ORDINANCE NO. 3496

AN ORDINANCE ordering and confirming the construction of a new five lane arterial extending from Auburn Way North (East Valley Highway) eastward up the hill to Kent Kangley Road at 116th Avenue, all in accordance with Resolution No. 1558 of the City Council; establishing Local Improvement District No. 351 and ordering the carrying out of the proposed improvement; providing that payment for the improvement be made in part by special assessments upon the property in the District, payable by the mode of “payment by bonds”; and providing for the issuance and sale of local improvement district warrants redeemable in cash or other short-term financing and local improvement district bonds, and for interfund loans.

WHEREAS, by Resolution No. 1558 adopted November 15, 1999, the City Council declared its intention to order the construction of a new five lane arterial extending from Auburn Way North (East Valley Highway) eastward up the hill to Kent Kangley Road at 116th Avenue and related improvements, and fixed December 13, 1999, at 7:00 p.m., local time, in the Council Chambers of the City Hall as the time and place for hearing all matters relating to the proposed improvement and all comments thereon and objections thereto and for determining the method of payment for the improvement; and

WHEREAS, the City’s Director of Public Works caused an estimate to be made of the cost and expense of the proposed improvement and certified that estimate to the City Council, together with all papers and information in his possession touching the proposed improvement, a description of the boundaries of the proposed local improvement district and a statement of what portion of the cost and expense of the improvement should
be borne by the property within the proposed district; and

WHEREAS, that estimate is accompanied by a diagram of the proposed improvement showing thereon the lots, tracts, parcels of land, and other property which will be specially benefited by the proposed improvement and the estimated cost and expense thereof to be borne by each lot, tract and parcel of land or other property; and

WHEREAS, due notice of the above hearing was given in the manner provided by law, and the hearing was held by the City Council Public Works Committee on the date and at the time above mentioned, and having considered any objections to the proposed improvement and all persons appearing at such hearing and wishing to be heard were heard; and

WHEREAS, the City Council has determined it to be in the best interests of the City that the improvement as hereinafter described be carried out and that a local improvement district be created in connection therewith; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON, DOES ORDAIN as follows:

SECTION 1. The City Council of the City of Kent, Washington (the "City"), orders and confirms the construction of a new five lane arterial extending from Auburn Way North (East Valley Highway) eastward up the hill to Kent Kangley Road at 116th Avenue and related improvements, as more fully described in Exhibit A attached hereto and by this reference incorporated herein.

All of the foregoing shall be in accordance with the plans and specifications therefor prepared by the Director of Public Works of the City, and may be modified by the City Council as long as such modification does not affect the purpose of the improvement.
SECTION 2. There is created and established a local improvement district to be called Local Improvement District No. 351 of the City of Kent, Washington (the "District"), the boundaries or territorial extent of the District being more particularly described in Exhibit B attached hereto and by this reference incorporated herein.

SECTION 3. The total estimated cost and expense of the improvement is declared to be $30,000,000, and approximately $22,500,000 of that cost and expense shall be paid by the City and the balance thereof (approximately $7,500,000) shall be borne by and assessed against the property specially benefited by such improvement included in the District which embraces as nearly as practicable all property specially benefited by such improvement.

SECTION 4. In accordance with the provisions of RCW 35.44.047, the City may use any method or combination of methods to compute assessments which may be deemed to more fairly reflect the special benefits to the properties being assessed than the statutory method of assessing the properties.

SECTION 5. Local improvement district warrants may be issued in payment of the cost and expense of the improvement herein ordered to be assessed, such warrants to be paid out of the Local Improvement Fund, District No. 351, hereinafter created and referred to as the Local Improvement Fund, and, until the bonds referred to in this section are issued and delivered to the purchaser thereof, to bear interest from the date thereof at a rate to be established hereafter by the Finance Division Director of the City, as issuing officer, and to be redeemed in cash and/or by local improvement district bonds herein authorized to be issued, such interest-bearing warrants to be hereafter referred to as "revenue warrants." In the alternative, the City hereafter may provide by ordinance for the issuance of other short-term obligations pursuant to chapter 39.50 RCW.

If the City shall authorize expenditures to be made for such improvement (other than for any cost or expense expected to be borne by the City) prior to the date that any
short-term obligations or local improvement district bonds are issued to finance the improvement, from proceeds of interfund loans or lines of credit (hereinafter "interfund loans") or other funds that are not, and are not reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside to pay the cost of the improvement herein ordered to be assessed against the property specially benefited thereby, the City declares its official intent that those expenditures, to the extent not reimbursed with prepaid special benefit assessments, are to be reimbursed from proceeds of short-term obligations or local improvement district bonds that are expected to be issued for the improvement in a principal amount not exceeding $7,500,000.

The City is authorized to issue local improvement district bonds for the District which shall bear interest at a rate and be payable on or before a date to be hereafter fixed by ordinance. The bonds shall be issued in exchange for and/or in redemption of any and all revenue warrants issued hereunder or other short-term obligations hereafter authorized, including the interfund loans authorized by Section 6, and not redeemed in cash within twenty days after the expiration of the thirty-day period for the cash payment without interest of assessments on the assessment roll for the District. The bonds shall be paid and redeemed by the collection of special assessments to be levied and assessed against the property within the District, payable in annual installments, with interest at a rate to be hereafter fixed by ordinance under the mode of "payment by bonds," as defined by law and the ordinances of the City. The exact form, amount, date, interest rate and denominations of such bonds hereafter shall be fixed by ordinance of the City Council. Such bonds shall be sold in such manner as the City Council hereafter shall determine.

SECTION 6. For the purpose of paying all or a part of the costs of carrying out the improvements within the District pending the receipt of the proceeds of the issuance and sale of the bonds or short-term obligations referred to in Section 5, interfund loans from the Street Capital Projects Fund to the Local Improvement Fund in the maximum aggregate amount of not to exceed $7,500,000 are authorized and approved, those loans to be repaid on or before the issuance of such bonds or obligations from the proceeds thereof. Each of
the interfund loans shall bear interest at a variable rate, adjusted the 15th and last day of each month, equal to the interest rate of the State of Washington Local Government Investment Pool on the 15th and last day of each month. The initial interest rate on the date of each interfund loan shall be determined as of the last preceding interest payment adjustment date.

SECTION 7. In all cases where the work necessary to be done in connection with the making of such improvement is carried out pursuant to contract upon competitive bids (and the City shall have and reserves the right to reject any and all bids), the call for bids shall include a statement that payment for such work will be made in cash warrants drawn upon the Local Improvement Fund.

SECTION 8. The Local Improvement Fund for the District is created and established in the office of the Finance Division Director of the City. The proceeds from the sale of revenue warrants or other short-term obligations drawn against the fund which may be issued and sold by the City and the collections of special assessments, interest and penalties thereon shall be deposited in the Local Improvement Fund. Cash warrants to the contractor or contractors in payment for the work to be done by them in connection with the improvement and cash warrants in payment for all other items of expense in connection with the improvement, including but not limited to, funding the LID bond guaranty as authorized by law, shall be issued against the Local Improvement Fund.

SECTION 9. Within 15 days of the passage of this ordinance there shall be filed with the Finance Division Director of the City the title of the improvement and District number, a copy of the diagram or print showing the boundaries of the District and the preliminary assessment roll or abstract of such roll showing thereon the lots, tracts and parcels of land that will be specially benefited thereby and the estimated cost and expense of such improvement to be borne by each lot, tract or parcel of land. The Finance Division Director immediately shall post the proposed assessment roll upon her index of local
improvement assessments against the properties affected by the local improvement.

SECTION 10. This ordinance shall take effect and be in force five (5) days from and after its passage and five (5) days following its publication as required by law.

JIM WHITE, MAYOR

ATTEST:

BRENDA JACOBER, CITY CLERK

APPROVED AS TO FORM:

ROGER A. LUBOVICH, CITY ATTORNEY

PASSED the 14th day of Dec., 1999.

APPROVED the 14th day of Dec., 1999.

PUBLISHED the 17th day of Dec., 1999.

I hereby certify that this is a true and correct copy of Ordinance No. 3496, passed by the City Council of the City of Kent, Washington, and approved by the Mayor of the City of Kent as hereon indicated.

BRENDA JACOBER, CITY CLERK

Establish Formation of LID 351
EXHIBIT ‘A’

L.I.D. 351
S. 277th Street Corridor
Auburn Way to Kent-Kangley Road

The project consists of a new five lane arterial which extends from Auburn Way North (East Valley Highway) eastward up the hill to Kent Kangley Road at 116th Avenue. The project consists of a new bridge crossing over the Green River and a 108th Avenue S.E. bridge overpass. The five lanes of the project include three climbing lanes on the hillside portion and two descending lanes. Once the arterial reaches the plateau, the roadway shifts to two lanes in each direction plus a two way left turn lane in the center. The project includes street lights along the majority of the project as well as sidewalks on both sides of the arterial, and a bike path from 108th Avenue to the Green River Road area. The bike path will follow a separate route up the hill and will have a separate bridge that has already been constructed. The project also provides a connection to 108th Avenue SE via two off/on ramps at the 108th Avenue bridge overpass. The work includes a new storm drainage system and landscaping.
EXHIBIT ‘B’

L.I.D. 351
South 277th Street Corridor
Auburn Way to Kent Kangley Road

Those properties within the City of Kent subject to a recorded 277th Street Corridor Environmental Mitigation Agreement lying within the boundaries or territorial extent of Local Improvement District 351. The boundaries or territorial extent of Local Improvement District 351 lie generally South of S. 196th Street, as extended to the City’s east and west territorial boundaries, east of the Interstate 5 Corridor, north of the City’s southern territorial limits, and west of the City’s eastern territorial limits.