170,000). The Bonds shall be issued in such amounts and at such time or times as found necessary and advisable by the City Council; may be issued in series; may be combined with other authorized general obligation bonds of the City and issued and sold as single issues of City bonds; and shall bear interest payable

at a rate not to exceed a maximum rate authorized by the City Council. The Bonds shall mature serially beginning on a date not less than two (2) nor more than five (5) years from date of issue and ending on a date not more than twenty-five (25) years from date of issue. The exact date, form, terms, options of redemption, maturities, and conditions of sale of the Bonds shall be as hereafter fixed by resolution or resolutions of the City Council passed for such purpose.

Pending the printing, execution and delivery to the purchaser of the definitive Bonds, the City may cause to be executed and delivered to such purchaser a single temporary Bond in the principal amount of the definitive Bonds. Any temporary Bond shall bear the same date of issuance, interest rates, principal payment dates and terms and covenants as the definitive Bonds, shall be issued as a fully registered bond in the name of the purchaser of the definitive Bonds, and shall be in form acceptable to the purchaser. Any temporary Bond shall be exchanged for the definitive Bonds as soon as the same are printed, executed and available for delivery.

Section 5. The principal proceeds of sale of the Bonds and any premium shall be deposited in the "Low-income Elderly and Handicapped Housing Development Fund," which shall be created in the treasury of the City of Seattle if the Bonds are approved by the voters, except that any accrued interest on the Bonds received at the time of their delivery shall be paid into the Bond Redemption Fund. Money in the "Low-income Elderly and Handicapped Housing Development Fund" may be temporarily deposited in such institutions or invested in such obligations as may be lawful for the investment of City money and may be temporarily advanced to the Bond Redemption Fund to pay Bond interest pending receipt of taxes levied therefor.

The principal proceeds of sale of the Bonds and any interest received from the deposit or investment of such proceeds shall be applied and used solely for the purpose of assisting the Seattle Housing Authority in developing additional housing for low-income elderly or handicapped persons pursuant to the Housing Cooperation Agreement and for paying costs incidental to the issuance of the Bonds; provided that if for any reason the Legislative Authority of the City determines that further assistance to the Seattle Housing Authority is infeasible or impracticable, the balance remaining in the Low-income Elderly and Handicapped Housing Development Fund may, subject to the provisions of the Housing Cooperation Agreement, be deposited in the Bond Redemption Fund. Proceeds of the Bonds shall not be used to pay any costs of maintenance and operation of housing units or for any other than a capital purpose.

Section 6. There shall be created in the treasury of the City a special fund of the City to be known as the "Low-income Elderly and Handicapped Housing Development Bond Redemption Fund," (herein referred to as the "Bond Redemption Fund") into which shall be placed the taxes hereafter levied, or the same may be placed in a consolidated bond interest and redemption of the City, which Fund shall be drawn upon for the sole purpose of paying the principal of and interest on the Bonds. Any proceeds resulting from authorized temporary investments of the Bond Redemption Fund or such investment proceeds of any of the taxes hereafter levied placed in consolidated bond interest and redemption fund shall be used for the sole purpose of retiring the bonds or paying the interest thereon.

The City hereby irrevocably covenants and agrees that each year during the life of the Bonds, if authorized by the voters as provided in Section 9 hereof, it will cause to be levied annually a tax upon all the property within the City

subject to taxation in an amount which, together with any other money legally available to be used therefor, will be sufficient to pay the principal of and interest on the Bonds as the same shall become due. All of such taxes so collected shall be paid into the Bond Redemption Fund.

The City hereby irrevocably pledges that the annual tax provided for herein to be levied for the payment of such principal and interest, if approved by the voters as provided in Section 8 hereof, together with any other money legally available and to be used therefor, will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Bonds.

The full faith, credit and resources of the City are hereby pledged for the annual levy and collection of such taxes and to the prompt payment of the principal of and interest on the Bonds as the same shall become due.

Section 7. After voter approval and pending sale and delivery of the Bonds authorized in Section 4 hereof, the Mayor and City Comptroller are hereby authorized for and on behalf of the City of Seattle to execute a promissory note or notes or warrant or warrants providing for a loan or loans of funds from a bank or banks, or other lending institutions, in a total amount not to exceed the amount of the Bonds, to bear interest at a rate to be negotiated by the City Comptroller, with the maturity dates of such note or notes or warrants to be no later than three (3) years from the date of execution or issuance, and including, in the discretion of the City Comptroller, provision for early repayment. Such warrants may be redeemed or loans repaid from the proceeds of the Bonds or the temporary Bond or the General Fund or such other moneys as may be available therefor.

Section 8. It is hereby found that an urgent need exists for the development of housing projects contemplated in Section 3 hereof; and it is hereby declared that an emergency exists requiring submission to the qualified electors of the City of Seattle a proposition authorizing the issuance of the general obligation Bonds of the City for the purposes described in this ordinance at the special election to be held in conjunction with the general municipal election to be held therein on November 3, 1981.

The King County Director of Records and Elections as ex officio supervisor of elections is hereby requested also to find the existence of such emergency, and is requested to assume jurisdiction of and to call and conduct a special election and to submit to the qualified electors of the City the proposition set forth below.

The City Clerk is hereby authorized and directed not less than 45 days prior to November 3, 1981, to certify the proposition to the King County Director of Records and Elections in the following form:

THE CITY OF SEATTLE
PROPOSITION NO. _____

(LOW-INCOME ELDERLY AND HANDICAPPED HOUSING BONDS)

Shall the City of Seattle, for the purpose of increasing the supply of low-income elderly and handicapped housing, issue \$48,170,000 of 25-year General Obligation Bonds, payable from annual property tax levies in excess of regular levies, to pay the capital costs of the development, purchase, construction or rehabilitation of such housing by the Seattle Housing Authority, all as more specifically provided in Ordinance No. 110124?

BONDS, YES
BONDS, NO

Section 9. The life of the housing units to be developed, acquired, constructed, or rehabilitated with the proceeds of the Bonds is hereby estimated to be, as nearly as practicable, in excess of twenty-five (25) years.

Section 10. Certification of such proposition by the City Clerk to the King County Director of Records and Elections, in accordance with law prior to the date of such election on November 3, 1981, and any other act consistent with the authority and prior to the effective date of this ordinance, are hereby ratified and confirmed.

Section 11. The Mayor, the City Comptroller, and other appropriate officials of the City are hereby authorized and directed to execute on behalf of the City an arbitrage certificate and all other necessary documents in connection with the issuance of the Bonds.

Section 12. In the event any one or more of the provisions of this ordinance shall for any reason be held to be invalid, such invalidity shall not affect any other provision of this ordinance or the Bonds, but this ordinance and the Bonds shall be construed and enforced as if such invalid provision had not been contained therein; provided, 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 13. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the City Charter.

PASSED the City Council the 16 day of September, 1981, and signed by me in open session in authentication of its passage this 16 day of September, 1981.

Carl J. Smith
President of the City Council

Approved by me this 16th day of September, 1981.

Charles J. Popper
Mayor

Filed by me this 17th day of September, 1981.

ATTEST: *Tim Hill*
City Comptroller and City Clerk

By: *Therese Lundberg*
Deputy

Publication ordered by TIM HILL, Comptroller and City Clerk.
Date of Official Publication in the Daily Journal of Commerce, Seattle, September 22, 1981. (C-256)