

ORDINANCE NO. 1715

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON authorizing an interfund loan to the Municipal Capital Improvements Fund in the amount of \$125,000, from the Equipment Rental Replacement Fund, and setting the schedule for repayment and interest calculations on or before December 31, 2021.

WHEREAS, the City entered into a memorandum of understanding on August 2017 with Forterra, a Washington non-profit corporation to secure immediate funding for the property located at 402 S. 222nd, Des Moines, Washington (Van Gasken property) with important open space, viewshed, scenic, recreational and community values that are of great importance to the City of Des Moines; and

WHEREAS, the City has the option of purchasing this property from Forterra on or before December 31, 2020; and

WHEREAS, the City is exercising its option to purchase the property located at 402 S. 222nd, Des Moines, Washington from Forterra; and

WHEREAS, the estimated cost to repay Forterra and to complete the purchase of this property is estimated to be \$1,317,400; and

WHEREAS, the City, as a result of a competitive grant process, was awarded \$594,000 in King County Conservation Futures funds to acquire and protect from development the Van Gasken property; and

WHEREAS, the City's balance of \$723,400 to complete the purchase will be funded using Park In-Lieu revenues, of which there is currently \$598,400 available; and

WHEREAS, the City will use a \$125,000 interfund loan to pay the balance for the purchase and will use future Park In-Lieu revenues, as collected, to repay this loan; and

WHEREAS, the interfund loan will be repaid on or before December 31, 2020; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

Sec. 1. The Equipment Rental Replacement Fund will provide the Municipal Capital Improvements Fund with interfund loan proceeds of \$125,000.

Sec. 2. The Municipal Capital Improvements Fund will pay interest on the outstanding loan to the Equipment Rental Replacement Fund at an interest rate equivalent to the Washington State Local Government Investment Pool rate.

Sec. 3. Upon the availability of Park In-Lieu revenues, the Municipal Capital Improvements Fund will repay the outstanding interfund loan to the Equipment Rental Replacement Fund, but no later than December 31, 2020.

Sec. 4. Severability - Construction. If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by a court of competent jurisdiction; such decision shall not affect the validity of the remaining portions of this ordinance.

Sec. 5. Effective Date. This ordinance shall take effect and be in full force five (5) days after its passage, approval, and publication accordance with law.

PASSED BY a majority of the City Council of the City of Des Moines, Washington this 11th day of April, 2019 and signed in authentication thereof this 12th day of April, 2019.



M A Y O R

APPROVED AS TO FORM:



City Attorney

ATTEST:



City Clerk

Published: April 17, 2019