

Kitsap Public Facilities District
Kitsap County, Washington

RESOLUTION 05-2022

A RESOLUTION of the Board of Directors of the Kitsap Public Facilities District, authorizing the amendment of an interlocal agreement with Kitsap County.

WHEREAS, the Kitsap Public Facilities District (“KPF D”) and Kitsap County (the “County”) have entered into the Second Amended and Restated Interlocal Agreement Regarding Funding, Development and Operation of the Kitsap Special Events Center dated May 19, 2003 (the “Interlocal Agreement”), pursuant to which KPF D is obligated to pay Sales Tax Revenue (as defined in the Interlocal Agreement) to the County in the amount needed to repay certain bonds, including the 2021 Bond defined below (and including costs of issuance); and

WHEREAS, the County issued its Limited Tax General Obligation Refunding Bond, 2021B (Taxable), on September 21, 2021 (the “2021 Bond”), pursuant to Resolution No. 159-2021 adopted by the Board of County Commissioners of the County on August 23, 2021 (the “2021 Bond Resolution”), in the original principal amount of \$3,850,000, to refinance the construction, improvement, rehabilitation, or expansion of the regional center described in the Interlocal Agreement; and

WHEREAS, pursuant to Chapter 164, Laws of 2017, the State authorized KPF D to collect Sales Tax Revenue for an additional 15 years, so long as bonds issued to finance or refinance the construction, improvement, rehabilitation, or expansion of the regional center described in the Interlocal Agreement have not been retired; and

WHEREAS, KPFD has requested that the County refinance a portion of the 2021 Bond to extend its maturity by 15 years to enable KPFD to continue collecting Sales Tax Revenue for an additional 15 years; and

WHEREAS, the County has agreed to issue a refunding bond to defease a portion of the 2021 Bond, and to pay costs of issuing the refunding bond; and

WHEREAS, the County in the 2021 Bond Resolution reserved the right to defease part or all of the 2021 Bond by the setting aside in a special account of the County money and/or certain noncallable government obligations sufficient to effect the redemption or retirement of any defeased portion of the 2021 Bond in accordance with its terms;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF KITSAP PUBLIC FACILITIES DISTRICT, AS FOLLOWS:

Section 1. Amendment of Interlocal Agreement. The Executive Director of KPFD and the Chair of the Board of Directors of KPFD are each individually authorized and directed to execute and deliver an amendment to the Interlocal Agreement substantially in the form attached to this resolution.

Section 2. Ratification. All acts taken pursuant to the authority granted in this resolution but prior to its effective date are hereby ratified and confirmed.

Section 3. Effective Date of Resolution. This resolution shall be effective immediately upon its passage.

ADOPTED by the Board of Directors of Kitsap Public Facilities District at an open public meeting thereof, held this 24th day of October 2022.

KITSAP PUBLIC FACILITIES DISTRICT:

Patrick Hatchel
Patrick Hatchel, Chairman

Attest:

John Morrissey
John Morrissey, Vice-Chairman

Approved as to Form:

Brian E. Lawler
Brian E. Lawler, Legal Counsel



FORM OF AMENDMENT TO INTERLOCAL AGREEMENT

First Amendment to Second Amended and Restated Interlocal Agreement Regarding Funding, Development, and Operation of the Kitsap Special Events Center

1. Date and Parties. This First Amendment to Second Amended and Restated Interlocal Agreement Regarding Funding, Development, and Operation of the Kitsap Special Events Center (“Amendment”) is dated October 24, 2022, and is entered into by and between KITSAP COUNTY (“County”), a municipal corporation organized and operating pursuant to the Constitution and laws of the State of Washington, and the KITSAP PUBLIC FACILITIES DISTRICT (“PFD”), a municipal corporation duly organized and operating pursuant to the laws of the State of Washington and as established by the County, to amend the Second Amended and Restated Interlocal Agreement Regarding Funding, Development, and Operation of the Kitsap Special Events Center dated May 19, 2003, between the County and the PFD (“Original Interlocal Agreement”). Capitalized terms used but not defined in this Amendment have the meanings assigned in the Original Interlocal Agreement.

2. General Recitals.

(a) The Board of County Commissioners established the PFD, pursuant to the Charter and Resolution No. 093-2000, to perform any functions, or combination of functions, authorized by the Charter.

(b) The PFD, under the authority of RCW 82.14.390, imposed the Sales Tax to support the Project selected by the PFD.

(c) The PFD has determined that the cost of providing and operating the Project can be reduced through a partnership with the County, and accordingly the County has issued bonds to finance the Project, to be repaid with the Sales Tax.

3. Amendment of Definition. The definition of “Sales Tax” in the Original Interlocal Agreement is amended to read as follows:

“Sales Tax” means the non-voted sales and use tax to be imposed by the PFD in accordance with RCW 82.14.390 at a rate not to exceed 0.033% of the selling price in the case of a sales tax or value of the article used in the case of a use tax, which tax shall be deducted from the amount of tax otherwise required to be collected or paid over to the State’s Department of Revenue and shall expire when the Bonds (or any additional bonds issued to finance the completion of the Project) are retired, or in any event not later than September 1, 2041.

4. Amendment Supersedes Inconsistent Provisions Ratification. This Amendment supersedes and controls any inconsistent provisions in the Original Interlocal Agreement. Except as otherwise amended as provided herein, the remaining terms of the Original Interlocal Agreement are hereby ratified and confirmed.

5. Effective Date. This Amendment shall become effective upon execution by the County and the PFD and filing with the Kitsap County Auditor.

6. Execution in Counterparts. This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.