## STAFF REPORT

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| **Agenda Item:** | 13 | **Name:** | Nick Bowman |
| **Proposed No.:** | 2021-0383 | **Date:** | December 8, 2021 |

**SUBJECT**

Amending Ordinance 19279 which authorized the issuance of limited tax general obligation bonds of the county to finance County capital projects to add an additional capital project and increase the aggregate principal amount of authorized limited tax general obligation (LTGO) bonds to an amount not to exceed $812,000,000.

**SUMMARY**

Proposed Ordinance 2021-0383 would add the King County Sheriff’s Office (KCSO) Evidence Storage project, to the list of capital projects authorized for LTGO bond financing under Ordinance 19279.

The KCSO Evidence Storage project was approved for bond financing by the Council with the adoption of Ordinance 19364 (2nd Omnibus mid-biennial supplemental budget) on November 23, 2021. The project is estimated to cost approximately $5.5 million.

**BACKGROUND**

Ordinance 19279 authorized the issuance of up to $806 million in LTGO bonds to finance County capital projects.

Table 1 below identifies the projects to be funded and the amount of funding each project is to receive under Ordinance 19279.

**Table 1. Projects Financed by Ordinance 19279**

|  |  |  |  |
| --- | --- | --- | --- |
| **Project Name** |  | **Total (millions)** |  |
| Affordable Housing Projects |  | $300.0 |  |
| Transit Oriented Development Projects |  | $187.0 |  |
| Transit Oriented Development Reserve |  | $15.5 |  |
| Solid Waste Capital Improvements |  | $197.8 |  |
| Conservation Futures Land Acquisitions |  | $40.0 |  |
| Transit Infrastructure Projects |  | $18.8 |  |
| MRJC Facility Improvement Projects |  | $17.1 |  |
| Bridge Replacement Projects |  | $6.3 |  |
| Jail Management System Project |  | $3.0 |  |
| **Projects Total** |  | **$785.5** |  |
| Allowance for Financing Considerations |  | $20.5 |  |
| **Total Authorization Request** |  | **$806.0** |  |

The KCSO Evidence Storage project was approved for bond financing by the Council with the adoption of Ordinance 19364 (2nd Omnibus mid-biennial supplemental budget) on November 23, 2021. The project is estimated to cost approximately $5.5 million.

**ANALYSIS**

Proposed Ordinance 2021-0383 would add the KCSO Evidence Storage project, to the list of capital projects authorized for LTGO bond financing under Ordinance 19279 and increase the aggregate principal amount of LTGO bonds authorized from an amount not to exceed $806 million to an amount not to exceed $812 million.

The KCSO Evidence Storage project would support the acquisition of a new evidence storage facility for the Sheriff’s Office at 13400 Interurban Ave S, Tukwila. The cost of the project is estimated at approximately $5.5 million, however estimated financing costs would increase the total to approximately $6.0 million. Of the total, $4.6 million would support the acquisition costs, $400,000 would support evidence moving costs from the existing facility at the Barclay Dean Building, in Seattle’s SODO neighborhood, to the new facility, and $500,000 would support tenant improvement that may be necessary at the new facility.

The Barclay Dean Building was reported as inadequate to meet the needs of an evidence storage facility as per a 2019 Auditor’s report. Executive staff states that there will be a review of potential uses of the building including an option to sell. The timeline on when the new facility will be operational is still to be determined but executive staff state that the county expects to acquire the facility by February 2022.

**INVITED**

* Ken Guy, Director, Finance and Business Operations Division
* Carol Basile, Treasury Manager, Finance and Business Operations Division
* Nigel Lewis, Senior Debt Analyst, Finance and Business Operations Division

**ATTACHMENTS**

1. Proposed Ordinance 2021-0383
2. Transmittal Letter
3. Fiscal Note