

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 5898

AN ORDINANCE establishing a revitalization area for purposes of the Local Revitalization Financing (LRF) Program created by Chapter 270, Laws of 2009; describing the public improvements proposed for funding through LRF within the revitalization area; authorizing application for the LRF program; and establishing an effective date.

WHEREAS, with adoption of Second Substitute Senate Bill 5045, Chapter 270, Laws of the State of Washington 2009, the state legislature created the Local Revitalization Financing (LRF) Program; and

WHEREAS, LRF allows a city adopting a revitalization area to recapture a portion of local sales and use tax revenues and a portion of the incremental increase in property taxes to fund public infrastructure improvements; and

WHEREAS, the LRF Program allows a sponsoring local government to apply for a state contribution of sales and use tax revenues to fund public infrastructure improvements within the revitalization area; and

WHEREAS, the city has identified a number of high priority infrastructure projects necessary to support growth, development and redevelopment with the Downtown, Bel-Red and Wilburton areas of the city; and

WHEREAS, the City Council endorsed the Mobility and Infrastructure Finance Plan to accomplish a number of such projects; and

WHEREAS, due to the economic downturn, the rate and sources of revenues identified in the Mobility and Infrastructure Finance Plan are insufficient to accomplish the identified infrastructure projects; and

WHEREAS, the extension of NE 4th Street from 116th to 120th with associated widening of 120th Avenue NE was identified as a top priority package within the Mobility and Infrastructure Finance Plan; and

WHEREAS, additional revenue sources are required to complete the NE 4th Street extension project; and

WHEREAS, the extension of NE 4th will directly encourage redevelopment along its edges by removing blighted and vacant auto dealerships, implement the recently adopted Wilburton Land Use Plan which calls for office, retail and residential development and improve the appearance along its corridor; and

WHEREAS, the City Council held a public hearing pursuant to legally-required notice regarding the LRF Program on July 27, 2009; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Findings Adopted. The City Council hereby makes the following findings:

- a. Local revitalization financing will not be used for the purpose of relocating a business from outside the revitalization area, but within the state, into the revitalization area.
- b. Local revitalization financing will improve the viability of existing business entities within the revitalization area.
- c. The revitalization area (as described in Section 2) is in need of economic redevelopment.
- d. Absent the local revitalization financing the necessary economic development and redevelopment more than likely would not occur.
- e. The NE 4th Extension Project (as defined in Section 3) is reasonably likely to increase private investment within the revitalization area.
- f. The NE 4th Extension Project is reasonably likely to increase employment within the revitalization area.
- g. The NE 4th Extension Project is reasonably likely to generate over twenty-five (25) years increases in state and local property, sales, and use tax revenues that are equal to or greater than the respective state and local contributions made under the LRF Program.
- h. The city finds that the requirements of Section 103, Chapter 270, Laws of the State of Washington, 2009 (the Act) have been or will be met prior to use of any funds under the LRF Program.
- i. The revitalization area complies with the conditions and limitations described in Section 105 of the Act.
- j. The NE 4th Extension Project is expected to encourage private development or redevelopment within the revitalization area and to increase the fair market value of real property within the revitalization area.

Section 2. Designation of Revitalization Area. The area within the City of Bellevue depicted on Exhibit 1 attached hereto is established as a revitalization area under the Act.

Section 3. Description of Public Improvements. The NE 4th Extension Project, as described CIP Project Interim Number G80 Mobility Initiative is designated as a public improvement to be financed with the revitalization area under the LRF Program.

Section 4. Details of NE 4th Extension Project. Pursuant to Section 104 of the Act, the following information is provided about the financing of the NE 4th Extension Project:

- Estimated Cost: \$30,000,000.00
- Estimated portion of costs financed through LRF Program: not to exceed 75%
- Estimated period of time of financing through LRF Program: 25 years
- Proposed date of commencing allocation of revenue through LRF Program: 2011
- Anticipated rate of sales and use tax under Section 601 of the Act imposed if state contribution is awarded: estimated at 0.01% subject to approval by the state department of revenue
- Anticipated date when criteria for sales and use tax under Section 601 of the Act will be met: no later than 2011
- Anticipated date when sales and use tax under Section 601 of the Act will be imposed: 2011 or when issued bonds require it

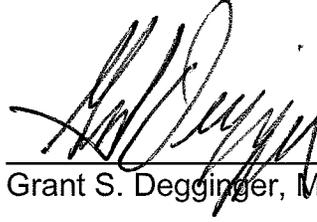
Section 5. Application for State Contribution. The City Manager or his designee is hereby authorized to apply for a state contribution pursuant to Section 401 of the Act, and to execute any and all documents necessary for such application.

Section 6. Termination. The City's participation in the LRF Program for the NE 4th Extension Project within the revitalization area shall terminate if the City does not receive a state contribution.

Section 7. Effective Date. This ordinance shall take effect and be in force five (5) days after passage and legal publication.

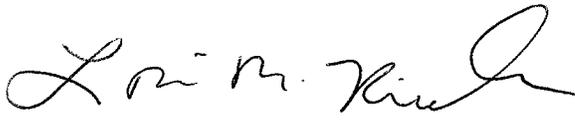
Passed by the City Council this 3rd day of August, 2009
and signed in authentication of its passage this 3rd day of August,
2009.

(SEAL)



Grant S. Degginger, Mayor

Approved as to form:



Lori M. Riordan, City Attorney

Attest:



Myrna L. Basich, City Clerk

Published August 6, 2009

Local Revitalization Financing (LRF) Proposed Project and Revitalization Area

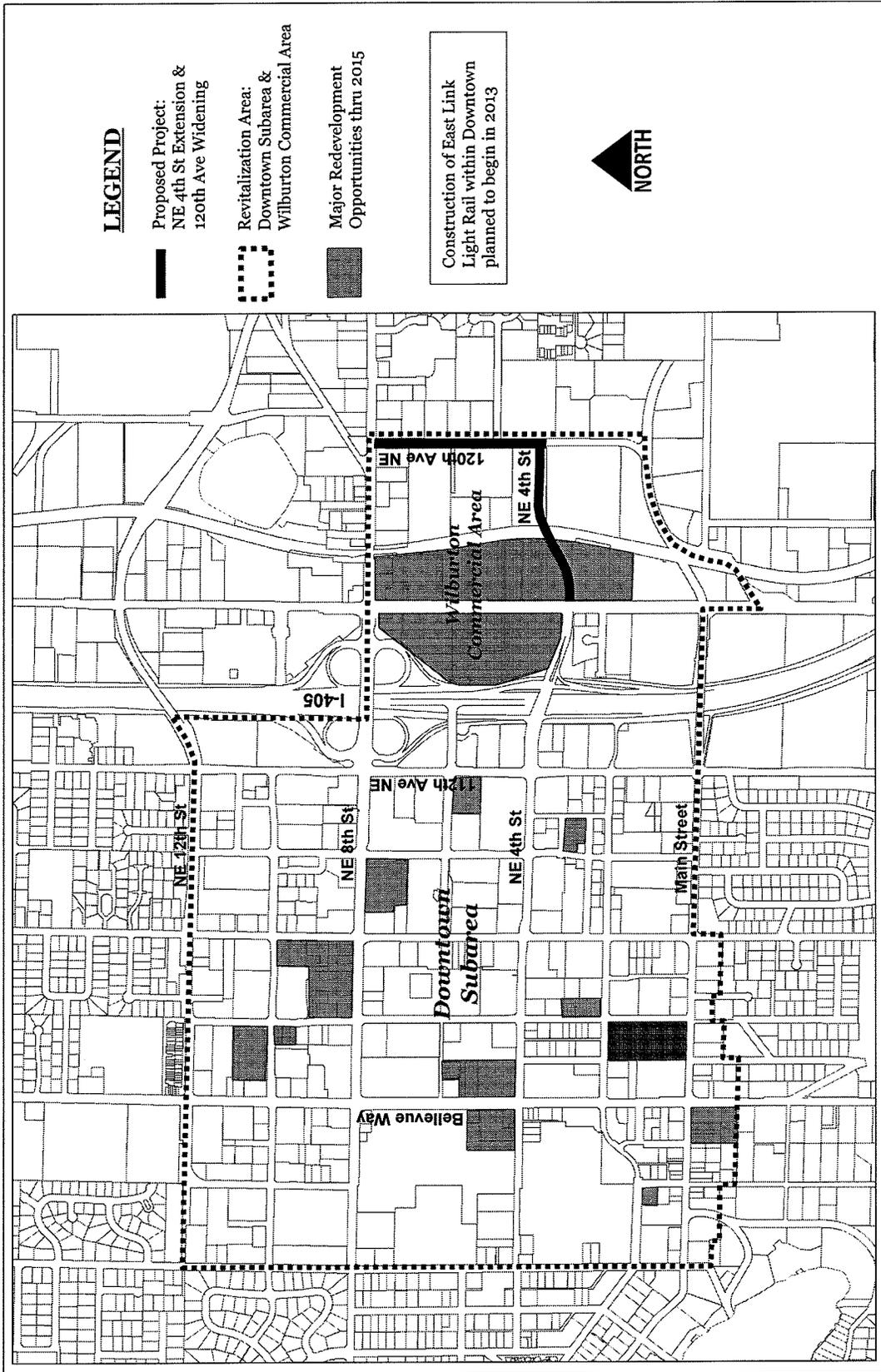


Exhibit 1