

RESOLUTION NO. 971

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, PROVIDING FOR AN INCREASE OF THE INTERFUND LOAN FOR LOCAL IMPROVEMENT DISTRICT NO. 89-ST-54 FROM \$1,300,000 TO \$1,550,000 FOR A PERIOD OF NINE MONTHS COMMENCING MARCH 1, 1994 PENDING THE RECEIPT OF THE PROCEEDS OF THE LOCAL IMPROVEMENT DISTRICT BONDS AUTHORIZED TO BE ISSUED BY ORDINANCE NO. 1511, AND DECLARING THE CITY'S INTENT THAT CAPITAL EXPENDITURES TO BE MADE IN CONNECTION WITH THE LID SHALL BE MADE PRIOR TO ISSUANCE OF THE LID BONDS AND REIMBURSED FROM THE PROCEEDS, THEREOF,

WHEREAS, by passage of Ordinance No. 1511 on September 5, 1989, the City Council authorized formation of L.I.D. 89-ST-54, and sale of bond anticipation notes of \$1,100,000;

WHEREAS, on February 20, 1990, the City Council authorized an interim loan in the amount of four hundred thousand dollars (\$400,000) from the Real Estate Excise Tax Fund to the L.I.D. 89-ST-54 Fund for a period of one year commencing March 1, 1990, at an annual interest rate of 8.3% in order to provide funds with which to pay a part of the cost of carrying out the improvements ordered in the District;

WHEREAS, on February 19, 1991 the City Council authorized an increase in the interim loan from \$400,000 to \$633,200 from the Real Estate Excise Tax Fund to L.I.D. 89-ST-54 (Leary Way Widening) for a period of one year commencing March 1, 1991, at an annual interest rate of 7.6% with which to pay for preliminary planning, design work and the initial phase of construction;

WHEREAS, on February 4, 1992, the City Council authorized an increase in the interim loan from \$633,200 to \$1,000,000 from the Real Estate Excise Tax Fund to L.I.D. 89-ST-54 (Leary Way Widening) for a period of one year commencing March 1, 1992, at an annual interest rate of 5.34% with which to pay for preliminary planning, design work and the initial phase of construction;

WHEREAS, on February 16, 1993, the City Council authorized an increase in interim loan from \$1,000,000 to \$1,300,000 from the Real Estate Excise Tax Fund to L.I.D. 89-ST-54 (Leary Way Widening) for a period of one year commencing March 1, 1993, at an annual interest rate of 3.46% in order to provide additional funds with which to pay for the construction costs;

WHEREAS, the City Council deems it to be in the best interest of the city, that the city increase the loan outstanding from \$1,300,000 to \$1,550,000 from the Real Estate Excise Tax Fund to L.I.D. 89-ST-54 (Leary Way Widening) for a period of nine months commencing March 1, 1994, at an annual interest rate of 4.4% in order to provide additional funds with which to pay for increased construction costs;

WHEREAS, based upon information provided by the Finance Department, the City Council finds that the loan will not interfere with required current and anticipated expenditures from the Real Estate Excise Tax Fund, that the interest rate will result in earnings equal to that of other available investments and that the interfund loan will reduce the costs to the L.I.D. Fund as compared to an outside borrowing, now, therefore,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON,
HEREBY RESOLVES AS FOLLOWS:

Section 1. Authorize an interfund loan in the amount of \$1,550,000 from the Real Estate Excise Tax Fund to the L.I.D. 89-ST-54 Fund commencing March 1, 1994, to be repaid in full on or before the expiration of nine months at an annual interest rate of 4.4%, is hereby authorized.

Section 2. The Finance Director is instructed to make the necessary transfer of funds and to maintain appropriate accounting records required to reflect the balance of the loan payable and receivable in the affected funds.

Section 3. Official Intent.

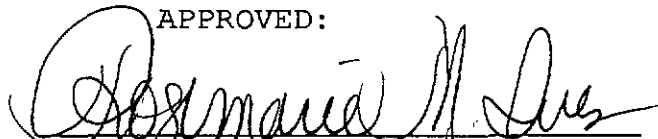
A. Capital improvements involving the acquisition, construction, and/or renovation of LID 54 Leary Way Widening (the "Project") to be owned and operated by the city, and the incurrence of debt (the "Debt"), expected to be issued in the maximum principal amount of \$1,550,000, to provide all or a portion of the funds necessary for such purposes, are authorized and approved.

B. Capital expenditures necessary and advisable with respect to the Project are authorized to be made by the city prior to the incurrence of the Debt (whether in the form of Bonds or otherwise), and the city declares its intent (the "Official Intent") that any such capital expenditures are made in anticipation of reimbursement with the proceeds of the Debt.

C. It is found and declared that the city does not now have, nor does it reasonably expect to have, prior to the incurrence of the Debt therefor, funds from sources other than the Debt which are, or are reasonably expected to be, allocated on a long-term basis, reserved or otherwise available for the Project pursuant to its budget and financial policies.

RESOLVED this 19th day of April, 1994.

APPROVED:


MAYOR, ROSEMARIE IVES

ATTEST/AUTHENTICATED:


CITY CLERK, DORIS A. SCHAIBLE

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By 

FILED WITH THE CITY CLERK:	April 13, 1994
PASSED BY THE CITY COUNCIL:	April 19, 1994
EFFECTIVE DATE:	April 19, 1994
RESOLUTION NO.:	<u>971</u>

EXHIBIT I

REAL ESTATE EXCISE TAX FUND
1994 CASH FLOW STATEMENT

Cash and Investments 1/1/94	6,104,581
Estimated Revenue	1,263,120
Estimated Expenditures	<u>-1,500,000</u>
Ending Cash on Hand Before Interfund Loans	5,867,701
Interim Financing - Interfund Loans	
Leary Way LID	-1,300,000
Increase Leary Way LID	<u>-250,000</u>
Estimated Ending Cash Balance 12/31/94	<u><u>4,317,701</u></u>