

SNOHOMISH COUNTY COUNCIL
SNOHOMISH COUNTY, WASHINGTON

AMENDED ORDINANCE NO. 01-041

CREATING AND PROVIDING FOR THE ORGANIZATION, POWERS AND GOVERNANCE OF A PUBLIC FACILITIES DISTRICT TO BE KNOWN AS THE “SNOHOMISH COUNTY PUBLIC FACILITIES DISTRICT” TO EXPLORE THE POSSIBLE JOINT ACQUISITION, CONSTRUCTION, OPERATION, AND/OR FINANCING OF ONE OR MORE REGIONAL CENTERS INCLUDING RELATED PARKING FACILITIES WITH CITY OR TOWN PUBLIC FACILITIES DISTRICTS LOCATED WITHIN THE COUNTY;
ADDING A NEW CHAPTER 2.19 TO
TITLE 2 OF THE SNOHOMISH COUNTY CODE.

WHEREAS, the Snohomish County Council (the “Council”) has determined that it is in the best interest of the County and its citizens to explore the possible acquisition, construction, operation, and financing of one or more regional centers and related parking (“Regional Center(s)”) jointly with the City of Everett and the Everett Public Facility District and with the City of Lynnwood and the South Snohomish County Public Facility District, as well as any similar project proposed by any other public facilities district located within the County to provide needed public facilities to serve local and regional business, community, family entertainment, youth, recreation and athletic organizations, to promote economic development and to further the revitalization of business, financial and commercial districts within the County; and

WHEREAS, Chapter 36.100 RCW (the “County PFD Act”) authorizes the Council, as the legislative authority of a county, to create a public facilities district coextensive with the boundaries of the County for the purposes, among others, of acquiring, constructing, operating, and financing Regional Centers; and

WHEREAS, a Regional Center is defined in the County PFD Act and in RCW 35.57.020 as “. . . 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 July 25, 1999 at a cost of at least ten million dollars (\$10,000,000), including debt service”; and

WHEREAS, Chapter 35.57 RCW (the “City PFD Act”) authorizes any city or town located in a county with a population of less than one million to create a public facilities district; and

WHEREAS, the City of Everett has formed the Everett Public Facilities District pursuant to the City PFD Act for the purpose of developing a Regional Center, and has requested the

County to form a public facilities district for the purpose of joining and assisting in developing the Everett Public Facilities District’s Regional Center; and

WHEREAS, the City of Lynnwood has formed the South Snohomish County Public Facilities District for the purpose of developing a Regional Center, and has requested the County to form a public facilities district for the purpose of joining and assisting in developing the South Snohomish County Public Facilities District’s Regional Center; and

WHEREAS, other cities or towns located within the County may yet form public facilities districts for the purpose of developing Regional Centers; and

WHEREAS, as authorized by the County PFD Act and RCW 82.14.390, and subject to certain restrictions, a public facilities district created by a County that commences construction of a new Regional Center before January 1, 2003 may impose solely for Regional Center purposes, a 0.033 percent (0.033 of 1%) sales and use tax that is deducted from the amount of the sales and use tax otherwise required to be collected and paid over to the Washington State Department of Revenue under Chapter 82.08 and 82.12 RCW; and

WHEREAS, the Council has determined that it is in the best interest of the County and its citizens to create a public facilities district to assist in the acquisition, construction, operation, and financing of viable Regional Center projects located within Snohomish County;

NOW, THEREFORE, BE IT ORDAINED:

New Section. Section 1. The following new chapter is added to Title 2 of the Snohomish County Code:

Chapter 2.19

Snohomish County Public Facilities District

Sections:

- 2.19.010 Creation and Purpose
- 2.19.020 Board of Directors
- 2.19.030 Organizational Meeting
- 2.19.040 Loan of Working Capital
- 2.19.050 Powers, Duties and Limitations
- 2.19.060 Approval of Charter and Bylaws
- 2.19.070 Applicability of Public Laws
- 2.19.080 Dissolution
- 2.19.900 Sunset

2.19.010 Creation and Purpose. Pursuant to Chapter 36.100 RCW (the “County PFD Act”), there is hereby created a public facilities district, which shall be called the Snohomish

County Public Facilities District (the “District”), coextensive with the boundaries of the County, with only the powers and authority set forth in the County PFD Act as last amended by Chapter 165 Laws of Washington 1999. The District is established for the sole purpose of pursuing joint ownership, financing, or operational relationships with any other public facility district within the County.

The Executive and other appropriate officers of the County are authorized and directed to take any and all such additional actions as may be necessary or desirable to accomplish the creation of the District.

2.19.020 Board of Directors. The members of the board of directors of the District (the “Board”) shall be recommended by the Executive consistent with the procedures and criteria set forth in Chapter 2.03 Snohomish County Code, and appointed by the Council, as required by the County PFD Act. The Board shall consist of five members. The members of the Board shall be selected and appointed by the Council to reflect the interests of cities and towns in the county, as well as the unincorporated area of the county. The members shall serve four-year terms. Of the initial members, two shall be appointed for two-year terms, and the remainder shall be appointed for four-year terms.

If it is determined by the Council for any reason that any or all of the Board members should be removed from office, the Council may by motion approved by two-thirds of the Council remove that Board member(s) from office. The term of any Board member removed pursuant to this section shall expire when the removal motion takes effect. Vacancies shall be filled by appointment by the Council, and the person appointed to fill a vacancy shall serve for the remainder of the unexpired term of the office for the position to which he or she was appointed.

All corporate powers of the District shall be exercised by or under the authority of the Board; and the business, property and affairs of the District shall be managed under the direction of the Board, except as may be otherwise provided for by law, herein or in the Charter..

2.19.030 Organizational Meeting. The District shall be established as of the date of the appointment of the initial members of its Board. Upon such date, the Executive or designee shall call an organizational meeting of the initial Board within 10 days, giving at least three days’ advance written notice to each Board Member, unless waived in writing. At such meeting, the Board shall organize itself, may appoint officers, and shall select the District’s place of business.

2.19.040 Loan of Working Capital. In order to provide the District with initial working capital for legal and formation expenses, the County may loan the District up to \$25,000 from the General Fund. Any such loan shall be made pursuant to an interlocal agreement negotiated between the District and the County, shall require Council approval prior to expenditure, and shall be repaid with interest within twelve calendar months.

2.19.050 Powers, Duties and Limitations. The District shall have the following powers and duties, subject to the following limitations:

- (1) The District shall have the powers set forth in its Charter, attached as Appendix A hereto.
- (2) Except as specifically provided in an interlocal agreement between the District and the County, the District shall take no action that might impose liability upon the County. All liabilities incurred by the District shall be satisfied exclusively from the assets, credit, and properties of the District, and no creditor or other person shall have any right of action against or recourse to the County, its assets, credit, or services, on account of any debts, obligations, liabilities or acts or omissions of the District.
- (3) In the event that the District determines by August ~~((3))~~1, 2001, that one or more joint Regional Center project(s) (as defined in the County PFD Act) located within the County is a viable project that is likely to begin construction before January 1, 2003, the District shall impose all or a portion of the sales tax authorized under RCW 82.14.390(1) in support of ~~((such))~~ pursuing joint ownership, financing, or operational relationships with ~~((joint))~~ such Regional Center(s). Such tax proceeds shall be apportioned between such Regional Centers (taking into account adequate reserves to be maintained by the District) in an equitable manner that supports construction and operation of any viable joint Regional Center project or projects located in Snohomish County. In order to apportion the tax proceeds in an equitable manner, the District shall, at a minimum, make the following distributions: first, the District shall negotiate an interlocal agreement to guarantee to a viable Regional Center developed ~~((jointly))~~ by the City of Everett and the Everett Public Facilities District an amount equal to \$7,000,000 (present value); second, of the remaining tax proceeds, the District shall apply up to 10% to pay for parking to be provided to one or more Regional Centers by the County; and, third, the District shall apply the remaining 90% of tax proceeds equitably among ~~((other))~~ viable Regional Centers (in all cases, taking into account adequate reserves to be maintained by the District).
- (4) Within 30 days after ~~((August))~~ December 1, 2001, the District shall provide a written report to the Council detailing its final project list, and the percentage of anticipated tax proceeds flowing to each project.
- (5) In consideration of the County's loan of working capital to the District and to ensure that joint Regional Centers are developed in a manner that is consistent with the County's regional planning objectives, intergovernmental relations with its incorporated cities, and available and planned infrastructure, the District shall not enter into an interlocal agreement to expend revenues in excess of \$50,000 on such a joint Regional Center unless the County is party to the interlocal agreement.
- (6) The District shall prepare, maintain and provide to the Council a financial and activities report not less than quarterly, and otherwise as directed by the Council.
- (7) In consideration for the County's loan of working capital, the District shall not impose any tax authorized under the County PFD Act, other than sales taxes imposed pursuant to RCW 82.14.390, without prior approval of the Council.

2.19.060 Approval of Charter and Bylaws. The Charter is hereby approved in the form set forth as Appendix A. The Charter shall be issued in duplicate originals, each bearing the County seal attested by the Clerk of the Council. One original shall be filed with the County; a duplicate original shall be provided to the District. The Charter shall be amended only with the approval of the Council.

The Board shall maintain rules of procedure and governance of its activities through its Bylaws. The initial Bylaws of the District are hereby approved in the form set forth at Appendix B. The power to alter, amend, or repeal the Bylaws or adopt new Bylaws shall be vested in the Board, except as follows. The Bylaws shall be consistent with this ordinance and the Charter. As necessary and appropriate in the discretion of the Council, the Council may amend the Bylaws by ordinance adopted at a public meeting held with notice to the District. Amendments to the Bylaws adopted by the Council may not be further amended by the District for one year except with Council approval.

2.19.070 Applicability of Public Laws. District activity shall, as required by law, comply with the Open Public Meetings Act and other provisions of state law applicable to Municipal Corporations.

2.19.080 Dissolution. The District shall dissolve on (~~August~~) December 31, 2001 in the event that the District determines that there are no viable Regional Center projects located within the County as of (~~August 1, 2001~~). After such time, if the Council finds, following a public hearing or hearings, that the continued existence of the District would no longer serve the purposes of this Ordinance, it may by ordinance and in such manner as may be required by State law order that the District be dissolved. If the District has outstanding obligations at the time of such dissolution, the ordinance dissolving the District shall be subject to the payment in full of the outstanding obligations. Upon dissolution of the District and the winding up of its affairs, title to all remaining property and assets of the District shall vest in the County to be used for public purposes.

Upon satisfactory completion of dissolution proceedings, the Clerk of the Council shall indicate such dissolution by inscription of "Charter cancelled" on the Charter of the District on file with the County and, when available, on the duplicate original of the District, and the existence of the District shall cease. The Clerk of the Council shall give notice thereof pursuant to State law and to other persons requested by the District in its dissolution statement.

2.19.900 Sunset. This chapter is repealed on the date six years following enactment unless re-enacted prior to that date, as provided in Snohomish County Charter Section 2.115.

Section 2. Section 2.19.050 set forth in Section 1 is necessary to achieve the intent of the Council in creating the District. If any provision of said Section 2.19.050 is finally declared by a court of competent jurisdiction to be invalid for any reason, all provisions of the ordinance shall be deemed to be of no force or effect. The remaining provisions of this ordinance are severable.

Section 3. This ordinance shall become effective ten days following its passage and enactment as provided by the County Charter.

PASSED this 27th day of June, 2001.

ATTEST:

SNOHOMISH COUNTY COUNCIL
Snohomish County, Washington

Clerk of the Council

Chairperson

- APPROVED
- EMERGENCY
- VETOED

DATE: _____

ATTEST:

County Executive

Approved as to form only:

Special Deputy Prosecuting Attorney

PUBLISH _____ AND _____