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05/17/99

sk  
Clerk 5/24/99, 6/8/99  
pj sub 06/02/99

Introduced By:

Proposed No.:

1999-0300

MOTION NO. **10695**

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A MOTION affirming King County's commitment to use all revenues from taxes imposed for construction of a new baseball stadium under the legislative authority of Washington state law (RCW 82.14), that exceeds the amount needed for principal and interest payments in any year for retirement of the bonds.

WHEREAS, on October 17, 1995 at a special session of the state legislature called for the sole purpose of considering baseball stadium financing, the state legislature passed the Stadium Act, which set forth a funding package for a new ballpark subject to implementation by the metropolitan King County council, and

WHEREAS, Washington state law (RCW 82.14.360) authorized King County to impose three special stadium taxes and provided for a state sales tax credit and

WHEREAS, King County approved Ordinance 12000 on October 24, 1995 imposing a surcharge of 0.5% on restaurant and bar sales and a 2% increase in the car rental tax, and

WHEREAS, King County approved Ordinance 12615 (K.C.C. 4.31.010) imposing a 5% admissions tax at the new baseball field, and

1 WHEREAS, Washington state law (RCW 82.14.360) authorized a sales tax credit  
2 of 0.017 percent from the state to King County, and

3 WHEREAS, King County on behalf of the Washington State Major League  
4 Baseball Public Facilities District (PFD), issued \$336,000,000 in bonds to provide funds  
5 for the construction of the new baseball stadium. The bonds were issued pursuant to  
6 Ordinances 12000, 12593 and 12686 adopted by the King County council on October 24,  
7 1995, January 6, 1997, and April 2, 1997, respectively, and

8 WHEREAS, Washington state law (RCW 82.14) requires King County to use all  
9 excess revenue from the taxes authorized to fund the baseball stadium construction bonds  
10 in the following manner of priority: (a) for early retirement of the bonds issued for the  
11 baseball stadium; and (b) place any revenues in excess of those needed to retire bonds in a  
12 contingency fund to pay unanticipated capital costs on the baseball stadium, excluding any  
13 cost overruns on initial construction, and

14 WHEREAS, the editorial in the Seattle Times of Saturday, April 25, 1998 quoted  
15 Seattle Mariner Vice President Paul Isaki as saying, "Our obligation is to pay cost overruns  
16 and we're going to honor that obligation. Everything beyond \$417 million is ours. We  
17 told that to the public facilities district." and

18 WHEREAS, on May 18, 1998, following the public acknowledgement of the cost  
19 overrun caused by the underestimation of the need for concrete, Seattle Mariner Chairman  
20 John Ellis sent a letter to the PFD stating, "It is now clear that cost overruns will occur.  
21 The club will provide the funds necessary to pay such cost overruns when such payments  
22 are due." and

23 WHEREAS, the Seattle Times of Monday, February 1, 1999 quoted Seattle  
24 Mariner President Chuck Armstrong as saying, "Our ownership will do what it takes to

1 keep their commitment to fielding a competitive team. There is a plan for that, and the  
2 cornerstone of that plan is to keep Ken Griffey Jr. and Alex Rodriguez by signing them to  
3 contract extensions. And, yes, our owners know what that means. Our objective is to do  
4 whatever is necessary to get them re-signed. They are our own and we intend to keep  
5 them.” and

6 WHEREAS, the Seattle Times of Thursday, May 20, 1999 quoted Robert Wallace,  
7 a PFD board member, as saying, “There were thousands of change orders on this job, and  
8 every single one has been approved by the Mariners in writing.” and

9 WHEREAS, the bond official statement also requires revenue to be used in the  
10 order of priority set forth in the bond ordinance and the state law and

11 WHEREAS, during past legislative sessions other attempts have been made to alter  
12 the excess revenue stream;

13 NOW, THEREFORE BE IT MOVED by the Council of King County:

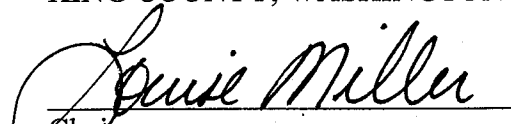
14 King County affirms its commitment to use all revenue from the taxes imposed for  
15 construction of a new baseball stadium under the legislative authority of Washington state  
16 law (RCW 82.14), that exceeds the amount needed for principal and interest payments or  
17 to provide for subsequent years’ payments in any year, for retirement of bonds, and  
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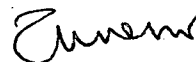
BE IT FURTHER MOVED, That King County will oppose any efforts to amend the use of excess revenues from taxes imposed for construction of a new baseball stadium for the early retirement of bonds.

PASSED by a vote of 13 to 0 this 7th day of June, 1999.

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

  
Chair

ATTEST:

  
Clerk of the Council

Attachments: None