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SENATE BILL 6457

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State of Washington

52nd Legislature

1992 Regular Session

By Senator Cantu

Read first time 01/31/92. Referred to Committee on Ways & Means.

1 AN ACT Relating to the state convention and trade center; amending  
2 RCW 67.40.045; making an appropriation; and declaring an emergency.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 67.40.045 and 1991 c 2 s 1 are each amended to read as  
5 follows:

6 (1) The director of financial management, in consultation with the  
7 chairpersons of the ways and means committees of the senate and house  
8 of representatives, may authorize temporary borrowing from the state  
9 treasury for the purpose of covering cash deficiencies in the state  
10 convention and trade center account resulting from project completion  
11 costs. Subject to the conditions and limitations provided in this  
12 section, lines of credit may be authorized at times and in amounts as  
13 the director of financial management determines are advisable to meet  
14 current and/or anticipated cash deficiencies. Each authorization shall

1 distinctly specify the maximum amount of cash deficiency which may be  
2 incurred and the maximum time period during which the cash deficiency  
3 may continue. The total amount of borrowing outstanding at any time  
4 shall never exceed the lesser of:

5 (a) \$58,275,000; or

6 (b) An amount, as determined by the director of financial  
7 management from time to time, which is necessary to provide for payment  
8 of project completion costs.

9 (2) Unless the due date under this subsection is extended by  
10 statute, all amounts borrowed under the authority of this section shall  
11 be repaid to the state treasury by June 30, (~~(1993)~~) 1995, together  
12 with interest at a rate determined by the state treasurer to be  
13 equivalent to the return on investments of the state treasury during  
14 the period the amounts are borrowed. Borrowing may be authorized from  
15 any excess balances in the state treasury, except the agricultural  
16 permanent fund, the Millersylvania park permanent fund, the state  
17 university permanent fund, the normal school permanent fund, the  
18 permanent common school fund, and the scientific permanent fund.

19 (3) As used in this section, "project completion" means:

20 (a) All remaining development, construction, and administrative  
21 costs related to completion of the convention center; and

22 (b) Costs of the McKay building demolition, Eagles building  
23 rehabilitation, development of low-income housing, and construction of  
24 rentable retail space and an operable parking garage.

25 (4) It is the intent of the legislature that project completion  
26 costs be paid ultimately from the following sources:

27 (a) \$29,250,000 to be received by the corporation under an  
28 agreement and settlement with Industrial Indemnity Co.;

29 (b) \$1,070,000 to be received by the corporation as a contribution  
30 from the city of Seattle;

1 (c) \$20,000,000 from additional general obligation bonds to be  
2 repaid from the special excise tax under RCW 67.40.090;

3 (d) \$4,765,000 for contingencies and project reserves from  
4 additional general obligation bonds to be repaid from the special  
5 excise tax under RCW 67.40.090;

6 (e) \$13,000,000 for conversion of various retail and other space to  
7 meeting rooms, from additional general obligation bonds to be repaid  
8 from the special excise tax under RCW 67.40.090;

9 (f) \$13,300,000 for expansion at the 900 level of the facility,  
10 from additional general obligation bonds to be repaid from the special  
11 excise tax under RCW 67.40.090;

12 (g) \$10,400,000 for purchase of the land and building known as the  
13 McKay Parcel, for development of low-income housing, ~~((and))~~ for  
14 development, construction, and administrative costs related to  
15 completion of the state convention and trade center, including  
16 settlement costs related to construction litigation, and for partially  
17 refunding obligations under the parking garage revenue note issued by  
18 the corporation to Industrial Indemnity company in connection with the  
19 agreement and settlement identified in (a) of this subsection, from  
20 additional general obligation bonds to be repaid from the special  
21 excise tax under RCW 67.40.090;

22 (h) \$300,000 for Eagles building exterior cleanup and repair, from  
23 additional general obligation bonds to be repaid from the special  
24 excise tax under RCW 67.40.090; and

25 (i) The proceeds of the sale of any properties owned by the state  
26 convention and trade center that are not planned for use for state  
27 convention and trade center operations, with the proceeds to be used  
28 for development, construction, and administrative costs related to  
29 completion of the state convention and trade center, including  
30 settlement costs related to construction litigation.

1 (5) The borrowing authority provided in this section is in addition  
2 to the authority to borrow from the general fund to meet the bond  
3 retirement and interest requirements set forth in RCW 67.40.060. To  
4 the extent the specific conditions and limitations provided in this  
5 section conflict with the general conditions and limitations provided  
6 for temporary cash deficiencies in RCW 43.88.260 (section 7, chapter  
7 502, Laws of 1987), the specific conditions and limitations in this  
8 section shall govern.

9 NEW SECTION. **Sec. 2.** The sum of two million three hundred  
10 thousand dollars, is appropriated for the biennium ending June 30,  
11 1993, from the state convention and trade center account to the state  
12 convention and trade center corporation for partially refunding  
13 obligations under a parking garage revenue note issued by the  
14 corporation to Industrial Indemnity company in connection with the  
15 agreement and settlement identified in RCW 67.40.045(4)(a).

16 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
17 preservation of the public peace, health, or safety, or support of the  
18 state government and its existing public institutions, and shall take  
19 effect immediately.