

TRANSCRIPT OF PROCEEDINGS

CITY OF TUKWILA, WASHINGTON

\$6,687,500

LOCAL IMPROVEMENT DISTRICT NO. 33 BONDS

Bonds Dated: November 19, 2013
Closing Date: November 19, 2013

Bond Counsel

FOSTER PEPPER PLLC

CITY OF TUKWILA, WASHINGTON

\$6,687,500

LOCAL IMPROVEMENT DISTRICT NO. 33 BONDS

INDEX OF PROCEEDINGS

<u>Document</u>	<u>Tab</u>
LID No. 33 Formation Documents	1
Certificate of Finance Director Regarding Balance of Unpaid Assessments	2
Ordinance No. 2411 (Bond Ordinance).....	3
Affidavit of Publication of Ordinance No. 2411	4
Certificate of Designated Representative.....	5
Bond Purchase Contract.....	6
Blanket Issuer Letter of Representation.....	7
Preliminary Official Statement and Addendum.....	8
Final Official Statement.....	9
Continuing Disclosure Undertaking	10
Rating Letter	11
Closing Certificate	12
Certificates of Manual Signature and Certificate of Mailing	13
Signature Identification Certificate.....	14
Tax Exemption and Nonarbitrage Certificate.....	15
Exhibit A – Certificate of Purchaser	
Exhibit B – Post-Issuance Compliance Procedures for Tax-Exempt Bonds	
IRS Form 8038-G	16
State Bond Report Form	17
Certificate of Bond Registrar	18
Specimen Bond	19
Receipt for Bonds	20
Receipt for Payment.....	21
Legal Opinion and Reliance Letter	22
Closing Memorandum	23

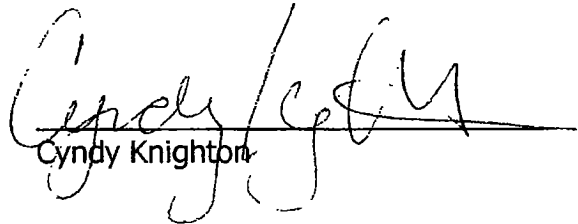
CITY OF TUKWILA, WASHINGTON
LID FORMATION DOCUMENTS
LID # 33

- A Certification of Mailing of public hearing on resolution of intent to form LID
- B Resolution of Intent to Form LID – Resolution No. 1698 adopted October 26, 2009
- C Minutes of Council showing adoption of Resolution No. 1698
- D Certification of Mailing of notice of public hearing on formation of LID
- E Affidavit of Publication of Notice of Hearing and Affidavit of Publication of Resolution
- F Ordinance creating LID No. 33 – Ordinance No. 2260, passed November 16, 2009
- G Minutes of Council meeting showing passage of Ordinance No. 2260 and reflecting comments made at public hearing
- H Affidavit of Publication of Ordinance No. 2260
- I. County Assessor’s letter indicating no farm and agricultural land or timber land
- J. Clerk’s or engineer’s certificate of maximum percentage of protest of formation of LID
- K Resolution setting time, date and place of assessment roll hearing – Resolution No. 1789 adopted March 4, 2013
- L Resolution appointing hearing examiner – Resolution No. 1790 adopted March 4, 2013
- M Minutes of Council showing adoption of Resolution No. 1789 and Resolution No. 1790
- N Certification of Mailing of notice of hearing on assessment roll
- O Affidavit of Publication of notice of hearing on assessment roll
- P Findings of Fact, Conclusions of Law and Recommendation of Hearing Examiner regarding final assessment roll
- Q Ordinance confirming final assessment roll – Ordinance No. 2408 passed September 3, 2013
- R Minutes of Council showing passage of Ordinance No. 2408
- S Affidavit of publication of Ordinance No. 2408

- T Ordinance amending final assessment roll – Ordinance No. 2412 passed October 21, 2013
- U Minutes of Council showing passage of Ordinance No. 2412
- V Affidavit of publication of Ordinance No. 2412
- W Affidavit of Publication by Finance Director of notice of final assessment roll ready for collection
- X Certification of Mailing of notice of final assessment roll ready for collection

CERTIFICATION OF MAILING

I, **Cyndy Knighton, Senior Engineer**, City of Tukwila, Public Works Department, do hereby certify that I sent notices regarding the public hearing on the Resolution of intent to form Local Improvement District #33, superseding Resolution #1690, to owners of lots, tracts, and parcels of land or other property to be specially benefited by the proposed improvement, as shown on the rolls of the County Assessor, directed to the address thereon shown (address list is attached). Said mailing occurred on October 8, 2009.


Cyndy Knighton

*The Public Hearing notice was published in the Seattle Times on October 8, 2009 and October 15, 2009 and was also posted in the lobby of City Hall and placed on the City's website and faxed to community organizations.



City of Tukwila

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Tukwila City Council will hold a public hearing on **Monday, October 26, 2009** beginning at 7:00 p.m. in the Council Chambers at Tukwila City Hall, 6200 Southcenter Blvd., Tukwila, WA to consider the following:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, DECLARING THE INTENT OF THE CITY COUNCIL TO CONSIDER THE FORMATION OF A LOCAL IMPROVEMENT DISTRICT, TO BE KNOWN AS LOCAL IMPROVEMENT DISTRICT NO. 33 FOR THE PURPOSE OF IMPROVING URBAN ACCESS FOR THE SOUTHCENTER AREA; AND SETTING A PUBLIC HEARING DATE TO CONSIDER THE FORMATION OF LOCAL IMPROVEMENT DISTRICT NO. 33, AND SUPERSEDING RESOLUTION #1690.

If adopted, the Resolution will express the City Council's intent to form Local Improvement District No. 33 pursuant to the resolution method established in RCW 35.43.140 for the Tukwila Urban Access Improvement Project improvements which will consist of a grade separated structure using a partial lid over Southcenter Parkway, removing left turn/through conflicting movements. The roadway will be widened on Southcenter Parkway with southbound lanes depressed under a lid structure accommodating both northbound and eastbound left turns with Klickitat Drive. Sidewalks will be included on the east side of the street as well as one new signal and interconnection of three signals to the city's Traffic Operation Control system, including compliance with legal requirements; permits; licenses; reviews; and any and all other matters necessary for a complete improvement.

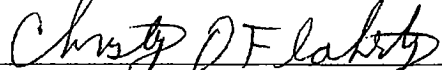
The cost of all labor and material required to make a complete improvement, including legal, engineering, administrative, printing, costs of acquisition, and all other expenses of every kind is approximately \$10,500,000.00, and will be paid from the special assessments against the property specially benefited by the improvements by formation of a Local Improvement District embracing as near as may be all the property specially benefited by such improvement and such specially benefited property shall be assessed to pay all of the cost of such improvement under the mode of payment of bonds.

The actual assessments may vary from assessment estimates so long as they do not exceed a figure equal to the increased true and fair value the improvement adds to the assessed property, and the estimated benefits of the particular lot, tract, or parcel.

All interested persons are invited to be present to voice approval, disapproval, or opinions on this issue. For those unable to attend in person, you may submit written testimony to the City Clerk's office until 5:00 p.m. on the day of the meeting.

Tukwila City Hall is wheelchair accessible. The City strives to accommodate people with disabilities. Reasonable accommodations are available at the public hearing with advance notice. This notice is also available in alternate formats for individuals with disabilities. Please contact the City Clerk's Office at (206) 433-1800 or TDD (206) 248-2933 if we can be of assistance.

Dated this 6TH day of October, 2009.


Christy O'Flaherty, CMC, City Clerk

1006 ANDOVER ASSOCIATES
9844 40TH AVE S
SEATTLE WA 98118

790 ANDOVER LLC
PO BOX 287
MEDINA WA 98039

A 4 LLC
117 E LOUISA ST #230
SEATTLE WA 98102

AMB PROPERTY CORP.
60 STATE ST STE 1200 C/O RE TAX
BOSTON MA 02109

AMC FAMILY LLC
PO BOX 2720
PORTLAND OR 98207

AMERISTAR
585 POINT SAN PEDRO RD
SAN RAFAEL CA 94901

ANDOVER PLAZA LLC
1501 N 200TH ST
SHORELINE WA 98133

ANDOVER PROPERTY MANAGEMENT
415 BAKER BLVD #200
TUKWILA WA 98188

ANDOVER WEST LLC % POWELL, D
PO BOX 97070
KIRKLAND WA 98083

ARGUS GROUP LTD
225 108TH AVE NE #520
BELLEVUE WA 98004

BAKER SQUARE LLC
1501 N 200TH ST
SHORELINE WA 98133

BANASKY, HOWARD V
600 ANDOVER PARK E
TUKWILA WA 98188

BANK OF AMERICA
PO BOX 34029/LEEDE
SEATTLE WA 98124

BCRP RIVERVIEW PLAZA LLC
248 HOMER AVE
PALO ALTO CA 94301

BETA HOLDINGS LTD
18827 BOTHELL WAY NE
BOTHELL WA 98011

BLUE DOG PROPERTY TRUST
2235 FARADAY AVE SUITE O
CARLSBAD CA 92008

BOEING OREGON MASABI TRUST
1325 4TH AVE SUITE #1940
SEATTLE WA 98101

BUI, VIEN & TONNU, THANH-THIE
12613 38TH AVE SE
EVERETT WA 98208

BUTY, FRANK C
1150 ALKI AVE SW #4
SEATTLE WA 98116

CASTELLO LAND CO INC
PO BOX 40629
BELLEVUE WA 98015

CENTER PLACE SHOPPING CTR
810 3RD AVE SUITE 140
SEATTLE WA 98104

CENTER PLACE SHOPPING CTR
635 ANDOVER PK W #107
TUKWILA WA 98188

CENVEO INC TAX DEPT
PO BOX 420
STAMFORD CT 06094

CHA SOUTHCENTER LLC
16500 SOUTHCENTER PKWY
TUKWILA WA 98188

CHEN TING-WEI
4894 BEACON AVE S
SEATTLE WA 98108

CHEN, BOB
512 STRANDER BLVD
TUKWILA WA 98188

CHEVRON TEXACO
PO BOX 1392
BAKERSFIELD CA 93302

CIRCUIT CITY STORES 3336
PO BOX 42304
RICHMOND VA 23242

CITY OF SEATTLE
PO BOX 34018
SEATTLE WA 98124

CITY OF TUKWILA
6200 SOUTHCENTER BLVD
TUKWILA WA 98188

CLPF-TUKWILA LP
10655 NE 4TH ST #300
BELLEVUE WA 98004

UPLAND DR. BUSINESS PARK
340 UPLAND DR
TUKWILA WA 98188

COSTCO WHOLESALE CORP
999 LAKE DRIVE
ISSAQUAH WA 98027

CRIM INVESTMENTS INC
PO BOX 1146
EDMONDS WA 98020

DANELLE LLC
4664 95TH AVE NE
YARROW POINT WA 98004

DAVIDSON, DONALD E
1199 SUMMIT DR
LAGUNA BEACH CA 92651

ELTZ PROPERTIES WASHINGTON C/O
METZLER REALTY ADVISORS
700 FIFTH AVE 6175
SEATTLE WA 98104

ETHAN ALLEN HOME INTERIORS
20120 72ND AVE S
KENT WA 98032

FEDERATED DEPT STORES INC
7 W 7TH ST
CINCINNATI OH 45202

FIDELITY NORTHWEST ASSOC
4211 HOLLY LN
MERCER ISLAND WA 98040

FIRST INTER BNK-KIRKLAND
PO BOX 2609
CARLSBAD CA 92018

GARFIELD - SOUTHCENTER LLC
388 PEARL ST
EUGENE OR 97401

G-FORE ASSOCIATES LLC
5906 MONT BLANC PL NW
ISSAQUAH WA 98027

GIBSON PROPERTIES LLC
PO BOX 88909
SEATTLE WA 98138

GOODWIN KELLY CO
PO BOX 58388
TUKWILA WA 98188

GRAY CAT COLLECTIVE LLC
5430 45TH AVE W
SEATTLE WA 98199

GRE MANAGEMENT SERVICES INC
4240 ROCKLIN RD #9
ROCKLIN CA 95677

GREEN RIVER FLOOD CONTROL
201 S JACKSON STE 600
SEATTLE WA 98104

GWI REALTY LLC
PO BOX 88698
SEATTLE WA 98138

GWI REALTY LLC
18700 SOUTHCENTER PKWY
TUKWILA WA 98188

HAYEK, HUSSEIN A
1015 ANDOVER PARK W
TUKWILA WA 98188

HD DEVELOPMENT OF MARYLAND INC
PO BOX 105842
ATLANTA GA 30339

HEARTLAND AUTO SERVICES
11308 DAVENPORT ST
OMAHA NE 68154

HIGHLAND PARK PROPERTIES LLC
495 ANDOVER PARK BLVD E
TUKWILA WA 98188

HILL INVESTMENT COMPANY
PO BOX 700
MERCER ISLAND WA 98040

HOME ELECTRIC COMPANY
3414 NE 55TH
SEATTLE WA 98105

HOSPITALITY INVESTMENTS
2650 CEDAR SPRINGS RD #850
DALLAS TX 75201

HOUGHTON HARBOR LLC
1233 ANDOVER PARK E
TUKWILA WA 98188

IPTN NORTH AMERICA INC'S
1015 ANDOVER PARK W
TUKWILA WA 98188

JENKINS PROPERTIES INC
PO BOX 53290
BELLEVUE WA 98015

JOHN C RADOVICH LLC
2835 82ND AVE SE STE 300
MERCER ISLAND WA 98040

KING CO HOUSING AUTHORITY
600 ANDOVER PARK W
TUKWILA WA 98188

KING COUNTY
500 KC ADMIN BLDG
SEATTLE WA 98104

KIR TUKWILA 050 LLC/KIMCO
3333 NEW HYDE PK RD STE 100
NEW HYDE PARK NY 11042

KLEIN HARRIS
5360 LANSDOWNE LN
MERCER ISLAND WA 98040

KMBR LLC B % CASCADE CONTAINER
1232 ANDOVER PARK W
TUKWILA WA 98188

KOHL'S PROPERTY TAX DEPARTMENT
PO BOX 2148
MILWAUKEE WI 93201

KOHN JENS M AND LYNN M
14915 237TH PL SE
ISSAQUAH WA 98027

LA PIANTA LLC
PO BOX 88028
TUKWILA WA 98188

LA TERRA LIMITED PARTNERSHIP
PO BOX 88028
TUKWILA WA 98188

LEE ALBERT APPLIANCE
1476 ELLIOTT AVE W
SEATTLE WA 98119

LEGACY PARTNERS I TUKWILA
4000 E 3RD AVE #600
FOSTER CITY CA 94404

LEUTHOLD, DONALD W
7275 W MERCER WAY
MERCER ISLAND WA 98040

LEVITZ TUKWILA LLC
1311 MAMARONECK AVE STE 260
WHITE PLAINS NY 10605

LILY POINTE INVESTMENTS
4128 W AMES LK DR NE
REDMOND WA 98053

LINCOLN CENTER HOLDINGS
2310 130TH AVE NE STE B-103
BELLEVUE WA 98005

LOWE'S HIW INC
101 ANDOVER PARK E #200
TUKWILA WA 98188

M & M MANAGEMENT LLC
21631 SE 8TH ST
SAMMAMISH WA 98074

M & P COMPANY
PO BOX 1083
EDMONDS WA 98020

M3 PROPERTIES LLC
555 S RENTON VILLAGE PL #100
RENTON WA 98055

MADISON INVESTMENTS LLC
PO BOX 1922
BOZEMAN MT 59771

MASAO C/O SC4 LLC
117 E LOUISA #230
SEATTLE WA 98102

MATSUMI LLC % ROBERT SCHOFI
4212 HUNTS POINT DR
BELLEVUE WA 98004

MCDONALD'S CORPORATION
PO BOX 182571
COLUMBUS OH 43218

MEDICAL CENTERS CO LLC
411 STRANDER BLVD STE 107
TUKWILA WA 98188

MINKLER INVESTMENTS
2731 77TH AVE SE #206
MERCER ISLAND WA 98040

MOCK CATHERINE A
8706 183RD AVE SW
ROCHESTER WA 98579

MVI TUKWILA 2 LLC
3007 WEBSTER POINT RD NE
SEATTLE WA 98105

NATIONWIDE LIFE INS
ONE NATIONWIDE PLAZA
COLUMBUS OH 43215

OB FIFE PROPERTY II LLC
PO BOX 726
BELLEVUE WA 98009

OCM ESCROW ADMINISTRATION
KEY BANK REAL ESTATE CAPITAL
911 MAIN ST STE 1500
KANSAS CITY MO 64105

OPEN FRAME LLC
PO BOX 88198
TUKWILA WA 98188

PANKRATZ FOREST INDUSTRIES INC
PO BOX 58388
TUKWILA WA 98188

PARK EAST REAL ESTATE
921 TERRY AVE
SEATTLE WA 98104

PARKWAY SQUARE
PO BOX 5003
BELLEVUE WA 98009

PEARL, ALVIN S. AND CAROLE R.
4304 HUNTS POINT RD
BELLEVUE WA 98004

PETSCHL, WILLIAM J
1150 ANDOVER PARK E
TUKWILA WA 98188

PHILLIPS JAMES W MR AND MRS
PO BOX 603
MEDINA WA 98039

PIETROMONACO/PB LLC
7900 SE 28TH ST STE #310
MERCER ISLAND WA 98040

POLICH FAMILY TRUST
415 BAKER BLVD #200
TUKWILA WA 98188

PUGET SOUND ENERGY/ELEC
PO BOX 90868
BELLEVUE WA 98009

R2R INVESTMENTS LLC
7979 S 180TH ST
KENT WA 98032

RAINBOW ASSOCIATES LTD
22820 148TH SE
KENT WA 98042

RAMOS PROPERTIES LLC
133 SW 158TH ST
BURIEN WA 98166

REALTY ASSOCIATES FUND VII
1301 DOVE ST #860
NEWPORT BEACH CA 92660

RED DOT CORPORATION
495 ANDOVER PARK BLVD E
TUKWILA WA 98188

REGENCY CENTERS LP
PO BOX 790830
SAN ANTONIO TX 78279

ROFFE & ASSOCIATES
415 BAKER BLVD #200
TUKWILA WA 98188

ROSELLINI, ALBERT D
5936 6TH AVE S
SEATTLE WA 98108

RWP LLC
7312 SE CURTIS DR
SNOQUALMIE WA 98065

SADE, PAUL AND ELEANOR
585 POINT SAN PEDRO RD
SAN RAFAEL CA 94901

SCHOENBACHLER ENT LLC
9253 E SANDS DR
SCOTTSDALE AZ 85255

SECURITY CAPITAL INDUSTRIAL
2235 FARADAY AVE STE O
CARLSBAD CA 92008

SEGALE, MARIO A
PO BOX 88028
TUKWILA WA 98188

SFP B LP LTD PTNRSHIP
PO BOX 5350
BEND OR 97708

SIZZLING PLATTER OF WASH
348 EAST 6400 S #200
MURRAY UT 84107

SKARBO PETER R
5311 PHINNEY AVE N
SEATTLE WA 98103

SOUTHCENTER CORP. SQUARE
150 CALIFORNIA ST
SAN FRANCISCO CA 94111

SRO PROPERTIES INC
1411 4TH AVE #1315
SEATTLE WA 98101

STRANDER ASSOCIATES LLC
1650 S 244TH PL
DES MOINES WA 98198

TANAKA HOLDING LLC
1105 PORTER WAY
MILTON WA 98354

TARGET CORPORATION T 0627
PO BOX 9456
MINNEAPOLIS MN 55440

TR5 LLC
117 E LOUISA #230
SEATTLE WA 98102

TRI-LAND CORPORATION
1325 4TH AVE SUITE #1940
SEATTLE WA 98101

TRIPLE H DEVELOPMENT
1006 SPRAGUE ST
EDMONDS WA 98020

TUKWILA TT LLC
3300 MAPLE VALLEY HWY
RENTON WA 98058

TUKWILA VIEW ESTATES LLC
117 E LOUISA #230
SEATTLE WA 98102

TUPPER LYNN
8100 SW 10TH ST STE 4000
PLANTATION FL 33324

UNION PACIFIC RAILROAD
1416 DODGE ST #325
OMAHA NE 68179

UNION PACIFIC RAILROAD
1400 DOUGLAS STOP 1640
OMAHA NE 68179

US BANK CORPORATE PROPS
2800 E LAKE ST
MINNEAPOLIS MN 55406

VILLAGE PARTNERS SOUTHCENTER
1420 5TH AVE #2200
SEATTLE WA 98101

WA CITIES INSURANCE AUTHORITY
14900 INTERURBAN AVE S #210
SEATTLE WA 98168

WACO ENTERPRISE
PO BOX 88216
TUKWILA WA 98188

WALTON CWWA SOUTHCENTER 4 L
4678 WORLD PARKWAY CIR
ST LOUIS MO 63134

WALTON CWWA TUKWILA 1 LLC
4678 WORLD PARKWAY CIR
ST LOUIS MO 63134

WEA SOUTHCENTER LLC
11601 WILSHIRE BLVD
LOS ANGELES CA 90025

WELLS FARGO BANK
PO BOX 2069
CARLSBAD CA 92018

WESTFIELD CORPORATION INC
PO BOX 130940
CARLSBAD CA 92013

WIG PROPERTIES LLC-SS
4811 134TH PL SE
BELLEVUE WA 98006

WINNERS 3 LLC
117 E LOUISA #230
SEATTLE WA 98102

WOLVERINE PROPERTIES LLC
415 BAKER BLVD #200
TUKWILA WA 98188



City of Tukwila

Washington

Resolution No. 1698

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, DECLARING THE INTENT OF THE CITY COUNCIL TO CONSIDER THE FORMATION OF A LOCAL IMPROVEMENT DISTRICT, TO BE KNOWN AS LOCAL IMPROVEMENT DISTRICT NO. 33, FOR THE PURPOSE OF IMPROVING URBAN ACCESS FOR THE SOUTHCENTER AREA; AND SETTING A PUBLIC HEARING DATE TO CONSIDER THE FORMATION OF LOCAL IMPROVEMENT DISTRICT NO. 33; AND SUPERSEDING RESOLUTION NO. 1690.

WHEREAS, the City Council of the City of Tukwila intends to order the improvements described in Exhibit A, attached hereto and incorporated by this reference as if set forth in full; and

WHEREAS, the Council desires to form a local improvement district (LID) for the purpose of making said improvements fully described in Exhibit A; and

WHEREAS, the date, time and place of a public hearing to consider the proposed local improvement district and improvements should be established;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Declaration of Intent to Form LID. The City Council hereby declares its intent to form Local Improvement District No. 33 pursuant to the resolution method established in RCW 35.43.140 for the Tukwila Urban Access Improvement Project improvements, more particularly described in Exhibit A, attached hereto and incorporated by this reference as if set forth in full. All of the foregoing improvements shall be in accordance with the plans and specifications therefor prepared by the City and may be modified by the City as long as that modification does not affect the purpose of the improvements. Pursuant to RCW 35.43.140, the nature and territorial extent of the improvement are set forth on Exhibit A.

Section 2. Cost of Improvements. The cost and expense of all labor and material required to make a complete improvement, including legal, engineering, administrative, printing, costs of acquisition, and all other expenses of every kind, is approximately \$10,500,000.00, and shall be paid from the special assessments against the property specially benefited by the improvements and from other funds legally available to the City for such improvements. A local improvement district shall be established embracing as near as may be all the property specially benefited by such improvement and such specially benefited property shall be assessed to pay all of the cost of such improvement under the mode of payment of bonds.

Section 3. Public Hearing. A public hearing shall be conducted before the Tukwila City Council in the City Council Chambers located at City Hall, 6200 Southcenter Boulevard, Tukwila, Washington, on the 16th day of November, 2009 at the hour of 7:00 p.m., then and there to present their objections thereto, if any they have. NOTICE IS HEREBY GIVEN THAT THE ACTUAL ASSESSMENTS FOR THE LOCAL

IMPROVEMENT DISTRICT MAY VARY FROM ASSESSMENT ESTIMATES SO LONG AS THEY DO NOT EXCEED A FIGURE EQUAL TO THE INCREASED TRUE AND FAIR VALUE THE IMPROVEMENT ADDS TO THE PROPERTY.

Section 4. Benefit Area. The City Engineer of the City of Tukwila is hereby directed to submit to the City Council at or prior to the day of the hearing, the estimated cost and expense of the proposed improvements together with a diagram or print showing thereon the lots, tracts, or parcels of lands or other property which will be especially benefited thereby.

Section 5. Notices. The City Clerk is hereby directed to have this resolution published in two consecutive issues of the official newspaper of the City, with the first publication to be at least 15 days before the day fixed for the hearing. In addition, the City Clerk is hereby directed to give notice of the hearing upon formation of the Local Improvement District by mail at least 15 days before the day fixed for the hearing to the owners of all lots, tracts, and parcels of land or other property to be specially benefited by the proposed improvement, as shown on the rolls of the County Assessor, directed to the address thereon shown. The notice shall set forth the nature of the proposed improvement, the estimated cost, the estimated benefits to the particular lot, tract or parcel, and the method of assessment described in Section 3 of this resolution.

Section 6. Resolution Superseded. This resolution supersedes Resolution No. 1690, which was passed by the City Council on September 21, 2009, making it null and void.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Special Meeting thereof this 26TH day of October, 2009.

ATTEST/AUTHENTICATED:

Christy O'Flaherty
Christy O'Flaherty, CMC, City Clerk

Joan Hernandez
Joan Hernandez, Council President

APPROVED AS TO FORM BY:

Bob C. Sturtevant for Shelly Kerstake
Office of the City Attorney

Filed with the City Clerk: 10-21-09
Passed by the City Council: 10-26-09
Resolution Number: 1698

Attachments: Exhibit A, Project Description
Exhibit B, LID Boundary Map

PUBLISHED IN ITS ENTIRETY OCTOBER 29, 2009 AND NOVEMBER 5, 2009

**CITY OF TUKWILA
RESOLUTION OF INTENTION NO. 1698**

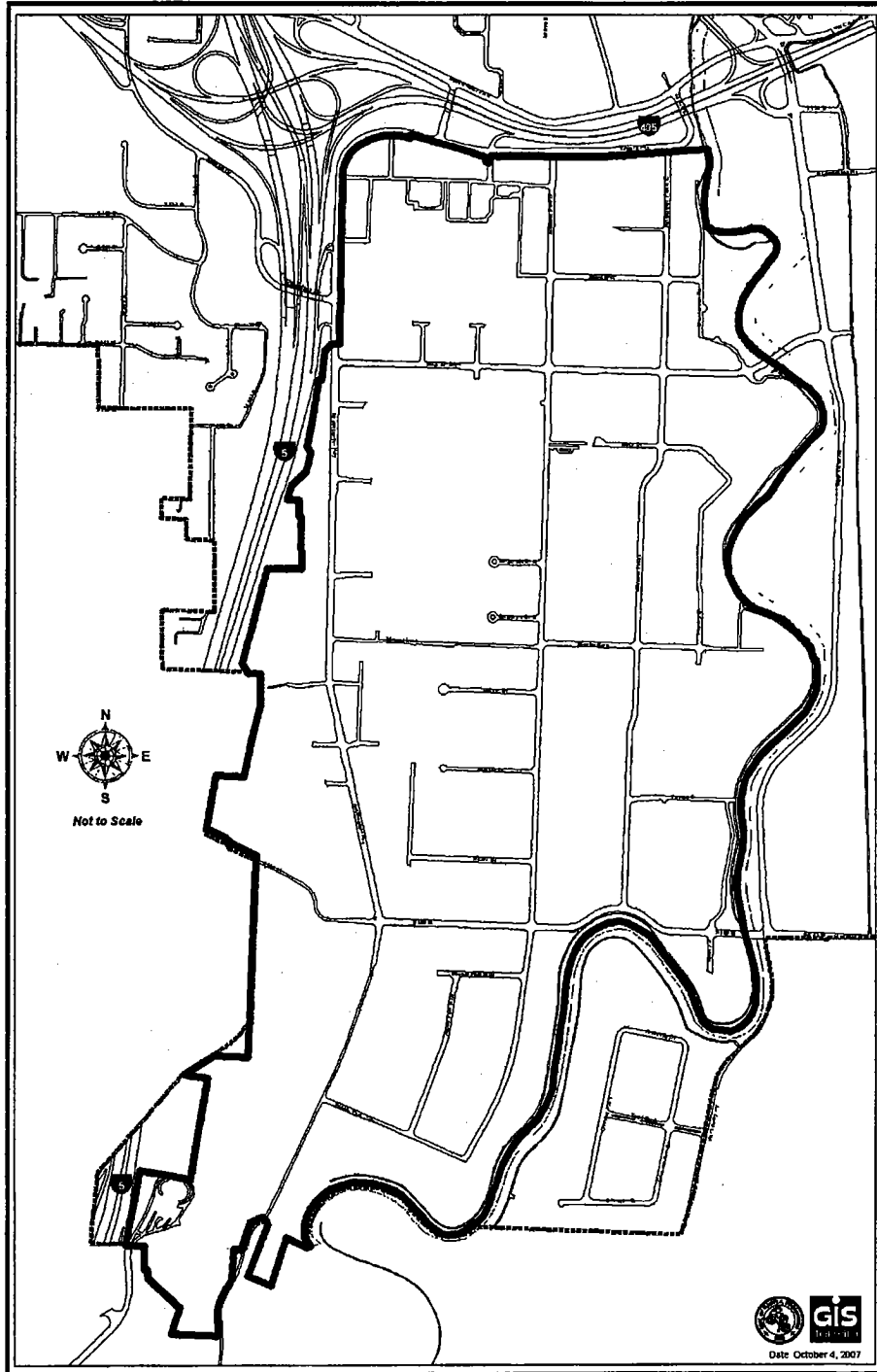
**EXHIBIT A
PROJECT DESCRIPTION
TUKWILA URBAN ACCESS IMPROVEMENT PROJECT
(Local Improvement District # 33)**

The Tukwila Urban Access Improvement Project consists of a grade separated structure using a partial lid over Southcenter Parkway, removing left turn/through conflicting movements. The roadway will be widened on Southcenter Parkway with southbound lanes depressed under a lid structure accommodating both northbound and eastbound left turns with Klickitat Drive. Sidewalks will be included on the east side of the street as well as one new signal and interconnection of three signals to the City's Traffic Operation Control System.

Included in all the preceding are: legal requirements, permits, licenses, reviews, and any and all other matters necessary for a complete improvement in accordance with City standards.

CITY OF TUKWILA
RESOLUTION OF INTENTION NO. 1698

EXHIBIT B
LID BOUNDARY
TUKWILA URBAN ACCESS IMPROVEMENT PROJECT
(Local Improvement District # 33)





MINUTES

CALL TO ORDER

Mayor Haggerton called the Special Meeting of the Tukwila City Council to order at 8:42 p.m. directly following the Committee of the Whole meeting.

ROLL CALL

Melissa Hart, Deputy City Clerk, called the roll of the Council. Present were: Councilmembers Joe Duffie, Joan Hernandez, Pam Linder, Dennis Robertson, Verna Griffin, Kathy Hougardy, De'Sean Quinn.

CITY OFFICIALS

Jim Haggerton, Mayor; Rhonda Berry, City Administrator; Shawn Hunstock, Finance Director; Bob Giberson, Interim Public Works Director; Cyndy Knighton, Senior Engineer; Mary Miotke, Information Technology Director; Kimberly Matej, Council Analyst; Melissa Hart, Deputy City Clerk.

UNFINISHED BUSINESS

a. A resolution declaring the intent to consider the formation of a Local Improvement District, to be known as Local Improvement District No. 33, for the purpose of improving Urban Access for the Southcenter area, and setting a public hearing date to consider formation of the LID; and superseding Resolution No. 1690.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, DECLARING THE INTENT OF THE CITY COUNCIL TO CONSIDER THE FORMATION OF A LOCAL IMPROVEMENT DISTRICT, TO BE KNOWN AS LOCAL IMPROVEMENT DISTRICT NO. 33, FOR THE PURPOSE OF IMPROVING URBAN ACCESS FOR THE SOUTHCENTER AREA; AND SETTING A PUBLIC HEARING DATE TO CONSIDER THE FORMATION OF LOCAL IMPROVEMENT DISTRICT NO. 33; AND SUPERSEDING RESOLUTION NO. 1690.

MOVED BY HERNANDEZ, SECONDED BY QUINN THAT THE PROPOSED RESOLUTION BE READ BY TITLE ONLY. MOTION CARRIED 7-0.

Melissa Hart, Deputy City Clerk, read the proposed resolution by title only.

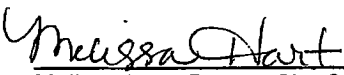
MOVED BY QUINN, SECONDED BY LINDER THAT THE PROPOSED RESOLUTION BE ADOPTED AS READ. MOTION CARRIED 7-0 TO ADOPT RESOLUTION NUMBER 1698.

ADJOURNMENT

8:43 P.M. MOVED BY DUFFIE, SECONDED BY ROBERTSON THAT THE SPECIAL MEETING OF THE TUKWILA CITY COUNCIL BE ADJOURNED. MOTION CARRIED 7-0.



Jim Haggerton, Mayor

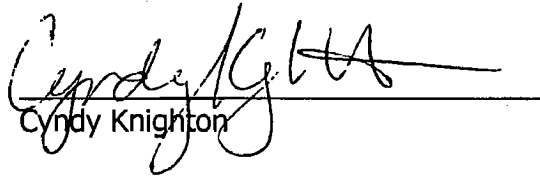


Melissa Hart, Deputy City Clerk

APPROVED BY THE CITY COUNCIL: 11/16/2009

CERTIFICATION OF MAILING

I, **Cyndy Knighton, Senior Engineer**, City of Tukwila, Public Works Department, do hereby certify that I sent notices regarding the public hearing on the Ordinance ordering the improvement of urban access for the Southcenter Area (LID 33), all in accordance with Resolution No. 1698, to owners of lots, tracts, and parcels of land or other property to be specially benefited by the proposed improvement, as shown on the rolls of the County Assessor, directed to the address thereon shown (address list is attached). Said mailing occurred on October 29, 2009.


Cyndy Knighton

*The Public Hearing notice was published in the Seattle Times on October 29, 2009 and November 5, 2009 and was also posted in the lobby of City Hall and placed on the City's website and faxed to community organizations.



City of Tukwila

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Tukwila City Council will hold a public hearing on Monday, November 16, 2009 beginning at 7 00 p m in the Council Chambers at Tukwila City Hall, 6200 Southcenter Blvd, Tukwila, WA to consider the following:

AN ORDINANCE OF THE CITY OF TUKWILA, WASHINGTON, ORDERING THE IMPROVEMENT OF URBAN ACCESS FOR THE SOUTHCENTER AREA, WITHIN THE CITY, ALL IN ACCORDANCE WITH RESOLUTION OF INTENTION NO. 1698; ESTABLISHING THE KLIKITAT LOCAL IMPROVEMENT DISTRICT (LID NO. 33) AND ORDERING THE CARRYING OUT OF THE PROPOSED IMPROVEMENT; DESCRIBING THE METHOD OF ASSESSMENT; PROVIDING THAT PAYMENT FOR THE IMPROVEMENT BE MADE BY SPECIAL ASSESSMENT UPON THE PROPERTY IN THE DISTRICT, PAYABLE BY THE MODE OF "PAYMENT BY BONDS"; AND PROVIDING FOR THE ISSUANCE AND SALE OF LOCAL IMPROVEMENT DISTRICT WARRANTS OR OTHER SHORT TERM OBLIGATIONS REDEEMABLE IN CASH AND LOCAL IMPROVEMENT DISTRICT BONDS.

If adopted, the Ordinance will form Local Improvement District No 33 for the Tukwila Urban Access Improvement Project improvements which will consist of a grade separated structure using a partial lid over Southcenter Parkway, removing left turn/through conflicting movements. The roadway will be widened on Southcenter Parkway with southbound lanes depressed under a lid structure accommodating both northbound and eastbound left turns with Klickitat Drive. Sidewalks will be included on the east side of the street as well as one new signal and interconnection of three signals to the City's Traffic Operation Control system, including compliance with legal requirements; permits, licenses, reviews, and any and all other matters necessary for a complete improvement.

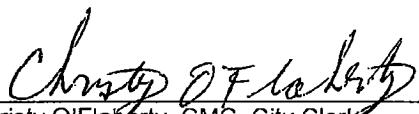
The cost of all labor and material required to make a complete improvement, including legal, engineering, administrative, printing, costs of acquisition, and all other expenses of every kind is approximately \$10,500,000 00, and will be paid from the special assessments against the property specially benefited by the improvements within a Local Improvement District, embracing as near as may be, all the property specially benefited by such improvement and such specially benefited property shall be assessed to pay all of the cost of such improvement under the mode of payment of bonds.

The actual assessments may vary from assessment estimates so long as they do not exceed a figure equal to the increased true and fair value the improvement adds to the assessed property, and the estimated benefits of the particular lot, tract, or parcel.

All interested persons are invited to be present to voice approval, disapproval, or opinions on this issue. For those unable to attend in person, you may submit written testimony to the City Clerk's office until 5 00 p m on the day of the meeting.

Tukwila City Hall is wheelchair accessible. The City strives to accommodate people with disabilities. Reasonable accommodations are available at the public hearing with advance notice. This notice is also available in alternate formats for individuals with disabilities. Please contact the City Clerk's Office at (206) 433-1800 or TDD (206) 248-2933 if we can be of assistance.

DATED THIS 27th DAY OF OCTOBER 2009


Christy O'Flaherty, CMC, City Clerk

Ownership	Street #	Street Name/PO Box #	City	State	Zip Code
1006 Andover Associates	9844	40TH AVE S	SEATTLE	WA	98118
790 Andover LLC		PO BOX 287	MEDINA	WA	98039
A 4 LLC	117	E LOUISA ST #230	SEATTLE	WA	98102
AMB Property Corp.	60	STATE ST STE 1200 C/O RE	BOSTON	MA	02109
AMC Family LLC		PO BOX 2720	PORTLAND	OR	98207
Ameristar	585	POINT SAN PEDRO RD	SAN RAFAEL	CA	94901
Andover Plaza LLC	1501	N 200TH ST	SHORELINE	WA	98133
Andover Property Management	415	BAKER BLVD #200	TUKWILA	WA	98188
Andover West LLC % Powell, D		PO BOX 97070	KIRKLAND	WA	98083
Argus Group LTD	225	108TH AVE NE #520	BELLEVUE	WA	98004
Baker Square LLC	1501	N 200TH ST	SHORELINE	WA	98133
Banasky, Howard V	600	ANDOVER PARK E	TUKWILA	WA	98188
Bank of America		PO BOX 34029/LEEDE	SEATTLE	WA	98124
BCRP Riverview Plaza LLC	248	HOMER AVE	PALO ALTO	CA	94301
Beta Holdings LTD	18827	BOTHELL WAY NE	BOTHELL	WA	98011
Blue Dog Property Trust	2235	FARADAY AVE SUITE O	CARLSBAD	CA	92008
Boeing Oregon Masabi Trust	1325	4TH AVE SUITE #1940	SEATTLE	WA	98101
Bui, Vien & Tonnu, Thanh-Thie	12613	38TH AVE SE	EVERETT	WA	98208
Buty, Frank C	1150	ALKI AVE SW #4	SEATTLE	WA	98116
Castello Land Co Inc		PO BOX 40629	BELLEVUE	WA	98015
Center Place Shopping Ctr	810	3RD AVE SUITE 140	SEATTLE	WA	98104
Center Place Shopping Ctr	635	ANDOVER PK W #107	TUKWILA	WA	98188
Cenveo Inc Tax Dept		PO BOX 420	STAMFORD	CT	06094
CHA Southcenter LLC	16500	SOUTHCENTER PKWY	TUKWILA	WA	98188
Chen Ting-Wei	4894	BEACON AVE S	SEATTLE	WA	98108
Chen, Bob	512	STRANDER BLVD	TUKWILA	WA	98188
Chevron Texaco		PO BOX 1392	BAKERSFIELD	CA	93302
Circuit City Stores 3336		PO BOX 42304	RICHMOND	VA	23242
City of Seattle		PO BOX 34018	SEATTLE	WA	98124
City of Tukwila	6200	SOUTHCENTER BLVD	TUKWILA	WA	98188
CLPF-Tukwila LP	10655	NE 4TH ST #300	BELLEVUE	WA	98004
UPLAND DR. BUSINESS PARK	340	UPLAND DR	TUKWILA	WA	98188
Costco Wholesale Corp	999	LAKE DRIVE	ISSAQUAH	WA	98027
Crim Investments Inc		PO BOX 1146	EDMONDS	WA	98020
Danellie LLC	4664	95TH AVE NE	YARROW	WA	98004
Davidson, Donald E	1199	SUMMIT DR	LAGUNA	CA	92651
Eltz Properties Washington c/o Metzler	700	FIFTH AVE 6175	SEATTLE	WA	98104
Ethan Allen Home Interiors	20120	72ND AVE S	KENT	WA	98032
Federated Dept Stores Inc	7	W 7TH ST	CINCINNATI	OH	45202
Fidelity Northwest Assoc	4211	HOLLY LN	MERCER	WA	98040
First Inter Bnk-Kirkland		PO BOX 2609	CARLSBAD	CA	92018
Garfield - Southcenter LLC	388	PEARL ST	EUGENE	OR	97401
G-Fore Associates LLC	5906	MONT BLANC PL NW	ISSAQUAH	WA	98027
Gibson Properties LLC		PO BOX 88909	SEATTLE	WA	98138
Goodwin Kelly Co		PO BOX 58388	TUKWILA	WA	98188
Gray Cat Collective LLC	5430	45TH AVE W	SEATTLE	WA	98199
GRE Management Services Inc	4240	ROCKLIN RD #9	ROCKLIN	CA	95677
Green River Flood Control	201	S JACKSON STE 600	SEATTLE	WA	98104
GWI Realty LLC		PO BOX 88698	SEATTLE	WA	98138
GWI Realty LLC	18700	SOUTHCENTER PKWY	TUKWILA	WA	98188
Hayek, Hussein A	1015	ANDOVER PARK W	TUKWILA	WA	98188
HD Development of Maryland Inc		PO BOX 105842	ATLANTA	GA	30339
Heartland Auto Services	11308	DAVENPORT ST	OMAHA	NE	68154
Highland Park Properties LLC	495	ANDOVER PARK BLVD E	TUKWILA	WA	98188

Ownership	Street #	Street Name/PO Box #	City	State	Zip Code
Highland Park Properties LLC		E 2280 SPENCER LAKE RD	SHELTON	WA	98584
Hill Investment Company		PO BOX 700	MERCER	WA	98040
Home Electric Company	3414	NE 55TH	SEATTLE	WA	98105
Hospitality Investments	2650	CEDAR SPRINGS RD #850	DALLAS	TX	75201
Houghton Harbor LLC	1233	ANDOVER PARK E	TUKWILA	WA	98188
IPTN North America Inc's	1015	ANDOVER PARK W	TUKWILA	WA	98188
Jenkins Properties Inc		PO BOX 53290	BELLEVUE	WA	98015
John C Radovich LLC	2835	82ND AVE SE STE 300	MERCER	WA	98040
King Co Housing Authority	600	ANDOVER PARK W	TUKWILA	WA	98188
King County	500	KC ADMIN BLDG	SEATTLE	WA	98104
Kir Tukwila 050 LLC/KIMCO	3333	NEW HYDE PK RD STE 100	NEW HYDE	NY	11042
Klein Harris	5360	LANSDOWNE LN	MERCER	WA	98040
KMBR LLC B % Cascade Container	1232	ANDOVER PARK W	TUKWILA	WA	98188
Kohl's Property Tax Department		PO BOX 2148	MILWAUKEE	WI	93201
Kohn Jens M and Lynn M	14915	237TH PL SE	ISSAQUAH	WA	98027
La Pianta LLC		PO BOX 88028	TUKWILA	WA	98188
La Terra Limited Partnership		PO BOX 88028	TUKWILA	WA	98188
Lee Albert Appliance	1476	ELLIOTT AVE W	SEATTLE	WA	98119
Legacy Partners I Tukwila	4000	E 3RD AVE #600	FOSTER CITY	CA	94404
Leuthold, Donald W	7275	W MERCER WAY	MERCER	WA	98040
Levitz Tukwila LLC	1311	MAMARONECK AVE STE 260	WHITE PLAINS	NY	10605
Lily Pointe Investments	4128	W AMES LK DR NE	REDMOND	WA	98053
Lincoln Center Holdings	2310	130TH AVE NE STE B-103	BELLEVUE	WA	98005
Lowe's HIW INC	101	ANDOVER PARK E #200	TUKWILA	WA	98188
M & M Management LLC	21631	SE 8TH ST	SAMMAMISH	WA	98074
M & P Company		PO BOX 1083	EDMONDS	WA	98020
M3 Properties LLC	555	S RENTON VILLAGE PL #100	RENTON	WA	98055
Madison Investments LLC		PO BOX 1922	BOZEMAN	MT	59771
Masao c/o SC4 LLC	117	E LOUISA #230	SEATTLE	WA	98102
Matsumi LLC % Robert Schofi	4212	HUNTS POINT DR	BELLEVUE	WA	98004
McDonald's Corporation		PO BOX 182571	COLUMBUS	OH	43218
Medical Centers Co LLC	411	STRANDER BLVD STE 107	TUKWILA	WA	98188
Minkler Investments	2731	77TH AVE SE #206	MERCER	WA	98040
Mock Catherine A	8706	183RD AVE SW	ROCHESTER	WA	98579
MVI Tukwila 2 LLC	3007	WEBSTER POINT RD NE	SEATTLE	WA	98105
Nationwide Life Ins		ONE NATIONWIDE PLAZA	COLUMBUS	OH	43215
OB Fife Property II LLC		PO BOX 726	BELLEVUE	WA	98009
OCM Escrow Administration	911	MAIN ST STE 1500	KANSAS CITY	MO	64105
Open Frame LLC		PO BOX 88198	TUKWILA	WA	98188
Pankratz Forest Industries Inc		PO BOX 58388	TUKWILA	WA	98188
Park East Real Estate	921	TERRY AVE	SEATTLE	WA	98104
Parkway Square		PO BOX 5003	BELLEVUE	WA	98009
Pearl, Alvin S and Carole R.	4304	HUNTS POINT RD	BELLEVUE	WA	98004
Petschl, William J	1150	ANDOVER PARK E	TUKWILA	WA	98188
Phillips James W MR and MRS		PO BOX 603	MEDINA	WA	98039
Pietromonaco/PB LLC	7900	SE 28TH ST STE #310	MERCER	WA	98040
Polich Family Trust	415	BAKER BLVD #200	TUKWILA	WA	98188
Puget Sound Energy/Elec		PO BOX 90868	BELLEVUE	WA	98009
R2R Investments LLC	7979	S 180TH ST	KENT	WA	98032
Rainbow Associates LTD	22820	148TH SE	KENT	WA	98042
Ramos Properties LLC	133	SW 158TH ST	BURIEN	WA	98166
Realty Associates Fund VII	1301	DOVE ST #860	NEWPORT	CA	92660
Red Dot Corporation	495	ANDOVER PARK BLVD E	TUKWILA	WA	98188
Regency Centers LP		PO BOX 790830	SAN ANTONIO	TX	78279

Ownership	Street #	Street Name/PO Box #	City	State	Zip Code
Roffe & Associates	415	BAKER BLVD #200	TUKWILA	WA	98188
Rosellini, Albert D	5936	6TH AVE S	SEATTLE	WA	98108
RWP LLC	7312	SE CURTIS DR	SNOQUALMIE	WA	98065
Sade, Paul and Eleanor	585	POINT SAN PEDRO RD	SAN RAFAEL	CA	94901
Schoenbachler Ent LLC	9253	E SANDS DR	SCOTTSDALE	AZ	85255
Security Capital Industrial	2235	FARADAY AVE STE O	CARLSBAD	CA	92008
Segale, Mario A		PO BOX 88028	TUKWILA	WA	98188
SFP B LP LTD PTNRSHIP		PO BOX 5350	BEND	OR	97708
Sizzling Platter of Wash	348	EAST 6400 S #200	MURRAY	UT	84107
Skarbo Peter R	5311	PHINNEY AVE N	SEATTLE	WA	98103
Southcenter Corp. Square	150	CALIFORNIA ST	SAN	CA	94111
Southcenter Corp. Square	1911	SECOND AVE STE 1570	SEATTLE	WA	98101
SRO Properties Inc	1411	4TH AVE #1315	SEATTLE	WA	98101
Strander Associates LLC	1650	S 244TH PL	DES MOINES	WA	98198
Tanaka Holding LLC	1105	PORTER WAY	MILTON	WA	98354
Target Corporation T 0627		PO BOX 9456	MINNEAPOLIS	MN	55440
TR5 LLC	117	E LOUISA #230	SEATTLE	WA	98102
Tri-Land Corporation	1325	4TH AVE SUITE #1940	SEATTLE	WA	98101
Triple H Development	1006	SPRAGUE ST	EDMONDS	WA	98020
Tukwila TT LLC	3300	MAPLE VALLEY HWY	RENTON	WA	98058
Tukwila View Estates LLC	117	E LOUISA #230	SEATTLE	WA	98102
Tupper Lynn	8100	SW 10TH ST STE 4000	PLANTATION	FL	33324
Union Pacific Railroad	1416	DODGE ST #325	OMAHA	NE	68179
Union Pacific Railroad	1400	DOUGLAS STOP 1640	OMAHA	NE	68179
US Bank Corporate Props	2800	E LAKE ST		MN	55406
Village Partners Southcenter	1420	5TH AVE #2200	SEATTLE	WA	98101
WA Cities Insurance Authority	14900	INTERURBAN AVE S #210	SEATTLE	WA	98168
WACO Enterprise		PO BOX 88216	TUKWILA	WA	98188
Walton CWWA Southcenter 4 L	4678	WORLD PARKWAY CIR	ST LOUIS	MO	63134
Walton CWWA Tukwila 1 LLC	4678	WORLD PARKWAY CIR	ST LOUIS	MO	63134
WEA Southcenter LLC	11601	WILSHIRE BLVD	LOS	CA	90025
Wells Fargo Bank		PO BOX 2069	CARLSBAD	CA	92018
Westfield Corporation Inc		PO BOX 130940	CARLSBAD	CA	92013
Wig Properties LLC-SS	4811	134TH PL SE	BELLEVUE	WA	98006
Winners 3 LLC	117	E LOUISA #230	SEATTLE	WA	98102
Wolverine Properties LLC	415	BAKER BLVD #200	TUKWILA	WA	98188

The Seattle Times



seattletimes.com

PO Box 70, Seattle, WA 98111

TUKWILA, CITY - LID 33
CHRISTY O'FLAHERTY
6200 SOUTHCENTER BLVD,
TUKWILA, WA 98188

Re: Advertiser Account #91164010
Ad #: 784731200

Affidavit of Publication

4047093 / 1

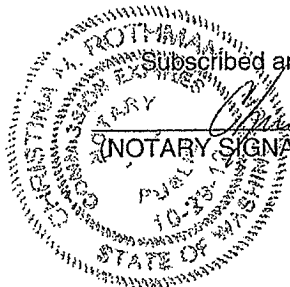
STATE OF WASHINGTON
Counties of King and Snohomish

The undersigned, on oath states that he/she is an authorized representative of The Seattle Times Company, publisher of The Seattle Times of general circulation published daily in King and Snohomish Counties, State of Washington. The Seattle Times has been approved as a legal newspaper by orders of the Superior Court of King and Snohomish Counties.

The notice, in the exact form annexed, was published in the regular and entire issue of said paper or papers and distributed to its subscribers during all of the said period.

Newspaper	Publication Date
The Seattle Times	10/29/09, 11/05/09

Agent Debbie Collantes Signature Debbie Collantes



Subscribed and sworn to before me on November 5th 2009
(DATE)

Christina A. Rotman
(NOTARY SIGNATURE) Notary Public in and for the State of Washington, residing at Seattle



PUBL

381 Public Notices 381 Public Notices 381 Public Notices



City of Tukwila

Washington

Resolution No. 1698

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, DECLARING THE INTENT OF THE CITY COUNCIL TO CONSIDER THE FORMATION OF A LOCAL IMPROVEMENT DISTRICT, TO BE KNOWN AS LOCAL IMPROVEMENT DISTRICT NO. 33, FOR THE PURPOSE OF IMPROVING URBAN ACCESS FOR THE SOUTHCENTER AREA; AND SETTING A PUBLIC HEARING DATE TO CONSIDER THE FORMATION OF LOCAL IMPROVEMENT DISTRICT NO. 33; AND SUPERSEDING RESOLUTION NO. 1690.

WHEREAS, the City Council of the City of Tukwila intends to order the improvements described in Exhibit A, attached hereto and incorporated by this reference as if set forth in full; and

WHEREAS, the Council desires to form a local improvement district (LID) for the purpose of making said improvements fully described in Exhibit A; and

WHEREAS, the date, time and place of a public hearing to consider the proposed local improvement district and improvements should be established;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Declaration of Intent to Form LID. The City Council hereby declares its intent to form Local Improvement District No. 33 pursuant to the resolution method established in RCW 35.43.140 for the Tukwila Urban Access Improvement Project improvements, more particularly described in Exhibit A, attached hereto and incorporated by this reference as if set forth in full. All of the foregoing improvements shall be in accordance with the plans and specifications therefor prepared by the City and may be modified by the City as long as that modification does not affect the purpose of the improvements. Pursuant to RCW 35.43.140, the nature and territorial extent of the improvement are set forth on Exhibit A.

Section 2. Cost of Improvements. The cost and expense of all labor and material required to make a complete improvement, including legal, engineering, administrative, printing, costs of acquisition, and all other expenses of every kind, is approximately \$10,500,000.00, and shall be paid from the special assessments against the property specially benefited by the improvements and from other funds legally available to the City for such improvements. A local improvement district shall be established embracing, as near as may be all the property specially benefited by such improvement and such specially benefited property shall be assessed to pay all of the cost of such improvement under the mode of payment of bonds.

Section 3. Public Hearing. A public hearing shall be conducted before the Tukwila City Council in the City Council Chambers located at City Hall, 6200 Southcenter Boulevard, Tukwila, Washington, on the 16th day of November, 2009 at the hour of 7:00 p.m., then and there to present their objections thereto, if any they have. NOTICE IS HEREBY GIVEN THAT THE ACTUAL ASSESSMENTS FOR THE LOCAL IMPROVEMENT DISTRICT MAY VARY FROM ASSESSMENT ESTIMATES SO LONG AS THEY DO NOT EXCEED A FIGURE EQUAL TO THE INCREASED TRUE AND FAIR VALUE THE IMPROVEMENT ADDS TO THE PROPERTY.

Section 4. Benefit Area. The City Engineer of the City of Tukwila is hereby directed to submit to the City Council at or prior to the day of the hearing, the estimated cost and expense of the proposed improvements together with a diagram or print showing thereon the lots, tracts, or parcels of lands or other property which will be especially benefited thereby.

Section 5. Notices. The City Clerk is hereby directed to have this resolution published in two consecutive issues of the official newspaper of the City, with the first publication to be at least 15 days before the day fixed for the hearing. In addition, the City Clerk is hereby directed to give notice of the hearing upon formation of the Local Improvement District by mail at least 15 days before the day fixed for the hearing to the owners of all lots, tracts, and parcels of land or other property to be specially benefited by the proposed improvement, as shown on the rolls of the County Assessor, directed to the address thereon shown. The notice shall set forth the nature of the proposed improvement, the estimated cost, the estimated benefits to the particular lot, tract or parcel, and the method of assessment described in Section 3 of this resolution.

Section 6. Resolution Superseded. This resolution supersedes Resolution No. 1690, which was passed by the City Council on September 21, 2009, making it null and void.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Special Meeting thereof this 26th day of October, 2009.

Christy O'Flaherty
Christy O'Flaherty, CMC, City Clerk

Joan Hernandez
Joan Hernandez, Council President

APPROVED AS TO FORM BY:

B.C. Stratton
Office of the City Attorney

Filed with the City Clerk: 10-21-09
Passed by the City Council: 10-26-09
Resolution Number: 1698

Attachments: Exhibit A, Project Description
Exhibit B, LID Boundary Map

PUBLISHED IN ITS ENTIRETY OCTOBER 29, 2009 AND NOVEMBER 5, 2009

CITY OF TUKWILA
RESOLUTION OF INTENTION NO. 1698

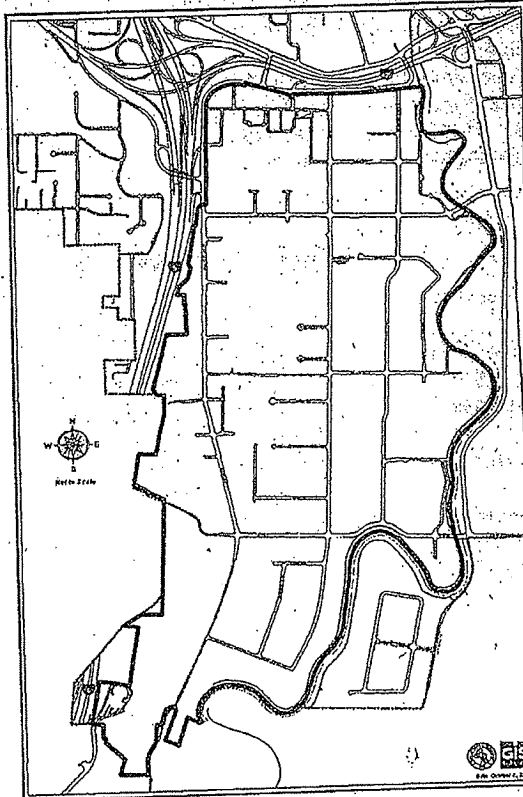
EXHIBIT A
PROJECT DESCRIPTION
TUKWILA URBAN ACCESS IMPROVEMENT PROJECT
(Local Improvement District # 33)

The Tukwila Urban Access Improvement Project consists of a grade separated structure using a partial lid over Southcenter Parkway, removing left turn/through conflicting movements. The roadway will be widened on Southcenter Parkway with southbound lanes depressed under a lid structure accommodating both northbound and eastbound left turns with Klickitat Drive. Sidewalks will be included on the east side of the street as well as one new signal and interconnection of three signals to the City's Traffic Operation Control System.

Included in all the preceding are: legal requirements, permits, licenses, reviews, and any and all other matters necessary for a complete improvement in accordance with City standards.

CITY OF TUKWILA
RESOLUTION OF INTENTION NO. 1698

EXHIBIT B
LID BOUNDARY
TUKWILA URBAN ACCESS IMPROVEMENT PROJECT
(Local Improvement District # 33)



The Seattle Times

seattletimes.com

PO Box 70, Seattle, WA 98111

TUKWILA, CITY - LID 33
CHRISTY O'FLAHERTY
6200 SOUTHCENTER BLVD,
TUKWILA, WA 98188

Re: Advertiser Account #91164010
Ad #: 784724300

Affidavit of Publication

4047020 / 1

STATE OF WASHINGTON
Counties of King and Snohomish

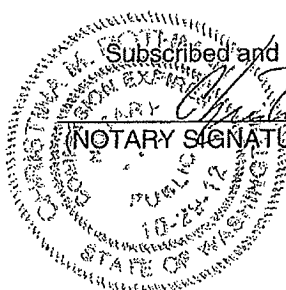
The undersigned, on oath states that he/she is an authorized representative of The Seattle Times Company, publisher of The Seattle Times of general circulation published daily in King and Snohomish Counties, State of Washington. The Seattle Times has been approved as a legal newspaper by orders of the Superior Court of King and Snohomish Counties.

The notice, in the exact form annexed, was published in the regular and entire issue of said paper or papers and distributed to its subscribers during all of the said period.

Newspaper	Publication Date
The Seattle Times	10/29/09, 11/05/09

Agent Debbie Collantes Signature Debbie Collantes

Subscribed and sworn to before me on November 5, 2009
(DATE)
Christina M. Johnson
(NOTARY SIGNATURE) Notary Public in and for the State of Washington, residing at Seattle



The Seattle Times

seattletimes.com

Re Advertiser Account #91164010

Ad # 784724300

**Ad TEXT - CITY OF TUKWILA
NOTICE OF
PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that the Tukwila City Council will hold a public hearing on Monday, November 16, 2009, beginning at 7:00 p.m. in the Council Chambers at Tukwila City Hall, 6200 Southcenter Blvd., Tukwila, WA to consider the following:

AN ORDINANCE OF THE CITY OF TUKWILA, WASHINGTON, ORDERING THE IMPROVEMENT OF URBAN ACCESS FOR THE SOUTHCENTER AREA, WITHIN THE CITY, ALL IN ACCORDANCE WITH RESOLUTION OF INTENTION NO.

1698; ESTABLISHING THE KLICKITAT LOCAL IMPROVEMENT DISTRICT (LID NO. 33) AND ORDERING THE CARRYING OUT OF THE PROPOSED IMPROVEMENT; DESCRIBING THE METHOD OF ASSESSMENT; PROVIDING THAT PAYMENT FOR THE IMPROVEMENT BE MADE BY SPECIAL ASSESSMENT UPON THE PROPERTY IN THE DISTRICT, PAYABLE BY THE MODE OF "PAYMENT BY BONDS"; AND PROVIDING FOR THE ISSUANCE AND SALE OF LOCAL IMPROVEMENT DISTRICT WARRANTS OR OTHER SHORT TERM OBLIGATIONS REDEEMABLE IN CASH AND LOCAL IMPROVEMENT DISTRICT BONDS.

If adopted, the Ordinance will form Local Improvement District No. 33 for the Tukwila Urban Access Improvement Project improvements which will consist of a grade separated structure using a partial lid over Southcenter Parkway, removing left turn/through conflicting movements. The roadway will be widened on Southcenter Parkway with southbound lanes depressed under

a lid structure accommodating both northbound and eastbound left turns with Klickitat Drive. Sidewalks will be included on the east side of the street as well as one new signal and interconnection of three signals to the City's Traffic Operation Control system, including compliance with legal requirements; permits; licenses; reviews; and any and all other matters necessary for a complete improvement.

The cost of all labor and material required to make a complete improvement, including legal, engineering, administrative, printing, costs of acquisition, and all other expenses of every kind is approximately \$10,500,000.00, and will be paid from the special assessments against the property specially benefited by the improvements within a Local Improvement District, embracing as near as may be, all the property specially benefited by such improvement and such specially benefited property shall be assessed to pay all of the cost of such improvement under the mode of payment of bonds.

The actual assessments may vary from assessment estimates so long as they do not exceed a figure equal to the increased true and fair value the improvement adds to the assessed property, and the estimated benefits of the particular lot, tract, or parcel.

All interested persons are invited to be present to voice approval, disapproval,

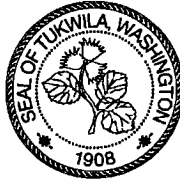
or opinions on this issue. For those unable to attend in person, you may submit written testimony to the City Clerk's office until 5:00 p.m. on the day of the meeting.

Tukwila City Hall is wheelchair accessible. The City strives to accommodate people with disabilities. Reasonable accommodations are available at the public hearing with advance notice. This notice is also available in alternate formats for individuals with disabilities. Please contact the City Clerk's Office at (206) 433-1800 or TDD (206) 248-2933 if we can be of assistance.

**DATED THIS 27TH DAY OF
OCTOBER 2009.**

Christy O'Flaherty, CMC
City Clerk

Published: Seattle Times -
October 29, 2009 and November
5, 2009



City of Tukwila

Washington

Ordinance No. 2260

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, ORDERING THE IMPROVEMENT OF URBAN ACCESS FOR THE SOUTHCENTER AREA, WITHIN THE CITY, ALL IN ACCORDANCE WITH RESOLUTION OF INTENTION NO. 1698; ESTABLISHING THE KLIKITAT LOCAL IMPROVEMENT DISTRICT (LID NO. 33) AND ORDERING THE CARRYING OUT OF THE PROPOSED IMPROVEMENT; DESCRIBING THE METHOD OF ASSESSMENT; PROVIDING THAT PAYMENT FOR THE IMPROVEMENT BE MADE BY SPECIAL ASSESSMENT UPON THE PROPERTY IN THE DISTRICT, PAYABLE BY THE MODE OF "PAYMENT BY BONDS"; AND PROVIDING FOR THE ISSUANCE AND SALE OF LOCAL IMPROVEMENT DISTRICT WARRANTS OR OTHER SHORT-TERM OBLIGATIONS REDEEMABLE IN CASH AND LOCAL IMPROVEMENT DISTRICT BONDS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, by Resolution of Intention No. 1698, adopted on October 26, 2009, the City Council of the City of Tukwila, Washington, declared its intention to order the improvement of urban access for the Southcenter area, within the City; and November 16, 2009, at the City Council Meeting beginning at 7:00 p.m., local time, at Tukwila City Hall, 6200 Southcenter Boulevard, Tukwila, Washington, is fixed as the time and place for hearing all matters relating to the proposed improvement, method of assessment, and all objections thereto, and for determining the method of payment for the improvement; and

WHEREAS, the Public Works Director caused an estimate to be made of the cost and expense of the proposed improvement and certified that estimate to the City Council, together with all papers and information in his possession touching the proposed improvement, a description of the boundaries of the proposed Local Improvement District (the "District"), and a statement of what portion of the cost and expense of the improvement should be borne by the property within the proposed district; and

WHEREAS, that estimate is accompanied by a diagram of the proposed improvement showing thereon the lots, tracts, parcels of land, and other property that will be specially benefited by the proposed improvement and the estimated cost and expense thereof to be borne by each lot, tract and parcel of land or other property; and

WHEREAS, due notice of the above hearing was given in the manner provided by law, and the hearing was held by the City Council on the date and at the time above mentioned, and objections to the proposed improvement were heard; and

WHEREAS, all objections to the proposed improvement and/or method of assessment have been duly considered by the City Council, and all persons appearing at such hearings and wishing to be heard were heard; and

WHEREAS, the City Council has determined it to be in the best interests of the City that the improvement as hereinafter described be carried out and the District be created in connection therewith;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. The City Council of the City of Tukwila, Washington, orders the construction of improvements to urban access for the Southcenter area as described in Exhibit A attached hereto and by this reference incorporated herein. All of the foregoing shall be in accordance with the plans and specifications therefore prepared by the Public Works Director, and may be modified by the City Council as long as such modification does not affect the purpose of the improvement.

Section 2. There is created and established a local improvement district, to be called Local Improvement District No. 33, of the City of Tukwila, Washington (the "District"), the boundaries of the District being more particularly described in Exhibit B attached hereto and by this reference incorporated herein.

Section 3. The total estimated cost and expense of the improvement, to be funded by the District, is declared to be \$10,500,000.00, a portion of the costs and expense shall be borne by and assessed against the property specially benefited by the improvement included in the District, which embraces as nearly as practicable all property specially benefited by such improvement.

Section 4. In accordance with the provisions of RCW 35.44.047, the City may use any method or combination of methods to compute assessments, which may be deemed to fairly reflect the special benefits to the properties being assessed.

Section 5.

A. Local improvement district warrants may be issued in payment of the cost and expense of the improvement herein ordered to be assessed, such warrants to be paid out of the Local Improvement Fund, District No. 33, hereinafter created and referred to as the Local Improvement Fund and, until the bonds referred to in this section are issued and delivered to the purchaser thereof, to bear interest from the date thereof at a rate to be established hereafter by the City Finance Officer, as issuing officer, and to be redeemed in cash and/or by local improvement district bonds herein authorized to be issued, such interest-bearing warrants to be hereinafter referred to as "revenue warrants." In anticipation of the issuance of bonds to finance the cost and expense of the improvement herein ordered to be assessed, the City may provide by ordinance for the issuance of short-term obligations pursuant to Chapter 39.50 RCW or may (without the need for additional Council action) utilize one or more interfund loans. If the City authorizes expenditures to be made for these improvements (other than for any cost or expense expected to be borne by the City) prior to the date that any short-term obligations or local improvement district bonds are issued to finance the improvement, from proceeds of interfund loans or other funds that are not and are not reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside to pay the cost of the improvement herein ordered to be assessed against the property specially benefited thereby, the City declares its official intent that those expenditures, to the extent not reimbursed with prepaid special benefit assessments, are to be reimbursed from proceeds of short-term obligations or local improvement district bonds that are expected to be issued for the improvement in a principal amount of approximately \$10,500,000.00.

B. The City is authorized to issue local improvement district bonds for the district that shall bear interest at a rate, and be payable on or before a date, to be hereafter fixed by ordinance. The bonds shall be issued in exchange for and/or in redemption of any and all revenue warrants issued hereunder or other short-term obligations hereafter authorized and not redeemed in cash within 20 days after the expiration of the 30-day period for the cash payment without interest of assessments on the assessment roll for the District. The bonds shall be redeemed by the collection of special assessments to be levied and assessed against the property within the district, payable in annual installments, with interest at a rate to be hereafter fixed by ordinance under the mode of

"payment by bonds" as defined by law and the ordinances of the City. The exact form, amount, date, interest rate and denominations of such bonds shall be hereafter fixed by ordinance of the City Council. Such bonds shall be sold in such manner as the City Council shall hereafter determine.

Section 6. In all cases where the work necessary to be done in connection with the making of said improvement is carried out pursuant to contract upon competitive bids (and the City shall have and reserves the right to reject any and all bids), the call for bids shall include a statement that payment for such work will be made in cash warrants drawn upon the Local Improvement Fund.

Section 7. The Local Improvement Fund for the District is created and established in the office of the Finance Director. The proceeds from the sale of revenue warrants or other short-term obligations drawn against the fund that may be issued and sold by the City, and the collections of special assessments, interest and penalties hereon, shall be deposited in the Local Improvement Fund. Cash warrants to the contractor or contractors in payment for the work to be done by them in connection with the improvement and against cash warrants in payment for all other items of expense in connection with the improvement shall be issued against the Local Improvement Fund.

Section 8. Within 15 days of the passage of this ordinance there shall be filed with the Finance Officer the title of the improvement and District number, a copy of the diagram or print showing the boundaries of the District and the preliminary assessment roll or abstract of such roll showing thereon the lots, tracts and parcels of land that will be specially benefited thereby and the estimated cost and expense of such improvement to be borne by each lot, tract or parcel of land. The Finance Officer immediately shall post the proposed assessment roll upon his index of local improvement assessments against the properties affected by the local improvement.

Section 9. All appeals arising from this ordinance shall be within the jurisdiction of the Tukwila Hearing Examiner.

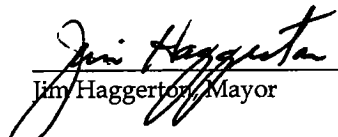
Section 10. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 11. This ordinance or a summary thereof consisting of the title shall be published in the official newspaper of the City, and shall take effect and be in full force and effect five days after passage and publication as provided by law.

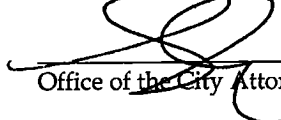
PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this 16th day of November, 2009.

ATTEST/AUTHENTICATED:


Christy O'Flaherty, CMC


Jim Haggerton, Mayor

APPROVED AS TO FORM BY:


Office of the City Attorney

Filed with the City Clerk: 11-11-09
Passed by the City Council: 11-16-09
Published: 11-19-09
Effective Date: 11-24-09
Ordinance Number: 2260

Attachment: Exhibit A - Project Description
Exhibit B - LID Boundary

CITY OF TUKWILA
ORDINANCE NO. 2260
EXHIBIT A
PROJECT DESCRIPTION
TUKWILA URBAN ACCESS IMPROVEMENT PROJECT
(Local Improvement District # 33)

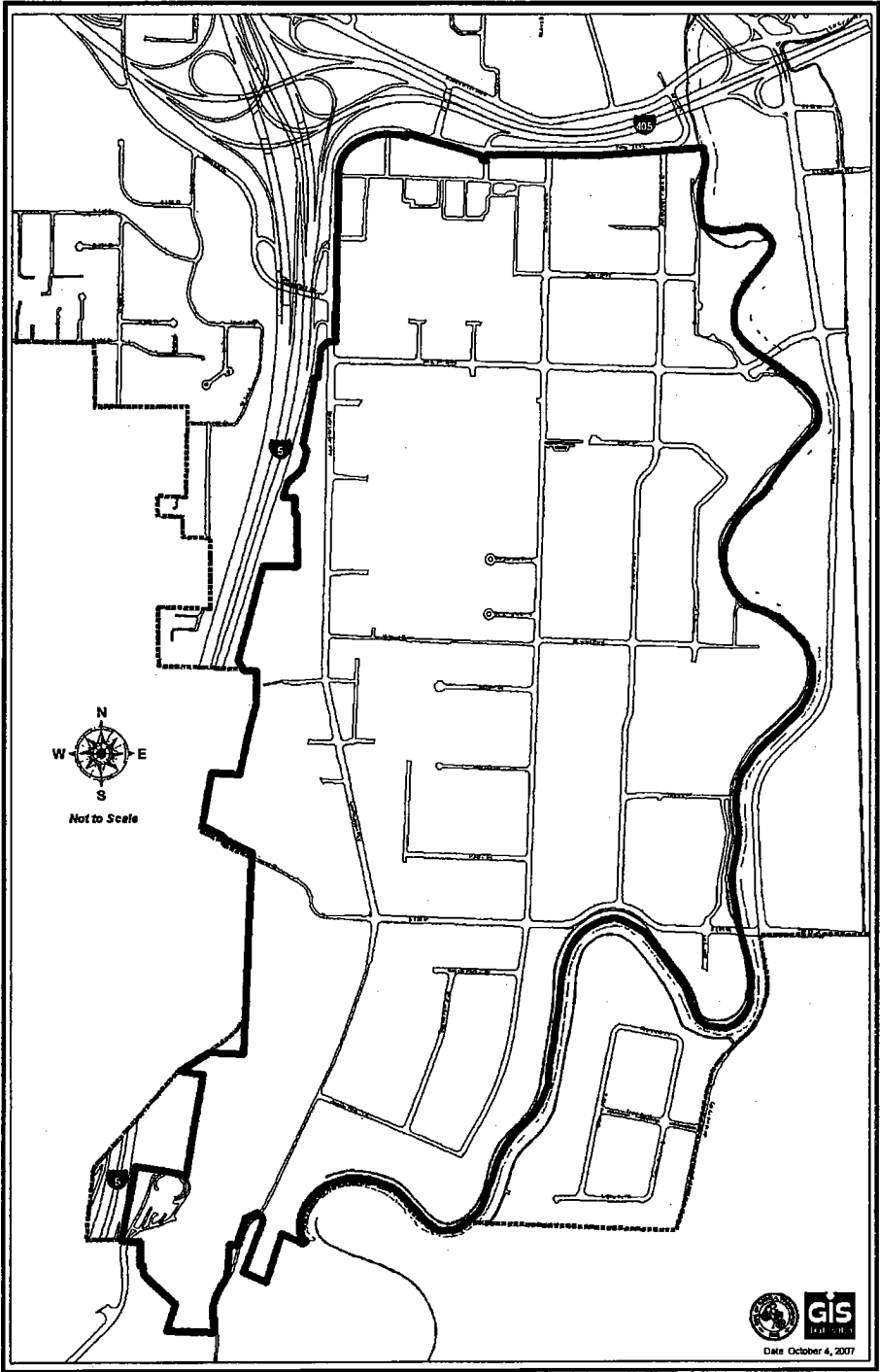
The Tukwila Urban Access Improvement Project consists of a grade separated structure using a partial lid over Southcenter Parkway, removing left turn/through conflicting movements. The roadway will be widened on Southcenter Parkway with southbound lanes depressed under a lid structure accommodating both northbound and eastbound left turns with Klickitat Drive. Sidewalks will be included on the east side of the street as well as one new signal and interconnection of three signals to the city's Traffic Operation Control system.

Included in all the preceding are: legal requirements; permits; licenses; reviews; and any and all other matters necessary for a complete improvement in accordance with City standards.

**CITY OF TUKWILA
ORDINANCE NO. 2260**

EXHIBIT B

**LID BOUNDARY
TUKWILA URBAN ACCESS IMPROVEMENT PROJECT
(Local Improvement District # 33)**





Tukwila City Council

City Hall Council Chambers

Regular Meeting

November 16, 2009 – 7:00 P.M.

MINUTES

EXECUTIVE SESSION

Pending Litigation – Pursuant to RCW 42.30.110(1)(i) - Settlement Agreement: Legacy Partners Condemnation (30 minutes)

Attendees: Jim Haggerton, Mayor; Shelley Kerslake, City Attorney; Tukwila City Councilmembers, Joe Duffie, Joan Hernandez, Pam Linder, Dennis Robertson, Verna Griffin, Kathy Hougardy, De'Sean Quinn; Bob Giberson, Interim Public Works Director; Kimberly Matej, Council Analyst; Christy O'Flaherty, City Clerk.

Start: 6:30 p.m.

Mayor Haggerton announced the purpose of the Executive Session is to discuss Pending Litigation, pursuant to RCW 42.30.110(1)(i) – Settlement Agreement: Legacy Partners Condemnation. It will last no more than 30 minutes, and no decisions will be made during the Executive Session.

End: 6:40 p.m.

CALL TO ORDER/PLEDGE OF ALLEGIANCE/ROLL CALL

Mayor Haggerton called the Regular Meeting of the Tukwila City Council to order at 7:01 p.m. and led the audience in the Pledge of Allegiance.

ROLL CALL

Christy O'Flaherty, City Clerk, called the roll of the Council. Present were Councilmembers Joe Duffie, Joan Hernandez, Pam Linder, Dennis Robertson, Verna Griffin, Kathy Hougardy, De'Sean Quinn.

CITY OFFICIALS

Jim Haggerton, Mayor; Rhonda Berry, City Administrator; Shelley Kerslake, City Attorney; Steve Victor, Assistant City Attorney; Shawn Hunstock, Finance Director; Jack Pace, Community Development Director; Bob Giberson, Interim Public Works Director; Cyndy Knighton, Senior Engineer; Gail Labanara, Public Works Analyst; Derek Speck, Economic Development Administrator; Lisa Verner, Project Manager; Kimberly Walden, Municipal Court Judge; Trish Kinlow, Court Administrator; Mary Miotke, Information Technology Director; Kimberly Matej, Council Analyst; Christy O'Flaherty, City Clerk.

AMEND AGENDA

MOVED BY HERNANDEZ, SECONDED BY LINDER TO AMEND THE AGENDA TO ADD SETTLEMENT OF THE MATTER OF CITY OF TUKWILA vs. LEGACY PARTNERS TO ITEM 8 – UNDER NEW BUSINESS. MOTION CARRIED 7-0.

SPECIAL PRESENTATIONS

Federal Lobbying Update – Hal Hiemstra and Michelle Giguere, Representatives from Ball Janik, LLP

Hal Hiemstra and Michelle Giguere from Ball Janik provided an overview of federal lobbying activities and opportunities for 2010.

At the beginning of the current session of Congress, there was an expectation that in this session Congress would quickly enact an economic stimulus bill, get the annual appropriations back on a timely track, reauthorize the expiring six-year surface transportation bill, enact comprehensive health care legislation, address climate change legislation, and restructure the financial sector to ensure the financial

meltdown of 2008 did not re-occur. While significant focus has been paid to health care debate, progress has been made on several fronts. Progress has been slower in terms of appropriations and the transportation reauthorization bill.

During the 2010 session lobbying efforts will be directed toward issues involving transportation, economic stimulus funding, infrastructure funding, local policing, flood preparation, parks and recreation, federal policy, and telecommunications/broadband access/net neutrality.

The Councilmembers indicated that attention should be paid to legislation involving flood preparation reimbursement, sewer infrastructure, funding for bridges, and a regional weather station.

Mr. Hiemstra and Ms. Giguere indicated the City Council, Administration and staff are key players in lobbying efforts. Ball Janik is the City's representative in Washington DC, with the goal of providing early information about opportunities that would benefit Tukwila. Their understanding of the timing and document flow required for legislative matters aids in successful outcomes for the City.

Mayor Haggerton referenced the importance of the work done by Ball Janik in Washington DC toward ensuring that Tukwila is in a position to take advantage of essential funding opportunities.

The Councilmembers thanked Mr. Hiemstra and Ms. Giguere for the high level of service they provide for the City.

PROCLAMATIONS/APPOINTMENTS

a. Confirm reappointment of Kimberly Walden as Municipal Court Judge, with a term expiring 12/31/2013.

MOVED BY HERNANDEZ, SECONDED BY GRIFFIN TO CONFIRM THE REAPPOINTMENT OF KIMBERLY WALDEN AS MUNICIPAL COURT JUDGE, WITH A TERM EXPIRING 12/31/2013. MOTION CARRIED 7-0.

Mayor Haggerton administered the Oath of Office to Judge Walden.

The Councilmembers and Mayor thanked Judge Walden for the excellent contributions she has made to the Municipal Court. Judge Walden expressed her appreciation for the superior staff in the Court and thanked the Mayor and Council for the opportunity to serve the City.

b. Appointments to Equity and Diversity Commission:

1. Confirm the appointment of Zakariya Palsha to Position #5 on the Equity and Diversity Commission, with a term to expire 07/31/2010.

Mr. Palsha is the Vice Principal at Tukwila Elementary School, which has been noted as having one of the most diverse student bodies in the country. He brings a great deal of practical experience to the position.

MOVED BY HERNANDEZ, SECONDED BY GRIFFIN TO CONFIRM THE APPOINTMENT OF ZAKARIYA PALSCHA TO POSITION #5 ON THE EQUITY AND DIVERSITY COMMISSION, WITH A TERM TO EXPIRE 7/31/2010. MOTION CARRIED 7-0.

2. Confirm the appointment of Carolyn Barge to Position #9 on the Equity and Diversity Commission, with a term to expire 07/31/2010.

Ms. Barge has had a great deal of experience working with people from other cultures and has provided counseling services for the Tukwila School District. Her skills and expertise are an excellent fit for the Equity and Diversity Commission.

MOVED BY GRIFFIN, SECONDED BY DUFFIE TO CONFIRM THE APPOINTMENT OF CAROLYN BARGE TO POSITION #9 ON THE EQUITY AND DIVERSITY COMMISSION, WITH A TERM TO EXPIRE 7/31/2010. MOTION CARRIED 7-0.

CITIZEN COMMENTS

Joe Desimone, 5609 SW Manning Street, Seattle, has comments regarding the Shoreline Master Program (SMP). He is appreciative of the hard work done so far by the City, but he would also like to see a buffer reduction process implemented. He indicated a buffer reduction process is underway in the City of Auburn and is in the approval process by the Department of Ecology (DOE). Property owners are responsible for putting up the dollar amount and making a case for the reduction. The process involves scientists, City staff, and the Planning Director. He believes this process would provide a win-win situation for everyone.

Mary Koontz, 13802 Military Road South, representing Neighbors without Borders, provided a packet of information for distribution to the Council. Recently a child was hit by a car while heading to Cascade Elementary School. She indicated this issue has been brought up several times since 2007, and no changes have been made to affect traffic in this area. While the child was not seriously injured, she would like to see changes made regarding traffic flow, layout of the driveway, and communication to parents of school children about the issues. She would also like a liaison from City staff to be assigned to provide information and answer questions.

The Councilmembers thanked Ms. Koontz for providing this information. It was clarified that issues involving school crosswalks, adult supervision for crossing guards, and letters to parents of school children would need to be directed to the Tukwila School District.

CONSENT AGENDA

- a. Approval of Minutes: 10/26/09 (Special); 11/2/09 (Regular)
- b. Approval of Vouchers #350000-350253 and #200911161-200911162 in the amount of \$1,812,984.61.

MOVED BY DUFFIE, SECONDED BY HERNANDEZ THAT THE CONSENT AGENDA BE APPROVED AS SUBMITTED. MOTION CARRIED 7-0.

PUBLIC HEARING

An ordinance ordering the improvement of urban access for the Southcenter area, within the City, all in accordance with Resolution of Intention No. 1698; establishing the Klickitat Local Improvement District No. 33 and ordering the carrying out of the proposed improvement.

7:59 p.m. Mayor Haggerton opened the public hearing and requested a staff report.

Cyndy Knighton, Senior Engineer, explained the ordinance before the City Council tonight is to establish the Local Improvement District (LID). This project includes a grade separated facility with partial lid, additional capacity for better traffic flow, improved pedestrian facilities, and new signal with ITS elements. The current cost of the project is \$23,343,000. Funding from the City, grants, and impact fees will cover \$16,843,000 of this amount. The remaining \$6,500,000 in funding that will come from this LID.

Ms. Knighton explained that delaying the project would mean current grant monies would need to be returned; some impact fees would also need to be returned; and there could be a 5% per year cost escalation on the project costs.

Mayor Haggerton called for public comments.

The City Clerk referenced a letter received on November 15, 2009 in the Public Works Department from Medical Centers, LLC at 411 Strander Boulevard, Suite 107 relative to the LID. The letter has been distributed to the Council, Mayor and City Administrator.

Bruce Mitchell from Seattle, Washington is an owner of the Mitchell Moving and Storage property located south of South 180th Street and Southcenter Parkway. They have been there 41 years. He has concerns about the LID and the Tukwila South project occurring simultaneously due to the closures to Southcenter Parkway. This will mean limited north – west access to Southcenter Parkway and will entirely cut off the route to I-5 that goes down Southcenter Parkway and Frager Road to Orillia Road. Mitchell Moving and Storage uses that route for all its truck traffic in an effort to keep the traffic out of the commercial area. He contacted various other businesses in the vicinity and was told they did not realize these projects would occur simultaneously, and cutting off the southern access would adversely impact their businesses. In this economically difficult time, this seems to favor future developments at the expense of businesses currently operating. He indicated he had not received notice of the street closure, and there have been ongoing problems regarding receipt of necessary notifications.

Joe Johnson, Sizzler Restaurant, 16615 Southcenter Parkway, voiced concern over special assessments against businesses and the financial impacts. In the current economy, businesses are struggling to maintain their operations, and assessments such as this can represent a severe impact. They are very supportive of what is best for the community, and maybe there would be a better time to do this in the future. They do not feel this is beneficial to their business, and it is too hard to take on the assessment at this time.

Jim Tutton, 930 South 336th Street, Suite B, Federal Way, is the Vice President of the Washington Trucking Association. He found out about this inadvertently when he was contacted by Mr. Mitchell. Closure of the southern portion of Southcenter Parkway near Frager Road will cause bottlenecks for freight movement. Large 75-foot tractor trailers being re-routed for 18 months and mingling with shoppers will cause serious congestion. This will create additional costs by way of increased driver wages due to more travel times and fuel, which will be very difficult to absorb in a down economy. The trucking companies also use the public scale near 18800 Southcenter Parkway, and lack of accessibility will be extremely problematic and costly.

Scott Creek, Crown Moving Company, 1071 Andover Park West, indicated they have approximately 25 trucks that come into and go out of Southcenter on a daily basis. The vehicles range from 40 feet up to 80 feet long. The Frager Road entrance into the area is used quite a bit, and the trucks are weighed at the Mitchell Moving and Storage location. If there are delays based on road closures, the other access points currently have congestion problems, and this will be problematic for their business. He also has concerns about potential flooding and closure of the South 180th bridge. That will leave only one street in the Southcenter area going toward I-5. This will be very burdensome to the company, and he would like to see alternate solutions.

Andrew Ciarrocchi, 633 Southcenter Mall, is the General Manager for Westfield Southcenter. He would like to reinforce the need for continued collaboration with staff to mitigate traffic congestion if the LID is formed. It is important to have awareness of road closures and detour routes.

Dick Landon, 401 Evans Black Drive, Big West Sign and Screen Printing Supply, indicated this project seems to be for the benefit of retail businesses. He asked the Council to be mindful of the wholesale industrial companies who do not benefit from increased retail traffic, yet do bear some of the burdens. This LID does not benefit their company, but the congestion will be awkward for all involved. Due to the recent issues regarding flooding, the money for the LID may be better spent on flood control mitigation for the whole community.

8:31 p.m. Mayor Haggerton closed the public hearing.

UNFINISHED BUSINESS

a. An ordinance ordering the improvement of urban access for the Southcenter area, within the City, all in accordance with Resolution of Intention No. 1698; establishing the Klickitat Local Improvement District No. 33 and ordering the carrying out of the proposed improvement.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, ORDERING THE IMPROVEMENT OF URBAN ACCESS FOR THE SOUTHCENTER AREA, WITHIN THE CITY, ALL IN ACCORDANCE WITH RESOLUTION OF INTENTION NO. 1698; ESTABLISHING

THE KLICKITAT LOCAL IMPROVEMENT DISTRICT (LID NO. 33) AND ORDERING THE CARRYING OUT OF THE PROPOSED IMPROVEMENT; DESCRIBING THE METHOD OF ASSESSMENT; PROVIDING THAT PAYMENT FOR THE IMPROVEMENT BE MADE BY SPECIAL ASSESSMENT UPON THE PROPERTY IN THE DISTRICT, PAYABLE BY THE MODE OF "PAYMENT BY BONDS"; AND PROVIDING FOR THE ISSUANCE AND SALE OF LOCAL IMPROVEMENT DISTRICT WARRANTS OR OTHER SHORT-TERM OBLIGATIONS REDEEMABLE IN CASH AND LOCAL IMPROVEMENT DISTRICT BONDS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

MOVED BY LINDER, SECONDED BY DUFFIE THAT THE PROPOSED ORDINANCE BE READ BY TITLE ONLY. MOTION CARRIED 7-0.

Christy O'Flaherty, City Clerk, read the proposed ordinance by title only.

Cyndy Knighton, Senior Engineer, explained the question before the Council tonight is whether to form the Local Improvement District. If it is passed, we will then move to construction. In 2011 the final costs will be available and the final assessment roll will be provided. At that time the actual amount of the assessment for individual property owners will be determined. The final public hearing on the assessment roll will be conducted before the Hearing Examiner.

Councilmember Quinn requested clarification as to how many notifications have gone out, as well as the opportunities for public comment.

Ms. Knighton indicated she has given presentations on the LID to the Chamber of Commerce and the Tukwila Rotary Club multiple times in the last few years. There have also been workshops, open houses and meetings associated with the Tukwila South subarea plan. There were also 2 open house events held in August and September this year for businesses. There was a public hearing on the resolution of intent to form, and property owners were notified and postcards sent to businesses. The City did a second adoption of the resolution, and the same notification process was followed. Prior to this evening's public hearing, the same notification process was followed. In summary there have been 4-5 mailings of approximately 1,000 postcards sent to area businesses. Additionally, there are approximately 140 unique property owners that were contacted by mail. The City is required to notify property owners at the address of the taxpayer of record, and the King County Assessor's Office information is used for those mailings. Additional addresses were also included as necessary.

Ms. Knighton explained the construction for the LID is scheduled to begin in the spring of 2010, with the intention to contractually obligate the contractor to be complete no later than November 15, 2010. The Southcenter Parkway road closure is anticipated to be approximately 4 months and will likely occur in the summer.

Mayor Haggerton inquired if the road would be closed during Christmas of 2010. Ms. Knighton indicated the LID project should not cause the road to be closed in December 2010. The Southcenter Parkway extension associated with the Tukwila South project is expected to last 18 months and may cause road closures during that period.

Councilmember Robertson referenced page 24 of the Council packet and page 2 of the ordinance. Section 3 references the cost to be \$10,500,000, when the cost of the project is \$23,343,000.

Steve Victor, Assistant City Attorney, explained that the cost referenced in Section 3 of the ordinance is just the cost to be borne by the Local Improvement District. He indicated language would be added to Section 3 to provide necessary clarity.

Councilmember Robertson inquired as to the schedule for the Southcenter Parkway extension project. If these projects do occur simultaneously, there could be a variety of problems.

Lisa Verner, Project Manager, conveyed that the Boundary Review Board has approved the Tukwila South annexation that is relevant to the Southcenter Parkway extension project. The bid is anticipated to go out in February 2010, with construction starting in late April/May 2010. This project and the LID work would be occurring at the same time.

Councilmember Robertson suggested the schedule for the Southcenter Parkway extension project be discussed at the Transportation Committee meeting. There should also be discussion regarding the transportation impacts of the 2 projects occurring at the same time.

Councilmember Quinn, Chair of the Transportation Committee, concurred that a detailed briefing is necessary.

Councilmember Robertson requested clarification as to the assessments being tied to benefits to the property as opposed to the current use.

Mr. Victor explained the assessments are based on benefits to the property and not to the particular use or business that is presently occupying the site.

Councilmember Robertson indicated it appears the road closures will not be occurring during flood season. Ms. Knighton concurred and indicated it is intended the work be substantially complete by November 1, 2010 and no later than November 15, 2010, which is outside the normal flood season.

Councilmember Hernandez inquired as to how much of Southcenter Parkway would be closed. Ms. Knighton explained it is a small section that will be closed, and every effort will be made to leave areas open whenever possible. However, closure of all lanes is necessary to shorten the construction period.

Ms. Knighton also explained that the special benefit is based on the highest and best use of the potential of the property. The closer a business is located to the project, the higher the benefit, as traffic congestion is reduced.

Councilmember Linder indicated it is important for the Council to look into the future to facilitate what is best for the entire City. It could be a detriment to the City to delay the LID, as it could be too expensive at a later date. The bidding climate would be different, and the City may not be able to recoup the grant funding. In her view a \$1.00 return on the investment of 25 cents is good investment for the properties involved.

Councilmember Duffie expressed support for further discussions to occur at the Transportation Committee meeting.

Councilmember Robertson referenced the importance of those individuals who spoke at the public hearing this evening being invited to the Transportation Committee meeting. Ms. Knighton concurred.

Councilmember Griffin inquired as to the process for challenging an assessment.

Mr. Victor relayed that once the ordinance is adopted, a formal appeal could be filed. The calculations of the assessments and benefits can be appealed and would go before the Hearing Examiner.

Councilmember Hougardy referenced the McDonald's Corporation, which would be significantly benefited from the LID and noted their assessment would be \$196.00 per month. There are many businesses that have similar assessments that would benefit from the LID. These do not seem like extremely burdensome amounts for the benefits derived.

MOVED BY LINDER, SECONDED BY GRIFFIN THAT THE PROPOSED ORDINANCE BE ADOPTED AS READ. MOTION CARRIED 7-0 TO ADOPT ORDINANCE NUMBER 2260.

9:15 p.m. Mayor Haggerton declared a brief recess.

9:22 p.m. Mayor Haggerton reconvened the Regular Meeting.

b. A resolution adopting a new Public Works Fee Schedule.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, ADOPTING A NEW PUBLIC WORKS FEE SCHEDULE; AND REPEALING RESOLUTION NO. 1671.

MOVED BY DUFFIE, SECONDED BY HERNANDEZ THAT THE PROPOSED RESOLUTION BE READ BY TITLE ONLY. MOTION CARRIED 7-0.

Christy O'Flaherty, City Clerk, read the proposed resolution by title only.

MOVED BY DUFFIE, SECONDED BY LINDER THAT THE PROPOSED RESOLUTION BE ADOPTED AS READ. MOTION CARRIED 7-0 TO ADOPT RESOLUTION NUMBER 1699.

c. An ordinance regarding the setting of salary for the Municipal Court Judge.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING TUKWILA MUNICIPAL CODE CHAPTER 2.68, "MUNICIPAL COURT," REGARDING THE SETTING OF SALARY FOR THE MUNICIPAL COURT JUDGE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

MOVED BY LINDER, SECONDED BY QUINN THAT THE PROPOSED ORDINANCE BE READ BY TITLE ONLY. MOTION CARRIED 7-0.

Christy O'Flaherty, City Clerk, read the proposed ordinance by title only.

MOVED BY LINDER, SECONDED BY HERNANDEZ THAT THE PROPOSED ORDINANCE BE ADOPTED AS READ. MOTION CARRIED 7-0 TO ADOPT ORDINANCE NUMBER 2261.

d. A resolution updating and clarifying the Non-Represented Employees' compensation and adopting the salary schedule and benefits summary effective January 1, 2010.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, UPDATING AND CLARIFYING THE NON-REPRESENTED EMPLOYEES' COMPENSATION AND ADOPTING THE NON-REPRESENTED SALARY SCHEDULE AND BENEFITS SUMMARY, EFFECTIVE JANUARY 1, 2010.

MOVED BY LINDER, SECONDED BY DUFFIE THAT THE PROPOSED RESOLUTION BE READ BY TITLE ONLY. MOTION CARRIED 7-0.

Christy O'Flaherty, City Clerk, read the proposed resolution by title only.

MOVED BY HERNANDEZ, SECONDED BY DUFFIE THAT THE PROPOSED RESOLUTION BE ADOPTED AS READ.*

MOVED BY LINDER, SECONDED BY GRIFFIN TO AMEND THE MOTION TO SELECT OPTION 1, WHICH GIVES ALL NON-REPRESENTED EMPLOYEES A WAGE INCREASE.**

The Councilmembers discussed this issue and exchanged comments as follows:

The importance of not having 48 staff members out of 350 bear the weight of the current budget situation; The necessity of recognizing the seriousness of the City's budget problem and that a savings of \$127,000 is significant; The need to ensure that non-represented employees' salaries be in alignment with union positions; The awareness that citizens and businesses are struggling during this economic period and sensitivity to the community is important; The need for responsiveness to the Mayor's recommendation of Option 3 to provide increases to technical and support staff and management/supervisory levels would not receive an increase; The suggestion that Option 2, to phase in increases for all non-represented employees on a mid-year basis, would be a viable alternative; The option that the City Councilmembers could donate 2 months of their salary to provide increases to all non-represented employees.

****ROLL CALL VOTE ON THE AMENDMENT TO SELECT OPTION 1, WHICH GIVES ALL NON-REPRESENTED EMPLOYEES A WAGE INCREASE.**

DUFFIE – YES
LINDER – YES
HERNANDEZ – NO
ROBERTSON – NO
GRIFFIN – YES
HOUGARDY – NO
QUINN – NO
MOTION FAILED 3-4.

***MOTION CARRIED 7-0 TO ADOPT RESOLUTION NUMBER 1700.**

e. Authorize the Mayor to sign a contract with Ball Janik, LLP for 2010 Lobbying Services in the amount of \$9,568.00 per month, plus expenses that shall not exceed \$1,000.00 per month.

**MOVED BY LINDER, SECONDED BY DUFFIE TO AUTHORIZE THE MAYOR TO SIGN A CONTRACT WITH BALL JANIK, LLP FOR 2010 LOBBYING SERVICES IN THE AMOUNT OF \$9,568.00 PER MONTH, PLUS EXPENSES THAT SHALL NOT EXCEED \$1,000.00 PER MONTH.
MOTION CARRIED 7-0.**

NEW BUSINESS - (Per Agenda Amendment on Page 1)

Settlement of the matter of City of Tukwila vs. Legacy Partners, Cause Number 09-2-19459-9KNT.

**MOVED BY HERNANDEZ, SECONDED BY GRIFFIN TO AUTHORIZE THE MAYOR TO SETTLE THE MATTER OF CITY OF TUKWILA vs. LEGACY PARTNERS, CAUSE NUMBER 09-2-19459-9KNT IN THE AMOUNT OF \$1,185,000.00 AND THE TERMS CONTAINED IN THE CR2A AGREEMENT.
MOTION CARRIED 7-0.**

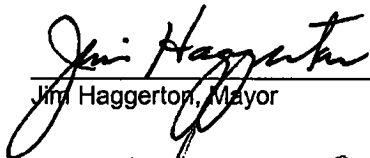
REPORTS

There was consensus to dispense with reports.

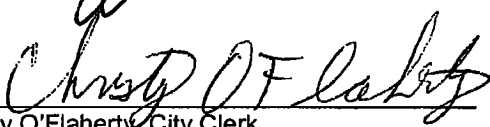
Kimberly Matej, Council Analyst, reminded the Council of the Shoreline Master Program (SMP) meeting to be held in the Council Chambers tomorrow, November 17, 2009 at 6:00 p.m.

ADJOURNMENT

10:10 p.m. MOVED BY DUFFIE, SECONDED BY QUINN THAT THE TUKWILA CITY COUNCIL MEETING BE ADJOURNED. MOTION CARRIED 7-0.



Jim Haggerton, Mayor



Christy O'Flaherty, City Clerk

APPROVED BY THE CITY COUNCIL: 12/7/2009

The Seattle Times



seattletimes.com

Re Advertiser Account #79103006

Ad # 785299300

4050601/2

Ad TEXT: SUMMARY OF
Ordinance No. 2260

City of Tukwila, Washington

On November 16, 2009 the City Council of the City of Tukwila, Washington, adopted Ordinance No. 2260, the main points of which are summarized by its title as follows:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, ORDERING THE IMPROVEMENT OF URBAN ACCESS FOR THE SOUTHCENTER AREA, WITHIN THE CITY, ALL IN ACCORDANCE WITH RESOLUTION OF INTENTION NO. 1698; ESTABLISHING THE KLIICKITAT

LOCAL IMPROVEMENT DISTRICT (LID NO. 33) AND ORDERING THE CARRYING OUT OF THE PROPOSED IMPROVEMENT; DESCRIBING THE METHOD OF ASSESSMENT; PROVIDING THAT PAYMENT FOR THE IMPROVEMENT BE MADE BY SPECIAL ASSESSMENT UPON THE PROPERTY IN THE DISTRICT, PAYABLE BY THE MODE OF "PAYMENT BY BONDS"; AND PROVIDING FOR THE ISSUANCE AND SALE OF LOCAL IMPROVEMENT DISTRICT WARRANTS OR OTHER SHORT-TERM OBLIGATIONS REDEEMABLE IN CASH AND LOCAL IMPROVEMENT DISTRICT BONDS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of this ordinance will be mailed upon request.

Approved by the City Council at a Regular Meeting thereof on November 16, 2009.

Christy O'Flaherty, CMC, City Clerk

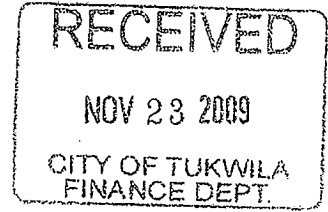
Published Seattle Times:
November 19, 2009.

The Seattle Times

seattletimes.com

PO Box 70, Seattle, WA 98111

TUKWILA CITY OF FIN
FINANCE DEPARTMENT
6200 SOUTHCENTER BLVD
TUKWILA, WA 98188



Re: Advertiser Account #79103006
Ad #: 785299300

Affidavit of Publication

4050601 / 2

STATE OF WASHINGTON
Counties of King and Snohomish

The undersigned, on oath states that he/she is an authorized representative of The Seattle Times Company, publisher of The Seattle Times of general circulation published daily in King and Snohomish Counties, State of Washington. The Seattle Times has been approved as a legal newspaper by orders of the Superior Court of King and Snohomish Counties.

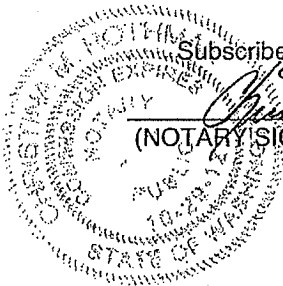
The notice, in the exact form annexed, was published in the regular and entire issue of said paper or papers and distributed to its subscribers during all of the said period.

Newspaper	Publication Date
The Seattle Times	11/19/09

Agent _____ Signature Debbie Collett

Subscribed and sworn to before me on November 20, 2009
(DATE)

(NOTARY SIGNATURE) Christina J. Rahman Notary Public in and for the State of Washington, residing at Seattle





King County

Department of Assessments
Accounting Division – Open Space
500 Fourth Avenue, ADM-AS-0725
Seattle, WA 98104-2384

(206) 296-3969 FAX (206) 296-0106
Email: assessor.info@kingcounty.gov
<http://www.kingcounty.gov/assessor/>

Lloyd Hara
Assessor

April 20, 2011

Cyndy Knighton
Senior Transportation Engineer
City of Tukwila
6300 Southcenter Boulevard, Suite 100
Tukwila, WA 98188

Re: City of Tukwila, LID #33

Dear Ms. Knighton:

Regarding your request made on April 12, 2011 on behalf of the City of Tukwila you are notified that none of the parcels located within the boundaries of the City of Tukwila LID #33, as delineated by the boundary description you provided in your email request dated April 12, 2011, are currently classified as Farm and Agricultural Land or Timber Land under RCW Chapter 84.34.

Sincerely,

Wendy Morse

Wendy Morse
Current Use Evaluation Specialist

Cindy Nevins

From: Alice Ostdiek
Sent: Thursday, November 14, 2013 11:51 AM
To: Cindy Nevins
Subject: RE: LID Protests

Yep. Please put this in the file, along with the meeting minutes.

Alice M. Ostdiek

Foster Pepper PLLC | P: 206.447.4663 | C: 206.713.4667

Please consider the environment before printing this email.

From: Cindy Nevins
Sent: Thursday, November 14, 2013 11:30 AM
To: Alice Ostdiek
Subject: FW: LID Protests

Alice, see Vicky's email below regarding lack of information on protests filed against formation of LID. Do we need anything more?

Cindy Nevins

Paralegal

FOSTER PEPPER PLLC

1111 Third Avenue, Suite 3400

Seattle, WA 98101-3299

Phone: 206-447-2877

Fax: 206-749-1951

nevic@foster.com

www.foster.com



From: Vicky Carlsen [<mailto:Vicky.Carlsen@TukwilaWA.gov>]
Sent: Thursday, November 14, 2013 11:16 AM
To: Cindy Nevins
Subject: RE: LID Protests

Hi Cindy,

I can't find anything the references that any protests were filed against the formation of the LID. I've attached minutes that reference the public hearing for the LID and there was public commentary but I don't see anything that would show that there were specific protests.

Please let me know if this will be adequate.

Thanks. Vicky

From: Cindy Nevins [<mailto:NeviC@foster.com>]
Sent: Wednesday, November 13, 2013 2:49 PM
To: Vicky Carlsen
Subject: LID Protests

Vicky, can you find out if any protests were filed against the formation of the LID (not protests against the assessments, but early in the process)? If no protests were filed against the formation, then we don't need anything.

Thanks.

Cindy

Cindy Nevins

Paralegal

FOSTER PEPPER PLLC

1111 Third Avenue, Suite 3400

Seattle, WA 98101-3299

Phone: 206-447-2877

Fax: 206-749-1951

nevic@foster.com

www.foster.com



FOSTER PEPPER PLLC



Tukwila City Council Committee of the Whole Meeting

City Hall Council Chambers

October 26, 2009 – 7:00 P.M.

MINUTES

EXECUTIVE SESSION

Legal Issues - Pursuant to RCW 42.30.110(1)(i) to discuss the legal risks of a proposed action or current practice that the agency has identified when public discussion of the litigation or legal risks is likely to result in an adverse legal or financial consequence to the agency (50 minutes).

Attendees: Mayor Haggerton; Rhonda Berry, City Administrator; Tukwila City Councilmembers, Joe Duffie, Joan Hernandez, Pam Linder, Dennis Robertson, Verna Griffin, Kathy Hougardy and De'Sean Quinn; Bob Sterbank, City Attorney; Jack Pace, Community Development Director; Nora Gierloff, Community Development Deputy Director; Carol Lumb, Senior Planner; Kimberly Matej, Council Analyst; Melissa Hart, Deputy City Clerk.

Start: 6:07 P.M.

Council President Hernandez announced the purpose of the Executive Session is to discuss legal issues. It will last no more than 50 minutes and no decisions will be made during the Executive Session.

End: 6:57 P.M.

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Council President Hernandez called the Tukwila City Council meeting to order at 7:12 p.m. Michael Fertakis, Foster High School student, led the audience in the Pledge of Allegiance.

OFFICIALS

Present were Joan Hernandez, Council President, Councilmembers Joe Duffie, Pam Linder, Dennis Robertson, Verna Griffin, Kathy Hougardy, De'Sean Quinn.

CITY OFFICIALS

Jim Haggerton, Mayor; Rhonda Berry, City Administrator; Bob Giberson, Interim Public Works Director; Cyndy Knighton, Senior Engineer; Shawn Hunstock, Finance Director; Jack Pace, Community Development Director; Mary Miotke, Information Technology Director; Kimberly Matej, Council Analyst; Melissa Hart, Deputy City Clerk.

CITIZEN COMMENTS

Robert Schofield, 4212 Hunts Point Road, Hunts Point, expressed his concern about the future of retail in Tukwila and the Green River Valley. The media reports relating to the situation at the Howard Hanson Dam have caused several area businesses to discuss the possibility of relocation. Mr. Schofield indicated several of his lessees are requesting re-negotiation. He also commented on the information provided at the community outreach meetings, where the City's flood response was the key message. Mr. Schofield is requesting that the Council concentrate on flood mitigation rather than the response.

Joe Desimone, 5609 S.W. Manning Street, Seattle, expressed his appreciation for the Council's continued cooperation he has received as a long-time Tukwila property owner. The continued support relating to the Shoreline Master Program indicates the Council's willingness to work with property owners to resolve issues contained in the draft of the Shoreline Master Program. The continued support and communication will benefit the City and all affected property owners.

Abdullah Kim Hashi, 15211 International Blvd South, expressed his appreciation for the opportunities provided to the Somali Community and the support of their request to open a mosque in the City. They

feel they are contributing to the community and look forward to the continued partnership the opportunity has created.

PUBLIC HEARING

a. A resolution declaring the intent to consider the formation of a Local Improvement District, to be known as Local Improvement District No. 33, for the purpose of improving Urban Access for the Southcenter area, and setting a public hearing date to consider formation of the LID; and superseding Resolution No. 1690.

Cyndy Knighton, Senior Engineer, used a Powerpoint presentation to provide an update regarding the proposed Local Improvement District (LID). This project will involve a grade-separated facility that will affect the Urban Center and includes a partial LID. It will provide additional capacity for better traffic flow, improved pedestrian facilities, and a new signal with ITS elements. There are several access points to the Southcenter area, and this project carries about 25% of all trips in to and out of the Southcenter area.

The total anticipated cost of this project is \$23,343,000. There are secured funds available for the project in the amount of \$16,843,000 by way of City funds, impact fees, and state and federal grants. The additional amount needed is approximately \$6,500,000, which would come from the affected property owners by way of this LID. There are approximately 260 parcels that include 140 unique property owners, and their assessment would be based on the benefit to their property (nearby properties have higher benefits; those further away have lower benefits). It is anticipated that property owners would receive the special benefit ratio of \$1.00 in benefits for every \$.24 assessed.

The Preliminary Assessments were mailed on September 30, 2009. On October 2, 2009, an error was discovered in Resolution No. 1690. While this evening the public hearing and Resolution of Intent are to consider the formation of an LID, there have been several statements about the preliminary assessments. Ms. Knighton explained that she has requested the consultant who performed the assessments attend a Regular Meeting to answer any questions the Council might have.

Ms. Knighton explained that due to the economic downturn the bidding climate is very good at this time. The intent is to award a contract early next year and for the project to be completed by mid-November of 2010. They would then finalize the project costs, and final assessments would be mailed out in 2011.

Councilmember Duffie stated that this project will improve the traffic congestion in the area and will benefit the City and the Urban Center.

7:42 p.m. Council President Hernandez opened the Public Hearing

Robert Schofield, 4212 Hunts Point Road, Hunts Point, indicated the current flood threat and the decrease in unit leases does create a revenue problem for property owners. However, he supports the formation of the Local Improvement District.

Nicholas Lee, representing Westfield Southcenter, indicated they are not protesting the LID. Westfield's request is for the Council to consider whether this is the right time for such a project. There will be an economic impact to the retailers and their sales volume during the construction period. Mr. Lee stated they have received their preliminary assessment and are currently reviewing the information.

Dr. Jerome Baruffi, 411 Strander Blvd, expressed his concern relating to the cost benefit ratio that was provided. He stated that the cost benefit appears to be just a guess. He questions the benefit he would gain from this project, and the assessment he received equals approximately \$1,000 a square foot. Dr. Baruffi explained that due to the current state of the economy and the possible flooding, his few remaining tenants would not agree to the City's assessment.

Melissa Hart, Deputy City Clerk, referenced a letter from Mitchell Lowe dated October 25, 2009. The letter references the Tukwila Urban Center Access (Klickitat) project and is on behalf of Sizzling Platter, owner of the Sizzler Restaurant. A copy of the letter was distributed to the Mayor, City Council and City Administrator.

Ms. Hart also referenced a letter from Glenn Amster with Lane Powell Attorneys & Counselors dated October 19, 2009; two letters from Marlene Ivy with MVI Tukwila 1 and MVI Tukwila 2 LLC received October 20, 2009; a letter from Eric Shaw, dated October 19, 2009 and an e-mail from Richard Landen dated 10/18/09. The letters and e-mail reference the Tukwila Urban Center Access (Klickitat) project. A copy of each was distributed to the Mayor, City Council and City Administrator.

7:55 p.m. Council President Hernandez closed the Public Hearing

SPECIAL ISSUES

a. A resolution declaring the intent to consider the formation of a Local Improvement District, to be known as Local Improvement District No. 33, for the purpose of improving Urban Access for the Southcenter area, and setting a public hearing date to consider formation of an LID; and superseding Resolution No. 1690.

Councilmember Quinn indicated this item was discussed at the Transportation Committee meeting on October 5, 2009. The committee members were unanimous in recommending approval.

The preliminary assessment roll was completed on September 8, 2009 and presented to the Council on September 21, 2009, during the public hearing for the Resolution of Intent to form LID No. 33, and Resolution No. 1690 was approved. On October 2, 2009, a technical error in Resolution No. 1690 was discovered, which will delay the LID process. In order to correct the problem, the City must start over with the Resolution of Intent process prior to beginning the Ordinance to Form a Local Improvement District process.

Councilmember Linder indicated she would like to review the assessment information with the consultant and the City Attorney.

COUNCIL CONSENSUS EXISTED TO FORWARD THIS ITEM TO THE NEXT REGULAR MEETING.

b. A contract with M.J. Durkan, Inc. for 2010 lobbying services.

Councilmember Linder indicated this item was discussed at the Finance and Safety Committee meeting on October 20, 2009. The committee members were unanimous in recommending approval.

The Council is being asked to authorize the Mayor to approve a contract with M.J. Durkan, Inc. for lobbying services for 2010 in the amount of \$4,000 per month, plus expenses.

COUNCIL CONSENSUS EXISTED TO FORWARD THIS ITEM TO THE NEXT REGULAR MEETING.

c. Authorization for Transfer of Funds for additional budget reductions for 2009.

Councilmember Linder indicated this item was discussed at the Finance and Safety Committee meeting on October 20, 2009. The committee members were unanimous in recommending approval.

The Authorization for Transfer of Funds implements additional budget reductions for 2009 beyond the three percent reduction recently enacted. The additional budget reduction totals \$392,416, as identified from selected departments, based on identified cost-savings opportunities.

Councilmember Robertson requested the Finance Director provide program descriptions relating to the Parks and Recreation budget reductions prior to the next Regular Meeting.

COUNCIL CONSENSUS EXISTED TO FORWARD THIS ITEM TO THE NEXT REGULAR MEETING.

d. Review of the budget process and deadlines.

Councilmember Linder indicated this item was discussed at the Finance and Safety Committee meeting on October 20, 2009. The committee members requested additional information from staff be provided to the Committee of the Whole.

State statute provides specific deadlines for developing, implementing and modifying biennial budgets. The City needs to pass a mid-biennium budget amendment for 2009-2010 by December 21, 2009. The property tax levy for 2010 must also be passed by November 30, 2009.

Shawn Hunstock, Finance Director, reminded the Council of the November 5, 2009 budget workshop and requested that Councilmembers provide agenda items or suggested topics to him as soon as possible. The budget workshop has been scheduled at the request of the Council. He would like to ensure the concerns of the Council are addressed during that meeting.

Councilmember Robertson stated a three-step process was established several years ago. The process included a staff presentation and then the Councilmembers could ask clarifying questions. At that time, the formal discussion would commence.

REPORTS

a. Mayor

Mayor Haggerton indicated he attended the King County Boundary Review Board Public Hearing relating to the Tukwila South Annexation on October 20, 2009. The Boundary Review Board has indicated they support the Tukwila South Project annexation. On October 21, 2009, he attended the Association of Washington Cities (AWC) Regional Meeting and the Joint City Council/School Board Meeting on October 22, 2009. He also attended the Valley Mayors meeting on October 23, 2009.

b. City Council

Councilmember Duffie attended the Association of Washington Cities Regional Meeting on October 21, 2009 and the Joint City Council/School Board Meeting on October 22, 2009.

Councilmember Linder attended the Joint City Council/School Board Meeting on October 22, 2009.

Councilmember Robertson attended the October 21, 2009 South County Area Transportation Board (SCATBd) committee meeting.

Council President Hernandez attended the Association of Washington Cities Regional Meeting on October 21, 2009 and the Joint School Board Meeting on October 22, 2009.

c. Staff

Rhonda Berry, City Administrator, provided the Council with an update on the current flood mitigation projects. The Gilliam Creek project is approximately 60% complete, and the contractor has commenced the Supersack placement and installation of Hesco barriers along the riverbank in the City.

Ms. Berry stated she has received information that some City of Auburn residents have been victims of flood preparation fraud. She stated the Information Technology Department would post information on the City's website to assist the residents with the necessary steps in identifying licensed contractors.

d. City Attorney

The City Attorney's presence is not required at Committee of the Whole meetings.

e. Intergovernmental

Kimberly Matej, Council Analyst, reminded the Council of the Shoreline Master Program workshop on Tuesday, October 27, 2009 and the Budget Workshop on November 5, 2009.

ADJOURNMENT

8:41 p.m. COUNCIL PRESIDENT HERNANDEZ DECLARED THE COMMITTEE OF THE WHOLE MEETING BE ADJOURNED TO CONVENE A SPECIAL MEETING.


Joan Hernandez, Council President


Melissa Hart, Deputy City Clerk



City of Tukwila

Washington

Resolution No. 1789

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, FIXING THE TIME FOR A HEARING ON THE FINAL ASSESSMENT ROLL FOR KLIICKITAT LOCAL IMPROVEMENT DISTRICT NO. 33.

WHEREAS, by Ordinance No. 2260, the City Council of the City of Tukwila established Klickitat Local Improvement District No. 33 for construction of access improvements to the Southcenter area; and

WHEREAS, construction of the improvements has now been completed; and

WHEREAS, the assessment roll for the local improvements has been prepared and filed with the office of the City Clerk;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Hearing Date. The City Council of the City of Tukwila, Washington, hereby sets March 27, 2013 as the hearing date on the assessment roll for Local Improvement District No. 33 now on file at the office of the City Clerk. The hearing shall be held before the appointed Hearing Examiner beginning at 9:00 AM at the Tukwila Community Center, 12424 42nd Ave. S., Tukwila, Washington.

Section 2. Notice of Hearing. The City Clerk of the City of Tukwila, Washington shall prepare a notice of the hearing as provided in RCW 35.44.080 and shall mail and publish said notice of hearing as provided in RCW 35.44.090.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this 4TH day of March, 2013.

ATTEST/AUTHENTICATED:

Christy O'Flaherty
Christy O'Flaherty, MMC, City Clerk

Kathy Hougardy
Kathy Hougardy, Council President

APPROVED AS TO FORM BY:

Rachel Blum
for Shelley M. Kerslake, City Attorney

Filed with the City Clerk: 2-27-13
Passed by the City Council: 3-4-13
Resolution Number: 1789



City of Tukwila

Washington

Resolution No. 1790

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, APPOINTING A HEARING EXAMINER PURSUANT TO RCW 35.44.070 TO CONDUCT A HEARING ON THE FINAL ASSESSMENT ROLL FOR KCLICKITAT LOCAL IMPROVEMENT DISTRICT NO. 33.

WHEREAS, on November 16, 2009, the City Council passed Ordinance No. 2260 creating the Klickitat Local Improvement District (LID) No. 33; and

WHEREAS, pursuant to RCW 35.44.070 the City Council may designate an officer to conduct a hearing on the assessment roll; and

WHEREAS, the City Council wishes to designate Gary McLean as Hearing Examiner to preside over the LID assessment roll hearing;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Appointment of Hearing Examiner. The City Council of the City of Tukwila, Washington, does hereby appoint Gary McLean to act as the City's Hearing Examiner for the assessment roll hearing for LID No. 33.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this 4th day of March, 2013.

ATTEST/AUTHENTICATED:

Christy O'Flaherty
Christy O'Flaherty, MMC, City Clerk

Kathy Hougardy
Kathy Hougardy, Council President

APPROVED AS TO FORM BY:

Raeel B. [Signature]
for Shelley M. Kerlake, City Attorney

Filed with the City Clerk: 2-27-13
Passed by the City Council: 3-4-13
Resolution Number: 1790



Tukwila City Council
City Hall Council Chambers

Regular Meeting
March 4, 2013– 7:00 P.M.

MINUTES

REGULAR MEETING

EXECUTIVE SESSION

Start: 6:30 p.m.

Mayor Haggerton announced the purpose of the Executive Session is to discuss Potential Litigation – Pursuant to RCW 42.30.110(1)(i).

It will last no more than 30 minutes, and no decisions will be made during the Executive Session.

Attendees: Jim Haggerton, Mayor; David Cline, City Administrator; Rachel Turpin, Assistant City Attorney; Bob Giberson, Public Works Director; Peggy McCarthy, Finance Director; Chris Flores, Acting Fire Chief; Tukwila City Councilmembers Joe Duffie, Dennis Robertson, Verna Seal, Kathy Hougardy, De'Sean Quinn, Kate Kruller.

Councilmember Ekberg was not in attendance.

End: 6:55 p.m.

CALL TO ORDER/PLEDGE OF ALLEGIANCE/ROLL CALL

Mayor Haggerton called the Regular Meeting of the Tukwila City Council to order at 7:02 p.m. and led the audience in the Pledge of Allegiance.

ROLL CALL

Christy O'Flaherty, City Clerk, called the roll of the Council. Present were Councilmembers Joe Duffie, Dennis Robertson, Kathy Hougardy, Verna Seal, De'Sean Quinn, and Kate Kruller.

MOVED BY DUFFIE, SECONDED BY ROBERTSON TO EXCUSE COUNCILMEMBER EKBERG FROM THE COUNCIL MEETING. MOTION CARRIED 6-0.

CITY OFFICIALS

Jim Haggerton, Mayor; David Cline, City Administrator; Rachel Turpin, Assistant City Attorney; Rick Still, Parks and Recreation Director; Peggy McCarthy, Finance Director; Bob Giberson, Public Works Director; Robin Tischmak, City Engineer; Mike Villa, Police Chief; Chris Flores, Acting Fire Chief; Derek Speck, Economic Development Administrator; Christy O'Flaherty, City Clerk.

SPECIAL PRESENTATIONS

Somali Community Services Coalition update. Ahmed Jama, Executive Director.

Mayor Haggerton announced that the City was notified today that Mr. Jama is unable to attend the meeting this evening. The presentation will be rescheduled for a future Council meeting.

CITIZEN COMMENTS

Vito Fedor stated that he owns businesses at 12400 and 12501 East Marginal Way South in Tukwila. He has a problem with food trucks that park on private property near his businesses. These food trucks do not have City business licenses. His understanding is that Code Enforcement staff cannot cite the food trucks for not having a license, only the landlord of the private property. He emphasized that if his business were to be unlicensed, it would not be the landlord of the building that would be issued a

citation. In his view, the food trucks should have to follow the same rules as other businesses, and those rules should be enforced.

The Councilmembers asked questions of Mr. Fedor and thanked him for bringing this matter to their attention. They would like to see this issue addressed in a Council Committee.

David Cline, City Administrator, explained that this item is on the agenda to be addressed by the Department of Community Development this year. Staff will be bringing this issue before the Community Affairs and Parks Committee (CAP).

Mayor Haggerton also thanked Mr. Fedor for coming forward and explained that the issues relating to food trucks competing with brick-and-mortar businesses needs to be addressed on a City-wide level.

CONSENT AGENDA

a. Approval of Minutes: 2/19/13 (Regular Mtg.)

b. Approval of Vouchers: #130204-130207, #362707-362827, #362704-362706 in the amount of \$763,313.10

c. Local Improvement District No. 33:

(1) A resolution fixing the time for a hearing on the final assessment roll for Klickitat Local Improvement District No. 33. *[Reviewed and forwarded to Consent by Finance & Safety Committee on 2/20/13.]* **RESOLUTION NUMBER 1789**

(2) A resolution appointing a Hearing Examiner pursuant to RCW 35.44.070 to conduct a hearing on the final assessment roll for Klickitat Local Improvement District No. 33. *[Reviewed and forwarded to Consent by Finance & Safety Committee on 2/20/13.]* **RESOLUTION NUMBER 1790**

(3) A resolution providing for clarification of the terms of an interfund loan to fund the Tukwila Urban Center Access Project in Local Improvement District No. 33, and other matters properly related thereto. *[Reviewed and forwarded to Consent by Finance & Safety Committee on 2/20/13.]*

RESOLUTION NUMBER 1791

(4) An ordinance amending Ordinance No. 322 to adopt regulations relating to assessment roll hearings and appeals. *[Reviewed and forwarded to Consent by Finance & Safety Committee on 2/20/13.]*

ORDINANCE NUMBER 2397

d. Accept as complete the Tukwila Pool Parking Lot and Access Improvements Project (Contract #12-148) with Evergreen Asphalt & Concrete, Inc.; authorize release of retainage subject to the standard claim and lien release procedures. (Final cost of project, including retainage: \$73,151.48.) *[Reviewed and forwarded to Consent by Community Affairs & Parks Committee on 2/25/13.]*

MOVED BY DUFFIE, SECONDED BY ROBERTSON THAT THE CONSENT AGENDA BE APPROVED AS SUBMITTED. MOTION CARRIED 6-0.

UNFINISHED BUSINESS

a. An ordinance eliminating the Advanced Travel Expense revolving fund and repealing its reference from the Tukwila Municipal Code.

MOVED BY ROBERTSON, SECONDED BY DUFFIE THAT THE PROPOSED ORDINANCE BE READ BY TITLE ONLY. MOTION CARRIED 6-0.

Christy O'Flaherty, City Clerk, read the proposed ordinance by title only.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NOS. 614, 1215 AND 1562, THEREBY ELIMINATING TUKWILA MUNICIPAL CODE CHAPTER 3.04, "ADVANCE TRAVEL EXPENSE REVOLVING FUND"; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

MOVED BY QUINN, SECONDED BY SEAL THAT THE PROPOSED ORDINANCE BE ADOPTED AS READ. MOTION CARRIED 6-0, TO ADOPT ORDINANCE NUMBER 2398.

b. Authorize the Mayor to sign an agreement with MIG for the Parks, Recreation and Open Space (PROS) Plan in the amount of \$95,041.00.

MOVED BY QUINN, SECONDED BY SEAL TO AUTHORIZE THE MAYOR TO SIGN AN AGREEMENT WITH MIG FOR THE PARKS, RECREATION AND OPEN SPACE (PROS) PLAN IN THE AMOUNT OF \$95,041.00. MOTION CARRIED 6-0.

NEW BUSINESS

Authorize the Mayor to sign Amendment No. 1 to Contract #13-043 with David Evans and Associates, Inc., for the Cascade View Elementary "Safe Routes to School" right-of-way acquisition in the amount of \$25,675.00. [Reviewed and forwarded to the Regular Meeting by Transportation Committee on 2/26/13.]

MOVED BY KRULLER, SECONDED BY DUFFIE TO AUTHORIZE THE MAYOR TO SIGN AMENDMENT NO. 1 TO CONTRACT #13-043 WITH DAVID EVANS AND ASSOCIATES, INC., FOR THE CASCADE ELEMENTARY "SAFE ROUTES TO SCHOOL" RIGHT-OF-WAY ACQUISITION IN THE AMOUNT OF \$25,675.00. MOTION CARRIED 6-0.

REPORTS

a. Mayor

Mayor Haggerton reported on recent action taken by the King County Council acting as the Flood Control Zone District Board of Supervisors, as it relates to the Briscoe Desimone levee, part of which is in the City of Tukwila. On February 26, the Board voted 8-0 to support the Kent proposal as it relates to supporting the levee. On February 27, the Mayor attended the Cascade Water Alliance meeting where there was an election of officers. The Mayor of Redmond, John Marchione, was elected President of Cascade Water Alliance; Mayor Haggerton was elected Vice-President; and Fred Butler, a Councilmember from Issaquah, was elected to be Secretary-Treasurer.

On March 1, second graders from Cascade View Elementary visited City Hall and the Tukwila Municipal Court. Additionally on March 1, the Mayor attended a Valley Com Board of Directors meeting. He reported that Valley Com's bond rating has been downgraded. The bond ratings of Tukwila and Kent (member cities of Valley Com) were impacted by Moody's rating based on Tukwila's funding of LID 33 from the General Fund and Kent's financing of the ShoWare Center. The Mayor relayed that Valley Com has put together a video regarding regional 911 services that will be made available to the City Council and members of the public. Mayor Haggerton also reported that the SCORE jail is contracting with the City of Fife for their Tacoma misdemeanants.

b. City Council

Councilmember Duffie reported that the capital project at the Tukwila Pool has resulted in a beautiful facility. He also took a tour of the levee this past week.

Council President Hougardy reported that on February 26 she testified against Senate Bill 5656 (Revising Business Licensing Systems). This bill would create a state business licensing entity requiring cities to use this portal for business licenses in their individual jurisdictions. Tukwila has good systems in place for licensing, and she was disappointed at how far the bill had gotten in the process.

Councilmember Quinn reported that on February 28 he met with representatives from the Abu-bakr Mosque. Councilmember Robertson also participated in the meeting. It was a good exchange and outreach will continue.

Councilmember Kruller reported that this last week while walking in the area of the footbridge, she came across an air gun competition, and she was pleased to see people gathering and enjoying themselves in Tukwila. Additionally, she encountered a person visiting from another state who was a master piano player. He was in town to do regional music evaluations and spoke very highly of Tukwila. Ms. Kruller also reported that the Sustain Tukwila Pool (STP) group is planning a dunk tank for the grand re-opening

of the pool. The STP group has also offered a challenge to the MPD Board as it relates to participating in the Strike Out Against Hunger event at ACME Bowl in Tukwila (March 23, 2013). She offered a reminder about the Duwamish Hill Preserve clean-up effort on March 16, 2013 from 10:00 a.m. to 1:00 p.m.

c. Staff

David Cline referenced the City Administrator report in the packet and offered to answer any questions.

Council President Hougardy referenced information in the report as it relates to the "Homesteads at Foster Park" and asked for additional information. Mr. Cline responded that the Department of Community Development Director will follow up with additional information.

d. City Attorney

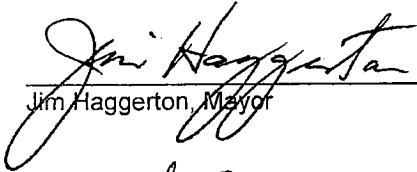
There was no report.

e. Intergovernmental

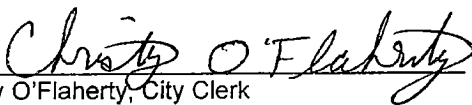
There was no report.

ADJOURNMENT

7:34 p.m. MOVED BY DUFFIE, SECONDED BY HOUGARDY THAT THE TUKWILA CITY COUNCIL MEETING BE ADJOURNED. MOTION CARRIED 6-0.



Jim Haggerton, Mayor



Christy O'Flaherty, City Clerk

APPROVED BY THE CITY COUNCIL: 3/18/13
AVAILABLE ON CITY WEBSITE: 3/19/13

CERTIFICATION OF MAILING

I, **Gail Labanara, Public Works Analyst**, City of Tukwila, Public Works Department, do hereby certify that I sent the Notice of Assessment Roll Hearing for March 27, 2013, relating to the costs and expenses of the Tukwila Urban Center Access (Klickitat) Local Improvement District #33 to owners of parcels of land or other property to be specially benefited by the proposed improvement, as shown on the rolls of the County Assessor, directed to the address thereon shown (address list is attached). Said mailing occurred on March 7, 2013.



Gail Labanara

3/7/13

LID Address List

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
1006 Andover Associatesc/o Cable Mgmt	262304-9101	1000 ANDOVER PARK E	5851 S 194TH ST		KENT	WA	98032				
480 Andover Park East LLC	262304-9093	480 ANDOVER PARK E	600 ANDOVER PARK E		TUKWILA	WA	98188				
790 Andover LLC	262304-9095	770 ANDOVER PARK E	PO BOX 287		MEDINA	WA	98039				
A 4 LLC	262304-9102	235 STRANDER BLVD	117 E LOUISA ST	#230	SEATTLE	WA	98102				
AMB Property Corp.c/o RE Tax	352304-9102	1121 ANDOVER PARK W	60 STATE ST	STE 1200	BOSTON	MA	02109	12720 GATEWAY DR STE 110	TUKWILA	WA	98168-3333
	352304-9110	1105 ANDOVER PARK W	60 STATE ST	STE 1200	BOSTON	MA	02109	12720 GATEWAY DR STE 110	TUKWILA	WA	98168-3333
	883650-0050	305 UPLAND DRIVE	60 STATE ST	STE 1200	BOSTON	MA	02109	12720 GATEWAY DR STE 110	TUKWILA	WA	98168-3333
	883650-0060	335 UPLAND DR	60 STATE ST	STE 1200	BOSTON	MA	02109	12720 GATEWAY DR STE 110	TUKWILA	WA	98168-3333
	883650-0100	360 MIDLAND DR	60 STATE ST	STE 1200	BOSTON	MA	02109	12720 GATEWAY DR STE 110	TUKWILA	WA	98168-3333
AMC Family LLC	352304-9095	6750 S 180TH ST	PO BOX 2720		PORTLAND	OR	98207				
Ameristar Meats	262304-9083	1024 ANDOVER PARK E	210 S MCKINNON		SPOKANE	WA	99212	PO BOX 235	NACHES	WA	98937-0235
AMP HOLDINGS LLC	262304-9105	950 ANDOVER PARK E	6620 S 192ND PL	BLDG J	KENT	WA	98032	2810 EASTLAKE AVE E	SEATTLE	WA	98102
Andover Plaza LLCc/o Ironwood Investme	022310-0099	220 ANDOVER PARK E	1501 N 200TH ST		SHORELINE	WA	98133				
Andover Property Management	352304-9107	17855 SOUTHCENTER PKWY	415 BAKER BLVD	#200	TUKWILA	WA	98188				
Andover West LLCc/o Powell, D	262304-9118	1000 ANDOVER PARK W	PO BOX 97070		KIRKLAND	WA	98083	PO Box 97070	Kirkland	WA	98083-9770
ARCHDIOCESE OF SEATTLE	362304-9087	6801 S 180TH ST	710 9TH AVE		SEATTLE	WA	98104	710 9TH AVE	SEATTLE	WA	98104-2017
Argus Group LTD	537920-0290	16425 SOUTHCENTER PKWY	10500 NE 8TH ST	STE 850	BELLEVUE	WA	98004				
Baker Square LLC	022310-0080	415 BAKER BLVD	1501 N 200TH ST		SHORELINE	WA	98133				
Banasky, Howard V	262304-9100	600 ANDOVER PARK E	600 ANDOVER PARK E		TUKWILA	WA	98188				
Bank of America	920247-0050	NA	1004 4TH AVE	4TH FL	SEATTLE	WA	98154				
Bank of AmericaWA1-501-15-08	022310-0036	406 EVANS BLACK DR	WA1-501-15-08	PO BOX 34029/LEEDE	SEATTLE	WA	98124				

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
BCRP Riverview Plaza LLC	252304-9039	16040 CHRISTENSEN RD	248 HOMER AVE		PALO ALTO	CA	94301	16040 CHRISTENSEN RD STE 100	TUKWILA	WA	98188
	252304-9077	16000 CHRISTENSEN RD	248 HOMER AVE		PALO ALTO	CA	94301	16040 CHRISTENSEN RD STE 100	TUKWILA	WA	98188
	252304-9078	16300 CHRISTENSEN RD	248 HOMER AVE		PALO ALTO	CA	94301	16040 CHRISTENSEN RD STE 100	TUKWILA	WA	98188
Beta Holdings LTD	022300-0010	301 Tukwila Pkwy.	18827 BOTHELL WAY NE		BOTHELL	WA	98011				
Beta Tukwila LLC	022300-0045	112 ANDOVER PARK E	18827 BOTHELL WAY NE	#110	BOTHELL	WA	98011	18827 Bothell Way NE, STE 110	Bothell	WA	98011-1940
Blue Dog Properties/o Thomson Reuters	022340-0010	596 INDUSTRY DR	PO BOX 847		CARLSBAD	CA	92018	PO BOX 182598 MAIL STOP #15	COLUMBUS	OH	43218-2598
	022340-0070	NA	PO BOX 847		CARLSBAD	CA	92018	PO BOX 182598 MAIL STOP #15	COLUMBUS	OH	43218-2598
	252304-9008	630 INDUSTRY DR	PO BOX 847		CARLSBAD	CA	92018	PO BOX 182598 MAIL STOP #15	COLUMBUS	OH	43218-2598
Boeing Oregon Masabi Trust	352304-9105	5920 S 180TH ST	1325 4TH AVE	SUITE 1940	SEATTLE	WA	98101				
Bui, Vien & Tonnu, Thanh-Thie	352304-9039	NA	12613 38TH AVE SE		EVERETT	WA	98208				
C/F Properties LLC	883510-0030	340 UPLAND DR	370 UPLAND DRIVE		TUKWILA	WA	98188				
Carrol Joseph J	883510-0080	340 UPLAND DR	350 UPLAND DR		TUKWILA	WA	98188				
Carrol Joseph J/Gayle M	883510-0070	340 UPLAND DR	350 UPLAND DR		TUKWILA	WA	98188				
Castello Land Co Inc	262304-9096	SOUTHCENTER PKWY	7330 W MERCER WAY		MERCER ISLAND	WA	98040				
Cenveo Inc Tax Dept	262304-9097	500 ANDOVER PARK E	PO BOX 420		STAMFORD	CT	06904	250 S NORTHWEST HWY	PARKRIDGE	IL	60068
CHA Southcenter LLC	643730-0010	16510 SOUTHCENTER PKWY	16500 SOUTHCENTER PKW		TUKWILA	WA	98188				
	643730-0020	16500 SOUTHCENTER PKWY	16500 SOUTHCENTER PKW		TUKWILA	WA	98188				
Chen Ting-Wei	812520-0360	NA	4894 BEACON AVE S		SEATTLE	WA	98108				
Chen, Bob	022320-0041	512 STRANDER BLVD	512 STRANDER BLVD		TUKWILA	WA	98188				
Chevron Texaco	262304-9104	220 STRANDER BLVD	PO BOX 1392		BAKERSFIELD	CA	93302	PO BOX 211788	COLUMBUS	OH	29221-6788
City of Seattle/o SPU Real Prop Wtr	000320-0021	500 Tukwila Pkwy.	PO BOX 34018		SEATTLE	WA	98124				
City of Seattle/SPU Real Prop WTR	252304-9048	NA	PO BOX 34018		SEATTLE	WA	98124				
	262304-9072	402 STRANDER BLVD	PO BOX 34018		SEATTLE	WA	98124				

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
City of Tukwila	000320-0020	120 CHRISTENSEN RD	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	000320-0022	510 Tukwila Pkwy.	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	022330-0040	70TH AVE S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	022340-0080	444 ANDOVER PARK E	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	252304-9016	70th Ave S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	252304-9028	7200 STRANDER BLVD	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	252304-9031	70TH AVE S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	252304-9070	600 MINKLER BLVD	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	252304-9074	70TH AVE S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	252304-9080	15700 68TH AVE S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	252304-9081	15700 68TH AVE S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	262304-9062	NA	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	352304-9002	6804 S 180TH ST	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	352304-9003	6751 S 180TH ST	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
	352304-9008	17800 SOUTHCENTER PKWY	5811 SEGAL PK DR C		TUKWILA	WA	98188	PO BOX 88046	TUKWILA	WA	98138-2046
	352304-9038	18000 SOUTHCENTER PKWY	PO BOX 88028		TUKWILA	WA	98138				
	352304-9040	NA	PO BOX 88028		TUKWILA	WA	98138				
	362304-9016	7000 S 180TH ST	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188				
CLPF-Tukwila LPC/O JSH Properties	262304-9067	NA	10655 NE 4TH ST		BELLEVUE	WA	98004				
	262304-9236	17555 SOUTHCENTER PKWY	10655 NE 4TH ST	#901	BELLEVUE	WA	98004				
Costco Wholesale Corp	252304-9057	70TH AVE S	999 LAKE DR		ISSAQUAH	WA	98027	PO BOX 34788	SEATTLE	WA	98124-1788
	252304-9063	400 COSTCO DR	999 LAKE DR		ISSAQUAH	WA	98027	PO BOX 34788	SEATTLE	WA	98124-1788
	352304-9089	1200 ANDOVER PARK E	999 LAKE DR		ISSAQUAH	WA	98027				
	362304-9107	441 COSTCO DR	999 LAKE DR		ISSAQUAH	WA	98027	VENDOR #26950 PO BOX 34788	SEATTLE	WA	98124-1788
CWC Realty LLC	352304-9074	1232 ANDOVER PARK W	2855 MILLER ST		SAN LEANDRO	CA	94577				
D G I LLC	883510-0020	340 UPLAND DR	364 UPLAND DR		SEATTLE	WA	98188				
Danellie LLC	352304-9085	1180 ANDOVER PARK W	4664 95TH AVE NE		YARROW POINT	WA	98004				
Davidson, Donald ERTD Irrevocable Bldg T	022310-0031	402 BAKER BLVD	1199 SUMMIT DRIVE		LAGUNA BEACH	CA	92651				
	022310-0032	404 BAKER BLVD	1199 SUMMIT DR		LAGUNA BEACH	CA	92651				
	022310-0034	404 BAKER BLVD	1199 SUMMIT DR		LAGUNA BEACH	CA	92651				
EILAT MGMTICG Realty, LLC											

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
Ethan Allen Home InteriorsAttn Lease Ad	022310-0037	406 BAKER BLVD	650 S ORCAS	#210	SEATTLE	WA	98104				
Federated Dept Stores Inc	262304-9066	17333 SOUTHCENTER PKWY	ETHAN ALLEN DR		DANBURY	CT	06811	250 KAWAIHAE ST #20E	HONOLULU	HI	96825-1909
	262304-9076	17000 SOUTHCENTER PKWY	7 W 7TH ST		CINCINNATI	OH	45202	PO BOX 182351, SOUTHCENTER #65008A	COLUMBUS	OH	43218-2351
	262304-9077	17000 SOUTHCENTER PKWY	7 W 7TH ST		CINCINNATI	OH	45202	PO BOX 182351, SOUTHCENTER #65008A	COLUMBUS	OH	43218-2351
	262304-9086	NA	7 W 7TH ST		CINCINNATI	OH	45202	PO BOX 182351, SOUTHCENTER #65008A	COLUMBUS	OH	43218-2351
	359700-0246	500 SOUTHCENTER MALL	7 W 7TH ST		CINCINNATI	OH	45202		COLUMBUS	OH	43218-2351
Fidelity Northwest Assoc	022320-0010	402 STRANDER BLVD	4211 HOLLY LANE		MERCER ISLAND	WA	98040				
First Interstate Bank/o Thomson Property	362304-9095	6815 S 180TH ST	PO BOX 2609		CARLSBAD	CA	92018	C/O FACILITY IQ MS 411PO BOX 2440	SPOKANE	WA	99210-2440
Friesen Clarence	883510-0100	340 UPLAND DR	11131 SE 57TH ST		BELLEVUE	WA	98006				
Friesen Clarence W/Doris E	883510-0060	340 UPLAND DR	11131 SE 57TH ST		BELLEVUE	WA	98006				
Garfield - Southcenter LLC	022310-0070	240 ANDOVER PARK W	388 PEARL ST		EUGENE	OR	97401	PO BOX 529	EUGENE	OR	97440
G-Fore Associates LLC	883650-0110	1101 ANDOVER PARK W	5906 MONT BLANC PL NW		ISSAQUAH	WA	98027	415 BAKER BLVD STE 200	TUKWILA	WA	98188-2906
Gibson Properties LLC	022340-0050	401 ANDOVER PARK E	PO BOX 50268		BELLEVUE	WA	98015	401 ANDOVER PK E	TUKWILA	WA	98188-7605
	022340-0060	455 ANDOVER PARK E	PO BOX 50268		BELLEVUE	WA	98015	401 ANDOVER PK E	TUKWILA	WA	98188-7605
Gray Cat Collective LLC	352304-9069	1230 ANDOVER PARK E	1940 124TH AVE NE	STE A101	BELLEVUE	WA	98005	5430 45th AVE W	SEATTLE	WA	98199
	352304-9070	1228 ANDOVER PARK E	1940 124TH AVE NE	STE A101	BELLEVUE	WA	98005	5430 45th AVE W	SEATTLE	WA	98199
	352304-9075	1210 ANDOVER PARK E	1940 124TH AVE NE	STE A101	BELLEVUE	WA	98005	5430 45th AVE W	SEATTLE	WA	98199
	352304-9077	1200 ANDOVER PARK E	1940 124TH AVE NE	STE A101	BELLEVUE	WA	98005	5430 45th AVE W	SEATTLE	WA	98199
GRE Management Services Inc	352304-9031	5901 S 180TH ST	2150 DOUGLAS BLVD	#110	ROSEVILLE	CA	95661				
GWI Realty LLC	352304-9014	18700 SOUTHCENTER PKWY	200 W MERCER ST	#202	SEATTLE	WA	98119				
	352304-9081	19000 57TH AVE S	200 W MERCER ST	#202	SEATTLE	WA	98119				
Hayeks Properties LLC	883650-0020	1015 ANDOVER PARK W	1015 ANDOVER PK W		TUKWILA	WA	98188				
HD Develop of Maryland IncProperty Tax	362304-9074	6810 S 180TH ST	PO BOX 105842		ATLANTA	GA	30339	C/O ACIS MAIL STOP 222PO BOX 2440	SPOKANE	WA	99210-2440
Heartland Auto Services	343050-0020	6818 S 180TH ST	11308 DAVENPORT ST		OMAHA	NE	68154	PO BOX 2440	SPOKANE	WA	99210-2440
Highland Park Properties LLC											

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	262304-9094	495 ANDOVER PARK E	495 ANDOVER PK E		TUKWILA	WA	98188	PO BOX 58270	SEATTLE	WA	98138-1270
Hill Investment Company	352304-9091	1201 ANDOVER PARK E	PO BOX 700		MERCER ISLAND	WA	98040				
Home Electric Company	022300-0062	120 ANDOVER PARK E	3414 NE 55TH		SEATTLE	WA	98105				
Hospitality Investments	262304-9006	400 ANDOVER PARK W	2650 CEDAR SPRINGS RD	#850	DALLAS	TX	75201		SPOKANE	WA	99210-2440
Houghton Harbor LLC	352304-9084	1233 Andover Park E	6363 LAKE WA BLVD NE	#104	KIRKLAND	WA	98033				
	352304-9122	NA	6363 LAKE WA BLVD NE	#104	KIRKLAND	WA	98033				
IIT Andover DC LLC	022330-0010	551 STRANDER BLVD	518 17TH ST - 17TH FL		DENVER	CO	80202	249 SW 41st St	Renton	WA	98057-4930
IPTN North America Inc's	883650-0010	1035 ANDOVER PARK W	1035 ANDOVER PK W	#B	TUKWILA	WA	98188				
Jenkins Properties Inc	022340-0042	355 TRECK DR	1525 4TH AVE	STE 400	SEATTLE	WA	98101	PO BOX 53290	BELLEVUE	WA	98015
John C Radovich LLC	022300-0040	NA	2835 82ND AVE SE	STE 300	MERCER ISLAND	WA	98040				
King Co Housing Authority	262304-9123	600 ANDOVER PARK W	600 ANDOVER PARK W		TUKWILA	WA	98188				
	262304-9124	760 ANDOVER PARK W	600 ANDOVER PARK W		TUKWILA	WA	98188				
King CountyKC Admin Bldg	252304-9009	70TH AVE S	500 4TH AVE	ADM-ES-0800	SEATTLE	WA	98004				
	352304-9037	18800 ORILLIA RD S	500 4TH AVE	ADM-ES-0800	SEATTLE	WA	98104				
KING COUNTY-GREEN RIVER FL 325005	252304-9069	700 MINKLER BLVD	500 4TH AVE		SEATTLE	WA	98104				
Kir Tukwila 050 LLC/KIMCO	262304-9079	NA	3333 NEW HYDE PK RD, STE	PO BOX 5020	NEW HYDE PARK	NY	11042	PO BOX 743727	DALLAS	TX	75374-3727
	262304-9110	301 MINKLER BLVD	3333 NEW HYDE PK RD, STE	PO BOX 5020	NEW HYDE PARK	NY	11042	PO BOX 743727	DALLAS	TX	75374-3727
	352304-9005	17600 SOUTHCENTER PKWY	3333 NEW HYDE PK RD, STE	PO BOX 5020	NEW HYDE PARK	NY	11042	PO BOX 743727	DALLAS	TX	75374-3727
	883510-0110	340 UPLAND DR	3333 NEW HYDE PK RD, STE	PO BOX 5020	NEW HYDE PARK	NY	11042	PO BOX 743727	DALLAS	TX	75374-3727
Klein Harris	352304-9071	1224 ANDOVER PARK E	5360 LANSDWONE LANE		MERCER ISLAND	WA	98040				
Kohl's Property Tax Department	788892-0010	17150 SOUTHCENTER PKWY	PO BOX 2148		MILWAUKEE	WI	93201	4811 134TH PL SE	BELLEVUE	WA	98006
Kohn Jens M and Lynn M	262304-9091	1130 ANDOVER PARK E	14915 237TH PL SE		ISSAQUAH	WA	98027	1130 ANDOVER PARK E	TUKWILA	WA	98188-3903
KTM Group LLC	262304-9069	17151 SOUTHCENTER PKWY	635 ANDOVER PK W	STE 107	TUKWILA	WA	98188	635 ANDOVER PARK W STE 107	TUKWILA	WA	98188
	262304-9070	17047 SOUTHCENTER PKWY	635 ANDOVER PK W	STE 107	TUKWILA	WA	98188	635 ANDOVER PARK W STE 107	TUKWILA	WA	98188

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	262304-9071	17047 SOUTHCENTER PKWY	635 ANDOVER PK W	STE 107	TUKWILA	WA	98188	635 ANDOVER PARK W STE 107	TUKWILA	WA	98188
Lee Albert Appliance	022320-0020	404 STRANDER BLVD	1476 ELLIOTT AVE W		SEATTLE	WA	98119	4211 HOLLY LN	MERCER ISLAND	WA	98040
Legacy Partners I Tukwila	262304-9021	16400 SOUTHCENTER PKWY	PO BOX 130639		CARLSBAD	CA	92013	NXS#29722-V1652562PO BOX 7659	MERRIFIELD	VA	22116-7659
Leuthold, Donald W	262304-9098	1120 ANDOVER PARK E	7275 W MERCER WAY		MERCER ISLAND	WA	98040	PO BOX 489	EASTSOUND	WA	98245
Levitz Tukwila LLC	352304-9087	17601 SOUTHCENTER PKWY	180 N STETSON AVE	#324-D	CHICAGO	IL	80601	1311 MAMARONECK AVE	WHITE PLAINS	NY	10605
	352304-9088	17601 SOUTHCENTER PKWY	180 N STETSON AVE	#324-D	CHICAGO	IL	80601	1311 MAMARONECK AVE	WHITE PLAINS	NY	10605
Lincoln Center Holdings c/o Shephard Real	352304-9053	1100 ANDOVER PARK W	1940 124TH AVE NE	#A101	BELLEVUE	WA	98005	12835 BEL RED RD, STE 140	BELLEVUE	WA	98005
Lowe's HIW INC	022300-0030	401 Tukwila Pkwy.	101 ANDOVER PARK E	#200	TUKWILA	WA	98188	PO BOX 2440	SPOKANE	WA	99210-2440
Lund Family Coml Props LLC	883510-0040	340 Upland Dr.	10015 E DIAMOND DR		SUN LAKES	AZ	85248				
	883510-0050	340 UPLAND DR	10015 E DIAMOND DR		SUN LAKES	AZ	85248				
M & M Management LLCSteven D Weier I	022320-0051	331 ANDOVER PARK E	320 AUBURN WAY N		AUBURN	WA	98003	331 ANDOVER PK E	TUKWILA	WA	98188
M & P CompanyElizabeth Mitchell	352304-9082	19000 57TH AVE S	PO BOX 1083		EDMONDS	WA	98020	PO BOX 88728	TUKWILA	WA	98138-2728
M3 Properties LLCc/o JSH Properties	262304-9019	1001 ANDOVER PARK E	14900 INTERURBAN AV S	#130	TUKWILA	WA	98168				
Madison Investments LLC	352304-9061	17800 SOUTHCENTER PKWY	PO BOX 1922		BOZEMAN	MT	59771				
	352304-9123	17850 SOUTHCENTER PKWY	PO BOX 1922		BOZEMAN	MT	59771				
Masao c/o SC4 LLC	262304-9063	17275 SOUTHCENTER PKWY	117 E LOUISA ST	#230	SEATTLE	WA	98102				
Matsumi LLC % Robert Schofi	262304-9068	16813 SOUTHCENTER PKWY	4212 HUNTS POINT DR		BELLEVUE	WA	98004	8901 NE 36TH ST	BELLEVUE	WA	98004-1238
McDonald's Corporation	537920-0282	16500 SOUTHCENTER PKWY	PO BOX 182571		COLUMBUS	OH	43218	ATTN DARCI LYONSPO BOX 182986	COLUMBUS	OH	43218-2986
McLaughlin & Buty LLP	022310-0035	131 ANDOVER PARK E	7430 E MERCER WAY		MERCER ISLAND	WA	98040	1150 Alki Ave SW #4	SEATTLE	WA	98116-1850
Medical Centers Co LLC	022320-0052	411 STRANDER BLVD	411 STRANDET BLVD	STE 108	TUKWILA	WA	98188				
Mock Catherine A	812520-0390	NA	8706 183RD AVE SW		ROCHESTER	WA	98579				
	812520-0400	NA	8706 183RD AVE SW		ROCHESTER	WA	98579				
MVI Tukwila 1 LLC											

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	262304-9122	1051 ANDOVER PARK W	3007 WEBSTER POINT RD N		SEATTLE	WA	98105				
MVI Tukwila 2 LLC											
	262304-9121	1071 ANDOVER PARK W	3007 WEBSTER POINT RD N		SEATTLE	WA	98105				
National Beverage Corp.											
	352304-9072	1227 ANDOVER PARK E	8100 SW 10TH ST	STE 4000	PLANTATION	FL	33324	1227 ANDOVER PK E	TUKWILA	WA	98188-3956
OB Fife Property II LLC											
	022310-0075	301 BAKER BLVD	PO BOX 726		BELLEVUE	WA	98009	PO BOX 88990 C/O Acura of Seattle	SEATTLE	WA	98138-2990
Open Frame LLC											
	022300-0020	100 Andover Park W	PO BOX 654		KIRKLAND	WA	98083				
	022310-0010	150 ANDOVER PARK W	PO BOX 654		KIRKLAND	WA	98083				
	022310-0020	NA	PO BOX 654		KIRKLAND	WA	98083				
Pankratz Forest Industries Inc											
	022340-0045	350 TRECK DR	PO BOX 58388		TUKWILA	WA	98138				
Pankratz Holdings LLC											
	022340-0047	NA	PO BOX 58388		TUKWILA	WA	98138				
Park East Real Estatec/o Ironwood Investm											
	022310-0040	130 ANDOVER PARK E	1501 N 200TH ST		SHORELINE	WA	98133				
Parkway SquareC/O Rosen Properties											
	262304-9128	16700 SOUTHCENTER PKWY	PO BOX 5003		BELLEVUE	WA	98009				
	262304-9129	16800 SOUTHCENTER PKWY	PO BOX 5003		BELLEVUE	WA	98009				
	262304-9137	16600 SOUTHCENTER PKWY	PO BOX 5003		BELLEVUE	WA	98009				
Pearl, Alvin S. and Carole R.											
	022310-0085	401 BAKER BLVD	405 BAKER BLVD		Tukwila	WA	98188	9741 E ESTANCIA WAY	SCOTTSDALE	AZ	85262
	022310-0087	405 BAKER BLVD	9741 E ESTANCIA WAY		SCOTTSDALE			9741 E ESTANCIA WAY	SCOTTSDALE	AZ	85262
Petschl, William J											
	262304-9089	1150 ANDOVER PARK E	1150 ANDOVER PAKR E		TUKWILA	WA	98188				
Phillips James W MR and MRS											
	352304-9099	1120 ANDOVER PARK W	PO BOX 603		MEDINA	WA	98039				
Pietromonaco/PB LLC											
	022300-0050	100 ANDOVER PARK E	7900 SE 28TH ST	STE 310	MERCER ISLAND	WA	98040	PO BOX 700	MERCER ISLAND	WA	98040-0700
	022300-0060	116 ANDOVER PARK E	7900 SE 28TH ST	STE 310	MERCER ISLAND	WA	98040	PO BOX 700	MERCER ISLAND	WA	98040-0700
Polich Family Trustc/o Andover Mgmt Co											
	022320-0042	530 STRANDER BLVD	415 BAKER BLVD	#200	TUKWILA	WA	98188				
ProLogis TLF (Andover), LLC											
	262304-9106	1071 ANDOVER PARK E	C/O Stockbridge Capital GP	20415 72nd Ave S, #210	Kent	WA	98032	PO Box 82503	Goleta	CA	93118-2503
Puget Sound Energy/Elec											
	537920-0315	16715 SOUTHCENTER PKWY	PO BOX 90868		BELLEVUE	WA	98009				
R2R Investments LLC											
	022340-0071	410 ANDOVER PARK E	7979 S 180TH ST		KENT	WA	98032				
	262304-9142	375 CORPORATE DRIVE S	7979 S 180TH ST		KENT	WA	98032				

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
Rainbow Associates LTD	022310-0033	401 EVANS BLACK DR	22820 148TH SE		KENT	WA	98042				
Ramos Properties LLC	262304-9134	17555 SOUTHCENTER PKWY	133 SW 158TH ST		BURIEN	WA	98166	15735 AMBAUM BLVD SW	BURIEN	WA	98166-2524
Red Dot Corporation	262304-9115	745 ANDOVER PARK E	495 ANDOVER PK E		TUKWILA	WA	98188	PO BOX 58270	SEATTLE	WA	98138-1270
Regency Centers LP	262304-9064	321 STRANDER BLVD	PO BOX 790830		SAN ANTONIO	TX	78279	PO BOX 2440	SPOKANE	WA	99210-2440
Roffe & Associates	262304-9015	510 ANDOVER PARK W	415 BAKER BLVD	#200	TUKWILA	WA	98188				
Rosellini Properties LLC	022310-0100	230 ANDOVER PARK E	5936 6TH AVE S		SEATTLE	WA	98108	PO BOX 182598 MAIL STOP #15	COLUMBUS	OH	43218-2598
	022320-0032	340 ANDOVER PARK E	5936 6TH VE S		SEATTLE	WA	98108	PO BOX 182598 MAIL STOP #15	COLUMBUS	OH	43218-2598
RRW Enterprises LLC	883510-0090	340 UPLAND DR	PO BOX 1201		MAPLE VALLEY	WA	98038				
RWP LLCATTN JIM PETERSON	022320-0030	290 ANDOVER PARK E	7312 SE CURTIS DR		SNOQUALMIE	WA	98065	500 STRANDER BLVD	TUKWILA	WA	98188-2921
Schofield LLC	262304-9011	16901 SOUTHCENTER PKWY	911 MAIN ST	STE 1500	KANSAS CITY	MO	64105	8901 NE 36TH ST	BELLEVUE	WA	98004-1238
Segale Properties LLC	262304-9001	505 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	262304-9065	17557 SOUTHCENTER PKWY	PO BOX 88028		TUKWILA	WA	98138				
	352304-9009	5380 S 178TH ST	PO BOX 88028		TUKWILA	WA	98138				
	352304-9013	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9015	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9017	18900 57TH AVE S	PO BOX 88028		TUKWILA	WA	98138				
	352304-9018	18338 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	352304-9019	5565 S 178TH ST	PO BOX 88028		TUKWILA	WA	98138				
	352304-9025	5351 S 178TH ST	PO BOX 88028		TUKWILA	WA	98138				
	352304-9027	S 178TH ST	5811 SEGAL PK DR C		TUKWILA	WA	98188				
	352304-9032	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9034	18115 57TH AVE S	PO BOX 88028		TUKWILA	WA	98138				
	352304-9036	18400 SOUTHCENTER PKWY	PO BOX 88028		TUKWILA	WA	98138				
	352304-9045	19131 FRAGER RD S	PO BOX 88028		TUKWILA	WA	98138				
	352304-9049	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9050	19001 57TH AVE S	PO BOX 88028		TUKWILA	WA	98138				
	352304-9051	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9055	18000 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	352304-9068	18801 57TH AVE S	PO BOX 88028		TUKWILA	WA	98138				

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	352304-9090	5563 S 178TH ST	PO BOX 88028		TUKWILA	WA	98138				
	352304-9104	18271 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	352304-9109	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9112	18240 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	352304-9115	5811 SEGALE PARK - C DRIVE	PO BOX 88028		TUKWILA	WA	98138				
	352304-9116	18500 SOUTHCENTER PKWY	PO BOX 88028		TUKWILA	WA	98138				
	352304-9118	18010 SOUTHCENTER PKWY	PO BOX 88028		TUKWILA	WA	98138				
	352304-9119	18125 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	352304-9120	6101 S 180TH ST	PO BOX 88028		TUKWILA	WA	98138				
	352304-9121	NA	PO BOX 88028		TUKWILA	WA	98138				
SFP B LP LTD PTNRSHIP	362304-9106	6804 S 180TH ST	PO BOX 5350		BEND	OR	97708	6804 S 180TH ST	TUKWILA	WA	98188-4806
Sizzling Platter of Wash	537920-0300	16615 Southcenter Pkwy	348 E 6400 S	#200	MURRAY	UT	84107	PO BOX 572408	MURRAY	UT	84157
Skarbo Holdings LLC	537920-0310	16705 SOUTHCENTER PKWY	PO BOX 88668		TUKWILA	WA	98138	5354 BALLARD AVE NW	SEATTLE	WA	98107-4060
South Center WA LLC	022310-0090	223 ANDOVER PARK E	8448 N MERCER WAY		MERCER ISLAND	WA	98040				
Southcenter Corp. Square	262304-9143	575 ANDOVER PARK W	150 CALIFORNIA ST		SAN FRANCISCO	CA	94111	635 ANDOVER PARK W STE 107	TUKWILA	WA	98188
	262304-9144	NA	150 CALIFORNIA ST		SAN FRANCISCO	CA	94111	635 ANDOVER PARK W STE 107	TUKWILA	WA	98188
SRO Properties Inc	022340-0040	345 ANDOVER PARK E	1411 4TH AVE	#1315	SEATTLE	WA	98101				
Strander Associates LLC	022320-0040	510 STRANDER BLVD	1650 S 244TH PL		DES MOINES	WA	98198				
Tanaka Holding LLC	262304-9075	ANDOVER PARK W	1105 PORTER WAY		MILTON	WA	98354				
Target Corporation T 0627c/o Property Tax	262304-9005	301 STRANDER BLVD	PO BOX 9456		MINNEAPOLIS	MN	55440	PO BOX 908	MANDAN	ND	58554
TR5 LLC	262304-9024	17305 SOUTHCENTER PKWY	117 E LOUISA ST	#230	SEATTLE	WA	98102				
Tri-Land Corporation	352304-9103	1251 ANDOVER PARK W	1325 4TH AVE	SUITE 1940	SEATTLE	WA	98101				
Triple H Development	883650-0070	365 UPLAND DRIVE	1006 SPRAGUE ST		EDMONDS	WA	98020	365 UPLAND DR	TUKWILA	WA	98188
TUKWILA HOTEL OWNERSHIP LLC	883650-0030	300 UPLAND DRIVE	5786 WIDEWATERS PKWY		DEWITT	NY	13214	5786 WIDEWATERS PKWY	DEWITT	NY	13214
Tukwila TT LLC	343050-0010	6820 S 180TH ST	3300 MAPLE VALLEY HWY		RENTON	WA	98058				
Tukwila View Estates LLC											

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	262304-9135	17301 SOUTHCENTER PKWY	117 E LOUISA ST	#230	SEATTLE	WA	98102				
	812520-0410	NA	117 E LOUISA ST	#230	SEATTLE	WA	98102				
UNION PACIFIC CORP											
Union Pacific RailroadATTN Jim Billings	262304-9113	ANDOVER PARK E	PO BOX 2500		BROOMFIELD	CO	80020				
	252304-9072	6800 INDUSTRY DR	1416 DODGE ST	#325	OMAHA	NE	68179				
	262304-9112	NA	1416 DODGE ST	#325	OMAHA	NE	68179				
	352304-9101	S 180TH ST	1416 DODGE ST	#325	OMAHA	NE	68179				
	352304-9108	S 180TH ST	1416 DODGE ST	#325	OMAHA	NE	68179				
Union Pacific RailroadProperty Tax											
	262304-9140	NA	1400 DOUGLAS	STOP 1640	OMAHA	NE	68179				
US Bank Corporate Props											
	022310-0038	151 ANDOVER PARK E	2800 E LAKE ST	LAKE0012	MINNEAPOLIS	MN	55406	PO BOX 9300	SPOKANE	WA	99209-9300
WA Cities Insurance Authorityc/o JSH Prop											
	022320-0060	320 ANDOVER PARK E	14900 INTERURBAN AV S	#130	TUKWILA	WA	98168				
WACO Enterprise											
	352304-9092	1205 ANDOVER PARK W	PO BOX 88216		TUKWILA	WA	98138				
Walton CWWA Southcenter 4 Lc/o CTMT -											
	352304-9093	1185 ANDOVER PARK W	PO BOX A-3879		CHICAGO	IL	60690	4678 WORLD PKWY CIR	ST LOUIS	MO	63134
	352304-9097	1161 ANDOVER PARK W	PO BOX B-3879		CHICAGO	IL	60690	4678 WORLD PKWY CIR	ST LOUIS	MO	63134
	352304-9098	1141 ANDOVER PARK W	PO BOX A-3879		CHICAGO	IL	60690	4678 WORLD PKWY CIR	ST LOUIS	MO	63134
Walton CWWA Tukwila 1 LLC/o CTMT W											
	022330-0020	631 STRANDER BLVD	PO BOX A-3879		CHICAGO	IL	60690	PO BOX 681944	CHARLOTTE	NC	28216
	252304-9015	800 INDUSTRY DR	PO BOX A-3879		CHICAGO	IL	60690	PO BOX 681944	CHARLOTTE	NC	28216
	252304-9034	825 INDUSTRY DR	PO BOX A-3879		CHICAGO	IL	60690	PO BOX 681944	CHARLOTTE	NC	28216
	252304-9071	1000 INDUSTRY DR	PO BOX A-3879		CHICAGO	IL	60690	PO BOX 681944	CHARLOTTE	NC	28216
Wells Fargo Bankc/o Thomson Property Ta											
	022340-0046	343 ANDOVER PARK E	PO BOX 2609		CARLSBAD	CA	92018	PO BOX 2440 C/O IQ MS 411	SPOKANE	WA	99210-2440
	362304-9017	6845 S 180TH ST	PO BOX 2609		CARLSBAD	CA	92018	PO BOX 2440 C/O IQ MS 411	SPOKANE	WA	99210-2440
	362304-9079	6847 S 180TH ST	PO BOX 2609		CARLSBAD	CA	92018		SPOKANE	WA	99210-2440
	362304-9094	6835 S 180TH ST	PO BOX 2609		CARLSBAD	CA	92018	PO BOX 2440 C/O IQ MS 411	SPOKANE	WA	99210-2440
Westfield Corporation Inc											
	359700-0245	SOUTHCENTER PKWY	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0010	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0020	No site address	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0030	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0040	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0060	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0070	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	920247-0080	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0090	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0100	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0110	15700 Southcenter Pkwy.	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0120	Southcenter Pkwy.	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0130	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0140	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0150	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0160	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
Weymiller S A Trust	883510-0010	340 UPLAND DR	10409 SUNRISE BEACH DR		GIG HARBOR	WA	98332				
Wig Properties LLC-SS	788892-0020	17200 SOUTHCENTER PKWY	4811 134TH PL SE		BELLEVUE	WA	98006				
Winners 3 LLC	262304-9120	17401 SOUTHCENTER PKWY	117 E LOUISA ST	#230	SEATTLE	WA	98102				
Wolverine Properties LLC	022320-0061	505 STRANDER BLVD	415 BAKER BLVD	Ste 200	TUKWILA	WA	98188				

The Seattle Times

City of Tukwila, Finance
Dana Almberg
6200 Southcenter Blvd

Tukwila, WA 98188

Re: Advertiser Account # 107510

Ad #: 294619

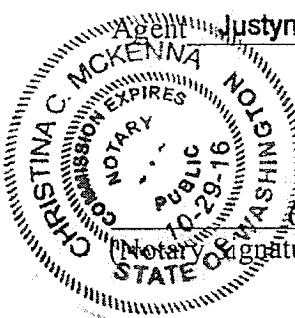
Affidavit of Publication

STATE OF WASHINGTON
Counties of King and Snohomish

The undersigned, on oath states that he/she is an authorized representative of The Seattle Times Company, publisher of The Seattle Times of general circulation published daily in King and Snohomish Counties, State of Washington. The Seattle Times has been approved as a legal newspaper by others of the Superior Court of King and Snohomish Counties.

The notice, in the exact form annexed, was published in the regular and entire issue of said paper or papers and distributed to its subscribers during all of the said period.

Newspaper and Publication Date(s)	
Seattle Times	03/04/13
Seattle Times	03/11/13



Justyne H. Menesini _____ Signature Justyne Menesini

Subscribed and sworn to before me on March 11, 2013
DATE

Christina C. McKenna _____
(Notary signature) Notary Public in and for the State of Washington, residing at Seattle Christina C. McKenna

The Seattle Times

Re: Advertiser Account # 107510

Ad #: 294619

AD TEXT

CITY OF TUKWILA NOTICE OF ASSESSMENT ROLL HEARING FOR KLICKITAT LOCAL IMPROVEMENT DISTRICT NO. 33

NOTICE IS HEREBY GIVEN that the Tukwila City Council has set Wednesday, March 27, 2013 at 9:00 a.m. as the date and time for the hearing by the Hearing Examiner in Meeting Room B at the Tukwila Community Center, 12424 42nd Avenue South, Tukwila, WA.

The Hearing Examiner shall consider the Assessment Rolls for the costs and expenses of Klickitat Local Improvement District (LID) No. 33 for the Tukwila Urban Center Access Project improvements to the Southcenter area. This hearing is to correct any irregularities or errors that may have occurred in property assessments and is not for the purpose of discussing the advisability of the project, as the decision to create this LID was done by Ordinance No. 2260, adopted November 16, 2009.

All persons who wish to object to the assessment roll because of irregularities, omissions, or errors must file written objections with the City Clerk, 6200 Southcenter Blvd., Tukwila, WA 98188, before 5:00 p.m. on Thursday, March 21, 2013. At the time set for the hearing, or at such time as the hearing may be adjourned to, the Hearing Examiner will consider all objections made to the Assessment Rolls, and will then make recommendations to the City Council at a future Council meeting, date to be determined. The City Council will consider the Hearing Examiner's recommendations regarding the Rolls, and may correct, revise, raise, lower, change, or modify the Assessment Rolls, or any part of the Rolls, or may set aside the Rolls, and order the assessment to be made anew.

Christy O'Flaherty, MMC, City Clerk
Published Seattle Times - March 4, 2013
and March 11, 2013

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Before Hearing Examiner
Gary N. McLean

**BEFORE THE HEARING EXAMINER
FOR THE CITY OF TUKWILA**

In the Matter of the Final Assessment)
Roll for the)

**KLICKITAT LOCAL)
IMPROVEMENT DISTRICT)
(LID NO. 33))**

**FINDINGS OF FACT,
CONCLUSIONS OF LAW AND
RECOMMENDATION**

On delegation from the Tukwila City)
Council, by Resolution No. 1790,)
adopted on March 4, 2013.)

I. SUMMARY OF RECOMMENDATION.

The Assessment Roll should be confirmed with limited modifications as described below.

II. RECORD AND EXHIBITS.

Exhibits entered into evidence as part of the record, and an audio recording of the public hearing, are maintained by the City of Tukwila, and may be examined or reviewed by contacting the City Clerk's Office.

Hearing Testimony: The following individuals presented testimony under oath at the duly noticed open record public hearing¹ held on March 27, 2013:

1. Bob Giberson, Public Works Director, City of Tukwila;
2. Robert J. Macaulay, MAI, of Macaulay & Associates, Ltd., Real Estate Appraisers & Consultants, responsible for preparing the Final Special Benefit/Proportionate Assessment Study, included in the record as Exhibit

¹ The Notice of Assessment Roll Hearing was published in the Seattle Times on March 4th and 11th, 2013; copies of the Notice were also mailed to property owners with their individual Notice of Assessment. See Exhibit Nos. 10 and 11.

1 No. 4;

- 2 3. Jami Balint, an attorney representing Segale Properties, collectively
3 addressed in written objections marked as "Appeal H";
- 4 4. Larry Schramm, Director of Property Tax unit for Macy's, appearing for
5 Federated Department Stores (Macy's) four (4) properties addressed in
6 written objections marked as "Appeal A";
- 7 5. Daniel Rosenfeld and George Rockwell, for Andover West, LLC, and
8 Andover Company, regarding a parcel addressed in the written objection
9 marked as "Appeal C"; and
6. Laura Toepfer, for the Seattle Archdiocese/Vietnamese Martyrs Parish,
regarding a parcel addressed in the written objection marked as "Appeal F".

10 **Exhibits:**

11 Original written objections filed on behalf of eight (8) property owners or their
12 representatives by the March 21, 2013 deadline are included in the record, labeled as
"Appeal 'A' through 'H'".

13 A total of seven (7) exhibits were accepted into the record as numbered, identified and
14 described on the City Clerk's "Exhibit Log", a copy of which is attached hereto and
15 incorporated by this reference. (To avoid confusion, it should be noted that the hearing
16 exhibits include two separate documents numbered 3 and 3A, meaning the initial list ended
with number 6).

17 The Examiner takes judicial notice of the following public records that are relevant to this
18 matter, and includes them as part of the hearing record, copies of which shall be marked
and maintained as follows:

- 19 • Exhibit No. 7, City of Tukwila Ordinance No. 2260, adopted on November 16,
20 2009, establishing the Klickitat Local Improvement District (LID No. 33);
- 21 • Exhibit No. 8, City of Tukwila Resolution No. 1789, adopted on March 4, 2013,
22 setting the date for the hearing before the designated hearing examiner regarding the
assessment roll for LID No. 33;
- 23 • Exhibit No. 9, City of Tukwila Resolution No. 1790, adopted on March 4, 2013,
24 designating the undersigned to act as the City's Hearing Examiner for the
25 assessment roll hearing for LID No. 33;

- 1 • Exhibit No. 10, a true and correct copy of the City Clerk's Notice of Assessment
2 Roll Hearing, issued for publication in the Seattle Times on March 4th and 11th,
2013; and
- 3 • Exhibit No. 11, a true and correct copy of the Certificate of Mailing from Gail
4 Labanara, Public Works Analyst, with 11 pages of attachments, certifying that the
5 city sent the Notice of Assessment Roll Hearing for LID No. 33 to a list of owners
6 of parcels of land or other property to be specially benefitted by the Klickitat
Project. The Certificate confirms that the hearing notice was mailed on March 7,
2013.

7 Finally, the record was held open by request of City officials to provide additional time for
8 direct discussions to resolve some of the appeals. In early June of 2013, the Examiner
9 received two stipulations/joint recommendations through the City Clerk's Office, reflecting
10 suggested modifications to resolve two pending appeals/objections to the assessment roll,
11 one filed on behalf of the Segale Properties addressed in Appeal H, which shall be included
as part of the record and marked as Exhibit No. 12, and the other filed on behalf of the
Andover West Property, Parcel 91, addressed in Appeal C, a copy of which shall be
included as part of the record and marked as Exhibit No. 13.

12 Following such additions, the record for this matter is deemed closed, and a
13 Recommendation is now in order.

14 III. APPLICABLE LAW AND AUTHORITY.

15 Tukwila Municipal Code Sec. 13.04.095 authorizes the Hearing Examiner to
16 conduct a hearing regarding the assessment roll for an LID, at which time the Examiner
17 shall consider all objections that have been timely filed with the City Clerk in writing and
18 meeting the other requirements set forth in RCW 35.44.080. Following such hearing, the
19 Hearing Examiner shall make recommendations that the City Council correct, revise, raise,
20 lower, change, or modify the roll or any part thereof or set aside the roll and order the
21 assessment to be made de novo, or that the Council adopt or correct the roll or take other
22 action on the roll. *Id.* Following issuance of the Examiner's recommendation, the City
23 Council shall adopt or reject the recommendation of the Hearing Examiner at a public
meeting provided that any person who shall have challenged his or her assessment before
the Examiner may appeal the recommendation of the Hearing Examiner to the City Council
by filing written notice of such appeal with the City Clerk within 10 calendar days of the
date of mailing of the Hearing Examiner's recommendation. *Id.*

24 Under RCW 35.44.080, objections to an LID assessment must be made in writing,
25 and submitted by the date and time specified in the public Notice of Hearing regarding the
assessment roll. All objections to confirmation of the assessment roll shall state clearly the

1 grounds of objections. Objections not made within the time and in the manner explained in
2 the Public Notice, which conformed to state law, shall be conclusively presumed to have
3 been waived. RCW 35.44.110.

4 Summarizing case law and long-standing interpretations and application of
5 Washington Local Improvement District statutes at issue in this matter:

- 6 • a property is benefited by a local improvement if the fair market value increases
7 after the improvement²;
- 8 • whether a property is specially benefited by an improvement is generally a question
9 of fact to be proved by expert testimony³;
- 10 • the city may use any method or methods to determine the special benefits to
11 properties within the LID and to calculate the assessments⁴;
- 12 • it is presumed that a local improvement benefits all property with an LID unless a
13 challenging property owner produces competent evidence to the contrary⁵;
- 14 • the burden of proof does not shift back to the city until after a challenging party
15 presents sufficient evidence, preferably expert appraisal evidence, showing that the
16 property would not be benefited by the improvement⁶;
- 17 • bare assertions, such as arguing that a property is on the periphery of the LID, does
18 not need the improvement to thrive, and the like, without expert testimony, are
19 inadequate to overcome the presumption in favor of the city⁷; and
- 20 • in any subsequent appeal to Superior Court of the City Council's action taken
21 following issuance of the Examiner's recommendation, only the record of the prior
22 proceedings is considered. This requires complaining parties to place all relevant
23 information and objections before the proper decision making body, i.e. the
24 Examiner, the council, prior to the municipality's decision, instead of permitting
25 later attack in the superior court based upon information which the municipality did
26 not have the opportunity to consider⁸.

21 ² *In re Indian Trail Trunk Sewer Sys.*, 35 Wash.App. 840, 842, 670 P.2d 675 (1983), *review denied*, 100
22 Wash.2d 1037 (1984).

23 ³ *Indian Trail*, 35 Wash.App. at 842, 670 P.2d 675.

24 ⁴ RCW 35.44.047.

25 ⁵ *Bellevue Associates v. City of Bellevue*, 108 Wash.2d 671 at 676-77, 741 P.2d 993 (1987); *Abbenhaus v.*
26 *City of Yakima*, 89 Wash.2d 855 at 860-61, 576 P.2d 888 (1978).

⁶ *Indian Trail*, 35 Wash.App. at 842-43, 670 P.2d 675.

⁷ *Hansen v. Local Imp. Dist. No. 335*, 54 Wash. App. 257, 263, 773 P.2d 436, 440 (1989).

⁸ *Abbenhaus v. City of Yakima*, 89 Wn.2d at 859-60.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

IV. FINDINGS OF FACT.

Based on the record established for this matter, the Examiner issues the following findings of fact:

1. The Klickitat Local Improvement District, LID No. 33, was formed by the Tukwila City Council in November of 2009 by Ordinance No. 2260.

2. The Klickitat Project (or "Project") is an approximately \$22 million road improvement project designed to improve severe congestion within Tukwila's urban center. The Project included a partial "lid" over Southcenter Parkway, removal of conflicting turning movements, traffic signal improvements, and widening of a significant portion of Southcenter Parkway, primarily in the area immediately west of Westfield-Southcenter Mall, south of the intersection of Interstates 5 and 405. Testimony of Mr. Giberson; Ex. No. 1, Staff Report; Ex. No. 4. The Project improves traffic flow throughout the designated Local Improvement District, relieving congestion at the Strander Boulevard/Southcenter Parkway and Klickitat Drive/Southcenter Parkway intersections. *Id.* With the removal of southbound and northbound interaction at Klickitat Drive/Southcenter Parkway, and by adding a bridge and lowering the southbound lanes, more northbound traffic can move through the intersection to access the southbound I-5 on-ramp. More efficient southbound traffic flow is possible because motorists do not have to wait before making northbound turns onto Klickitat Drive. *Id.*

3. With the LID project completed, access and traffic flow are significantly improved along Southcenter Parkway, Strander Boulevard, and Klickitat Drive as well as the Interstate 5 off-ramps adjacent to Southcenter Mall. The negative stigma previously associated with the mall vicinity due to traffic congestion is reduced, creating a more desirable location for residential/commercial property owners and tenants, for both commercial and retail propertied and light industrial uses. Ex. 4, Assessment Study, page 4.

4. Specific traffic benefits of the Klickitat Project are detailed in a January 4, 2013 memorandum from the Fehr and Peers traffic-engineering firm to Mr. Giberson, a copy of which is included at pages 154 through 156 of the Assessment Study, Ex. No. 4. Mr. Giberson testified that the area subject to the LID, the Tukwila Urban Center, is similar to an island, with limited ingress and egress points for traffic to enter and leave the area. The Assessment Study relies on the Fehr and Peers traffic study's conclusion that "the LID project relieves congestion at the main access points across I-405 and the Green River and increases pass-by trips along key retail corridors like Strander Boulevard and Southcenter Parkway." Ex. 4, page 4. All of these factors contributed to an increase in property values for properties located within the LID.

5. Zoning and intensity of use for properties located within the LID boundaries are affected by the Klickitat Project. Favorable zoning changes, and increases in options for

1 intensity of use of properties, that were not previously available but are, or may soon be
2 available after completion of the Klickitat Project, are factors that were reasonably and
3 credibly considered by Mr. Macaulay as he prepared the Assessment Study for the LID
4 area. See Ex. 4.

5 6. The cost of the improvements initially estimated for financing through LID
6 assessments was approximately \$10.5 million. Due to favorable bids received by the city,
7 an accelerated construction schedule, and other positive circumstances, the total project cost
8 came in below engineering estimates, reducing the amount to be financed through LID
9 assessments to approximately \$9.9 million. Testimony of Mr. Giberson; Ex. No. 1, Staff
10 Report; Ex. No. 4, Assessment Study; Ex. No. 2, Res. No. 1698 declaring intent to form
11 LID.

12 7. The well-established regional appraisal firm, Macaulay & Associates, Ltd. prepared
13 and filed with the City a copy of the Final Special Benefit/Proportionate Assessment Study
14 for the Klickitat LID, dated February 25, 2013. Ex. No. 4. The Assessment Study included
15 a proposed Assessment Roll addressing the approximately 270 parcels included within the
16 LID boundary. Upon receipt of the Assessment Study, on March 4, 2013, the Tukwila City
17 Council designated the undersigned Examiner to consider the final assessment roll and any
18 objections thereto for LID No. 33 and set the date for such hearing. See Resolution Nos.
19 1789 and 1790, Ex. Nos. 8 and 9.

20 8. Consistent with the City Council's direction given in Resolution No. 1789, the City
21 Clerk prepared and issued a Notice of Assessment Roll Hearing as provided in RCW
22 35.44.080, and mailed and published such Notice of Hearing as provided in RCW
23 35.44.090. The Notice was published in the Seattle Times on March 4th and 11th, 2013.
24 Copies of the Notice were mailed to each property owner-of-record included within the LID
25 boundary, along with an individual Notice(s) of Assessment(s) proposed for each parcel
26 held by such owner. Ex. Nos. 10 and 11.

27 9. As of January 15, 2013, the Macaulay Assessment Study found that the total
28 difference (in this case, substantial increase) in values for all properties located with the
29 LID boundary before and after completion of the Klickitat Project, known as the "Estimated
30 Special Benefit" conferred upon properties within the district, is \$50,985,000. Ex. 4,
31 Assessment Study, page 5, and final spreadsheet, page 9 of 9.

32 10. The portion of the total Project cost to be funded by the LID is only \$9,902,877. *Id.*

33 11. The cost/benefit analysis of the Project is very favorable to affected property
34 owners. Each parcel is estimated to receive one *dollar* in special benefit for each 19 *cents*
35 of LID assessment. *Id.*⁹

⁹ This figure is calculated by dividing the total cost to be funded by the LID (approximately \$9.9 million) by
the Estimated Special Benefit (approximately \$51 million).

1 12. In this matter, eight (8) property owners or their representatives submitted written
2 materials with the City Clerk before the March 21, 2013 deadline, objecting to the amount
3 of assessments reflected on the proposed assessment roll for their respective parcels.¹⁰

4 13. At the hearing, the Examiner placed all persons wishing to provide testimony on the
5 record under oath. The Public Works Director, Mr. Giberson, summarized the Project,
6 highlighting portions of the Staff Report, and the Assessment Study. The City's Appraiser,
7 Mr. Macaulay was present, and provided a brief oral presentation regarding his Assessment
8 Study and the proposed Assessment Roll. The City's attorney, Mr. Disend, requested
9 additional time to conduct discussions with an owner of multiple parcels included in the
10 LID, to determine if the owners' specific objections warranted modification of assessments
11 to be applied to some or all of their parcels.¹¹

12 14. Several owners who submitted brief letters objecting to their assessment did not
13 appear in person or through a representative at the hearing, and provided no testimony,
14 reports, exhibits, or appraisals, or other written evidence to challenge portions of the
15 assessment roll addressing their parcel(s). Other than an initial letter or other written
16 document generally objecting to their notice of assessment, the following owners failed to
17 come forward with any testimony or other evidence to supplement or support their
18 appeal/objection before or during the Assessment Roll Hearing:

- 19 ○ Appeal B, Ron Skarbo, Skarbo Holdings LLC, Parcel No. 69;
- 20 ○ Appeal D, Matt Peterson, Houghton Harbor LLC, Parcel No. 141;
- 21 ○ Appeal E, Patrick Lawless, Widewaters Group, Inc., Parcel No. 99; and
- 22 ○ Appeal G, Harris Klein, Parcel No. 223.

23 15. Jami Balint, an attorney representing Segale Properties, provided comments during
24 the hearing and sought clarification from City witnesses. Her testimony focused on the
25 Segale Properties that were collectively addressed in written objections marked as "Appeal
26 H", parcels generally located at the bottom, southwest portion of the LID area.¹²

21 ¹⁰ The original written objections filed on behalf of the eight (8) property owners or their representatives by
22 the March 21, 2013 deadline are maintained by the City Clerk's Office and included in the record for this
23 hearing, labeled as "Appeal 'A' through 'H'".

24 ¹¹ The request was made with respect to objections filed on behalf of the Segale properties, addressed in
25 materials marked as Appeal H.

26 ¹² See Ex. No. 3A, LID No. 33 Color Map with parcels covered by Appeals A-H marked and identified for
illustration purposes at the hearing.

1 16. Larry Schramm, Director of Property Tax for Macy's, appeared and testified at the
2 hearing for Federated Department Stores (Macy's), which owns four (4) properties
3 addressed in written objections marked as "Appeal A". Mr. Schramm devoted most of his
4 attention to the two parcels where the Macy's warehouse/distribution center is located,
5 Parcel Nos. 73 and 74. He observed that the condition of the buildings on the site was not
6 optimal, and that estimated values were too high in his opinion. The Examiner finds that
7 the back parcel, number 74, does not front Southcenter Boulevard, as does Parcel No. 73,
8 But, because the land on both parcels is currently used for a unified, single purpose, i.e. the
9 Macy's distribution center, the assessments recommended for each parcel (the same for
10 each) are legally supportable. See *Doolittle v. Everett*, 114 Wash. 2d 88, 786 P.2d 253
11 (1990)(General rule is that each lot, piece, or parcel of land should be assessed separately,
12 for purposes of local improvement district special assessment, but different rule applies
13 where owner has actually combined several lots and put them to unified use, in which event
14 lots may be considered as one parcel).

15 17. Daniel Rosenfeld, Manager for Andover West, LLC, appeared at the hearing and
16 provided testimony regarding Parcel No. 91, which was addressed in the written objection
17 marked as "Appeal C". Mr. Rosenfeld's materials included specific examples of similar
18 parcels that he believed to have estimated values more in-line with where he felt Parcel 91
19 should be. He noted that redevelopment options might be negatively affected by the
20 presence of rail tracks on the north portion of the site, and immediately east of the existing
21 warehouse buildings on the parcel. He noted the presence of a drainage pond on the site,
22 not seen on neighboring parcels. Accordingly, he felt the proposed assessment amount was
23 too high, and should be reduced to conform with other, similar properties, weighing unique
24 conditions on Parcel 91 that were not part of the "mass appraisal" analysis in the
25 Assessment Study. He credibly explained that it was difficult to accept an assessment that
26 is almost 3 times as high as Parcel 93, a substantially-similar parcel located immediately
to the south of Parcel 91 fronting Andover Park West.

17 18. Laura Toepfer appeared at the hearing and provided testimony and questions on
18 behalf of the Archdiocese of Seattle/Vietnamese Martyrs Parish, regarding Parcel No. 242,
19 addressed in the written objection marked as "Appeal "F". Essentially, Ms. Toepfer
20 explained that the Archdiocese helped acquire the parcel where the Vietnamese Martyrs
21 Parish will be operating. At the time of purchase, the seller did not disclose the pending
22 LID assessment. Her remarks questioned the fairness of the pending assessment, again
23 primarily based on the allegation that the seller failed to disclose the existence of the LID,
24 meaning the potential assessment was not a factor in the purchase negotiations. She did not
25 offer any expert testimony or other evidence to question the accuracy of the estimated
26 special benefit conferred on the parcel, as explained in the Assessment Study.

23 19. At the conclusion of the hearing, the Examiner directed City staff to provide regular
24 written updates, through the City Clerk's office, regarding progress in reaching mutually
25 agreed adjustments, recommendations, or other changes, to resolve specific objections
26 raised by parties who appeared at the hearing.

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND
RECOMMENDATION - KLIKITAT LOCAL
IMPROVEMENT DISTRICT, LID NO. 33**

Page 8 of 12

GARY N. MCLEAN
HEARING EXAMINER
CITY OF TUKWILA
6208 SOUTHCENTER BOULEVARD
TUKWILA, WASHINGTON 98188
MCLEANLAW@ME.COM

1 20. In early June of this year, the Examiner received two stipulations/joint
2 recommendations through the City Clerk's Office, reflecting suggested modifications to
3 resolve two pending appeals/objections to the assessment roll, one filed on behalf of the
4 Segale Properties addressed in Appeal H, which is included as part of the record and
5 marked as Exhibit No. 12, and the other filed on behalf of the Andover West Property,
6 Parcel 91, addressed in Appeal C, a copy of which is included as part of the record and
7 marked as Exhibit No. 13.

8 21. The stipulation/joint recommendation filed regarding the Segale Properties
9 addressed in Appeal H explains that some of the zoning assumptions included in the
10 Assessment Study were in error, and that the Assessment Study does not reflect a number
11 of right-of-way dedications, street vacations, property dedications and restrictions within
12 the Tukwila South area that changes the size and usable area of many of the Segale
13 Properties. Given these factors, the City and Segale agree that the Study overstated the
14 special benefits conferred on much of the Tukwila South area, and warrants adjustments to
15 assessments for parcels as reflected on a spreadsheet attached to Exhibit No. 12. The joint
16 recommendation did not reference or include any follow-up analysis by the City's
17 appraiser, Mr. Macaulay, or any other firm.

18 22. The stipulation/joint recommendation filed regarding the Andover West LLC Parcel
19 91, addressed in Appeal C, explains that the Parties agree that the special benefit to Parcel
20 91 is less than what is stated in the Assessment Study, and the special benefit should
21 properly result in an assessment of \$0.17 per square foot, instead of the initial estimate of
22 \$0.29 per square foot. The joint recommendation did not reference or include any follow-
23 up analysis by the City's appraiser, Mr. Macaulay, or any other firm.

24 23. The Examiner made several site visits to the study area, specifically including
25 publicly accessible portions of road improvements referenced in the Assessment Study, and
26 parcels addressed in written objections at issue in this Recommendation.

27 24. The Examiner finds that the City's appraiser, Robert J. Macaulay, MAI, of
28 Macaulay & Associates, Ltd., Real Estate Appraisers & Consultants, responsible for
29 preparing the Final Special Benefit/Proportionate Assessment Study, included in the record
30 as Exhibit No. 4, is well qualified as an expert on the subjects and topics addressed in the
31 Assessment Study. His qualifications and relevant experience, as well as that of his firm,
32 are summarized in Exhibit No. 4. No evidence was presented in any form to challenge his
33 qualifications.

34 25. Any Conclusion or provision found in any other section of this Recommendation
35 that is deemed to be a finding of fact is hereby incorporated by reference as such.

V. CONCLUSIONS OF LAW.

1
2 1. All procedures required prior to confirmation of the final assessment roll by RCW
3 Chapters 35.43 and 35.44, the Tukwila Municipal Code and the Ordinances and
Resolutions of the City relating to LID No. 33 have been followed.

4 2. All property in the assessment area is specially benefitted by the Klickitat Project in
5 an amount at least equal to the assessment contained in the final assessment roll, or as
modified in this Recommendation.

6 3. The assessments in the final assessment roll are imposed on each property equitably
7 and in reasonable proportion to all other property in the assessment area.

8 4. For all parcels for which no protest or objection to the final assessment roll was
9 received within the time specified in the notices provided to the property owners and the
10 public, any and all objections to the final assessment roll as it applies to such parcels are
deemed waived. See RCW 35.44.110.

11 5. The final assessment roll should be confirmed as modified in this Recommendation.

12 6. Any difference/reduction in total assessments available for collection caused by any
13 adjustment recommended herein should be borne by the City, without reallocation to
assessments imposed upon other parcels in the LID.

14 7. Any Finding of Fact or other provision of this Recommendation that may be
15 considered a Conclusion of Law shall be deemed to be a Conclusion of Law. Any
16 Conclusion of Law that should be denominated a Finding of Fact shall be deemed to be a
Finding of Fact.

17
18 **VI. RECOMMENDATION.**

19 Based on the record, and for the reasons set forth above,

20 A. The appeals/objections raised by six of the property owners with standing in this
21 hearing should be denied¹³, and their assessments should be confirmed as set forth in Mr.
Macaulay's Assessment Study, Ex. No. 4.

22 B. The assessment for the Segale Properties¹⁴ should be modified as reflected in Exhibit
23

24 ¹³ Appeals/Objections Labeled as Appeals A, B, D, E, F, and G should be denied.

25 ¹⁴ Segale Properties are addressed in the Appeal/Objection labeled as Appeal H.

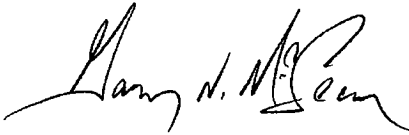
1 No. 12, provided the City Council finds that the rezones referenced in the stipulated
2 recommendation were not approved subject to the property owner's participation in the
3 LID, or other reasons making the situation substantially similar to the Westfield
4 Southcenter Mall redevelopment and the Southcenter Square (Wig Properties)
5 construction/development project, both of which were approved subject to participation in
6 the LID. See Assessment Study, page 4, where it notes that the "pre-renovation
7 contributory improvement value is considered in the analysis" for the Westfield and Wig
8 properties. If participation in the LID was not a condition of approval for rezones approved
9 for the Segale properties before formation of the LID, then the stipulated recommendation
10 of the parties should be followed, and adjustments to the affected parcels should be made as
11 reflected in Exhibit No. 12. If it was, then additional evidence from the City's appraiser
12 should be considered before approving any adjustment.

13 C. The assessment for the Andover West Property, Parcel 91¹⁵, should be modified as
14 reflected in Exhibit No. 13.

15 D. Any difference/reduction in total assessments available for collection caused by any
16 adjustment recommended herein should be borne by the City, without reallocation to
17 assessments imposed upon other parcels in the LID.

18 E. All other assessments set forth on the proposed Assessment Roll should be confirmed
19 by the City Council.

20 ISSUED this 29th Day of July, 2013

21 

22 _____
23 Gary N. McLean
24 Hearing Examiner

25 ¹⁵ The Andover West Property, Parcel 91, is addressed in the Appeal/Objection labeled as Appeal C.

Appeal to City Council

1
2 As provided in Ordinance No. 2397, codified as Tukwila Municipal Code Sec.
3 13.04.095, any person who challenged his or her assessment before the Examiner may
4 appeal the recommendation of the Hearing Examiner to the City Council by filing
5 written notice of such appeal with the City Clerk within 10 calendar days of the date
6 of mailing of the Hearing Examiner's recommendation. The appeal shall be upon the
7 record made before the Hearing Examiner based on a preponderance of evidence
8 standard and shall be considered by the Council at a public meeting in accordance
9 with the City Council's rules of procedure.
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

26 FINDINGS OF FACT, CONCLUSIONS OF LAW AND
RECOMMENDATION – KCLICKITAT LOCAL
IMPROVEMENT DISTRICT, LID NO. 33

Page 12 of 12

GARY N. MCLEAN
HEARING EXAMINER
CITY OF TUKWILA
6200 SOUTHCENTER BOULEVARD
TUKWILA, WASHINGTON 98168
MCLEANLAW@ME.COM

**LID 33 Assessment Roll Hearing
March 27, 2013
Exhibit Log**

Exhibit	Item Submitted		
1	City Report / Bob Giberson	3-15-13 Coversheet & 7 pages	Tukwila Urban Center Access Klickitat Project
2	City Resolution 1698	11 Pages	Adopted 10-26-09
3	LID #33 Color Map	11x17 1 page color	Revised 10-8-12
3A	LID #33 Color Map with Appeals A-H Identified	Provided by Public Works 4-2-13	Requested by Hearing Examiner at 3-27-13 Hearing
4	Final Special Benefit Study	Bound Document/Robert Macaulay	Report date 2-25-13
5	Macy's / Larry Schramm	2 page document	Parcels: 262304-9077 262304-9076
6	Andover West LLC / Mr. Rosenfeld	Aerial LID Boundary Photo 1 page map – pages 12-182	Red Locations of Area Properties

- Original Submittals Labeled “Appeal A through H” were entered into Evidence.

APPEAL A



RECEIVED

MAR 19 2013

CITY OF TUKWILA
CITY CLERK

March 18, 2013

City of Tukwila
City Clerk
6200 Southcenter Blvd.
Tukwila, WA 98188

Via overnight mail

Re: Local Improvement District No. 33

Macy's Anchor Store Southcenter Mall

Parcel Numbers: 262304-9086-07
359700-0246-07

Macy's Distribution Warehouse

Parcel Numbers: 262304-9077
262304-9076

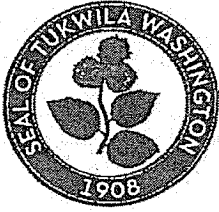
To Whom It May Concern:

In accordance with the instructions on the Southcenter Access Project website, we are timely filing this written objection with the City Clerk regarding the Local Improvement District No. 33 assessment roll. We respectfully request that an adjustment be made to the above referenced properties identified through the tax parcels listed on the assessment roll and look forward to our hearing on March 27, 2013.

In the interim, if you have any questions please do not hesitate to contact me at larry.schramm@macys.com or 847-334-1681.

Very truly yours,

Larry Schramm
Macy's, Inc.
Director of Property Tax
(513)562-6945



City of Tukwila

March 7, 2013

Jim Haggerton, Mayor

NOTICE OF ASSESSMENT

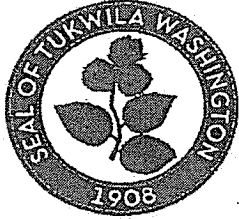
Klickitat LID No. 33

Tukwila Urban Center Access (Klickitat) Project

NOTICE OF ASSESSMENT ROLL HEARING ON REVERSE SIDE

Parcel Number	Ownership	Site Address	Estimated Assessment
359700-0246	Federated Dept Stores Inc	½ of Macy's	Tukwila, WA 98188 \$69,923.23
262304-9086	Federated Dept Stores Inc	½ of Macy's	Tukwila, WA 98188 \$30,300.06
262304-9077	Federated Dept Stores Inc	16715 Southcenter Pkwy.	Tukwila, WA 98188 \$157,521.49
262304-9076	Federated Dept Stores Inc	16813 Southcenter Pkwy.	Tukwila, WA 98188 \$173,059.99
Total Estimated Assessment			\$430,804.77

If this notice is received by someone other than the owner of the her-in described property, please forward to the owner and notify the City Clerk at the City of Tukwila



City of Tukwila

KLICKITAT LOCAL IMPROVEMENT DISTRICT NO. 33
NOTICE OF ASSESSMENT ROLL HEARING THEREON

RECEIVED
MAR 14 2013
MACY'S TAX DEPT.

NOTICE IS HEREBY GIVEN that the Tukwila City Council has set **Wednesday, March 27, 2013 at 9:00 a.m.** as the date and time for the hearing by the Hearing Examiner in Meeting Room B at the Tukwila Community Center, 12424 42nd Avenue South, Tukwila, WA.

The Hearing Examiner shall consider the Assessment Rolls for the costs and expenses of Klickitat Local Improvement District (LID) No. 33 for the Tukwila Urban Center Access Project improvements to the Southcenter area. This hearing is to correct any irregularities or errors that may have occurred in property assessments and is not for the purpose of discussing the advisability of the project, as the decision to create LID No. 33 was done by Ordinance No. 2260, adopted November 16, 2009.

All persons who wish to object to the assessment roll because of irregularities, omissions, or errors must file written objections with the City Clerk, 6200 Southcenter Blvd., Tukwila, WA 98188, before 5:00 p.m. on Thursday, March 21, 2013. At the time set for the hearing, or at such time as the hearing may be adjourned to, the Hearing Examiner will consider all objections made to the Assessment Rolls, and will then make recommendations to the City Council at a future Council meeting, date to be determined. The City Council will consider the Hearing Examiner's recommendations regarding the Rolls, and may correct, revise, raise, lower, change, or modify the Assessment Rolls, or any part of the Rolls, or may set aside the Rolls, and order the assessment to be made anew.

The above notice was published in the Seattle Times on March 4, 2013 and March 11, 2013.

The total costs for the Tukwila Urban Center Access Project were estimated to be \$27,343,000, but finalized at \$24,085,656 with \$14,182,779 paid by the City, state, and federal grants. The balance of \$9,902,877 shall be borne by and assessed against the properties specially benefited by the improvements within Local Improvement District No. 33. The original estimated assessment in 2009 for LID No. 33 was \$10,500,000.

On the reverse side of this page is information on the estimated assessments against the property herein listed of which you are shown to be the owner on the rolls of the King County Assessor. Additional information regarding the LID can be found on the City's website at www.tukwilawa.gov

Christy O'Flaherty, MMC, City Clerk
City of Tukwila, Washington

March 7, 2013

If this notice is received by someone other than the owner of the her-in described property, please forward to the owner and notify the City Clerk at the City of Tukwila

APPEAL B

RECEIVED

MAR 20 2013

CITY OF TUKWILA
CITY CLERK

Hearing Examiner
City Clerk
6200 Southcenter Blvd
Tukwila, WA 98188

To whom it may concern,

I strongly disagree not only with the amount of the assessment levied on our property, but also with the notion that our property "specifically benefitted by the improvements within Local Improvement District No. 33". I understand, however, that neither the project itself nor effects of the project are the subject of this hearing.

The Skarbo family has owned the property at 16705 Southcenter Property since 1978 and has utilized it as a retail furniture business for 35 years. Like most furniture retailers, we have been forced to downsize our business to adjust to the drop in consumer demand for home furnishings. This decrease in sales continues to this day.

Our business was hit hard by the loss of traffic during the construction phase of the project and the revenues we lost during that 7 month period will never come back. To compound these losses with an assessment of this magnitude seems unconscionable. I doubt seriously that Westfield Mall suffered anywhere near the percentage drop in sales as those of us along the Parkway. Shouldn't our loss of revenues during the construction phase be taken into account when calculating the assessment?

I think it's wrong to assess a small family run business at the same rate as our national chain neighbors. For a shopping mall like Westfield, or any business that is part of a national chain, an assessment like the one we're facing would seem inconsequential. For a small business like ours, this assessment is very significant and it comes directly out of the revenue stream we need to pay employee wages, property taxes, and all the other monthly expenses we face.

I also believe it is wrong to base the rate of assessment on proximity to the project. During the construction phase, I'm sure all businesses along the Parkway suffered an equal loss of traffic, irrespective of their distance from the construction area. Any supposed "benefits" from the project should be the same regardless of location on the Parkway, whether 100 feet from the project or 1 mile from it.

I'd like to know if the Tukwila South development, and the projected impact it will have on traffic flow in the Southcenter area, was a factor in the decision to undertake the LID project in the first place. Is the developer of Tukwila South being assessed at a lower rate than we are since we're closer to the LID project? Perhaps my question should be: Is the developer of Tukwila South on the Assessment Rolls at all?

As a final note, the site address shown for our company on the Notice of Assessment is incorrect. It should be 16705 Southcenter Parkway.

Sincerely,

Ronald D. Skarbo
Skarbo Holdings LLC

APPEAL C

ANDOVER WEST LLC

RECEIVED

MAR 20 2013

CITY OF TUKWILA
CITY CLERK

THE ANDOVER CORPORATION
GEORGE ROCKWELL
415 BAKER BOULEVARD
SUITE 200
TUKWILA, WA 98188

March 20, 2013

Christy O'Flaherty, MMC, City Clerk
City of Tukwila
6200 Southcenter Boulevard
Tukwila, WA 98188

RE: Klickitat Local Improvement District No. 33
Parcel 91, 435 Minkler Boulevard

Dear Ms. O'Flaherty,

I am writing to appeal the assessed amount proposed under Klickitat Local Improvement District (LID) No. 33 on the property identified as Parcel 91 in your assessment study, commonly known as 435 Minkler Boulevard in Tukwila, Washington.

The proposed assessment on this parcel is \$0.29 per square foot. We are requesting that the assessment be adjusted to conform with the amounts assessed on adjoining and similar properties, which are generally proposed to be \$0.10 per square foot.

We appreciate that the improvements to be funded under this LID have already been installed, and that our property should bear an appropriate share of the cost. However, as we will explain in this letter, the assessment on our property is approximately three times the assessments which are proposed on adjoining properties that are comparable in location, size, use, and assessed value.

For example . . .

- Adjacent properties to the east of 435 Minkler, which appear to be smaller and more retail-oriented, therefore likely to generate more automobile traffic, are assessed at \$0.20, \$0.19 and \$0.10 per square foot.
- The property immediately to the south, which is the closest property to 435 Minkler, and which is exactly comparable in location, size, use and value, is assessed at \$0.10 per square foot, barely one third of the assessment proposed for 435 Minkler. Further, all of the other properties immediately to the south of 435 Minkler, located in the same city block, are assessed at only \$0.10 per square foot.
- Properties to the north, which are closer to the traffic patterns of the retail uses at the north end of Kent Valley, are assessed at \$0.20 and \$0.19 per square foot, with only one exception, for a heavily auto-dependent office use, which is assessed at \$0.29.

ANDOVER WEST LLC

THE ANDOVER CORPORATION
GEORGE ROCKWELL
415 BAKER BOULEVARD
SUITE 200
TUKWILA, WA 98188

- Properties to the west, directly across Andover Park West, are generally assessed at \$0.20, \$0.19, and in most cases, particularly for large industrial-type buildings, at \$0.10 per square foot.

The allocation of assessments seems to follow an arbitrary "step-up" scale, with assessments at \$0.10, \$0.19, \$0.20 and \$0.29 per square foot, and nothing in between. Clearly, the traffic impacts and the LID assessment associated with 435 Minkler is not three times greater than that of a comparable building, fifty feet to the south.

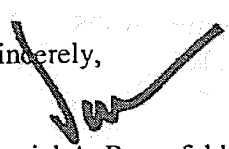
Further, we would like to point out that 435 Minkler has been occupied for more than 25 years by a very prominent and well-known Seattle-based business. Nearly everyone in the Puget Sound region, and perhaps across the nation, has benefited from the goods and services provided by this firm. The firm prefers to operate anonymously at this location and has no sign on the building, but I suspect that you and all of your colleagues and everyone in the hearing room on March 27 will know their name and respect their quality. This business provides many well-paying jobs in Tukwila and throughout the region. There is no reason to assess their building at three times the rate of the building next door.

The building at 435 Minkler has been owned by a private family for more than 40 years. It has remained in the same use, for the same occupant, who provides the same widely appreciated services. The amount of traffic generated by this building has not increased in the last 40 years, and we do not expect it to increase in the future.

It is clear that the Southcenter community has changed dramatically in recent years, with expansion of the regional shopping center and advent of light rail public transportation. We welcome these improvements to the economic vitality of the City of Tukwila and the region.

At the same time, we politely request that you adjust the assessment on the long-standing light industrial and distribution facility at 435 Minkler to be consistent with other buildings of comparable location, size, use, and assessed value in the region, and proceed with an assessment of \$0.10 per square foot.

Sincerely,

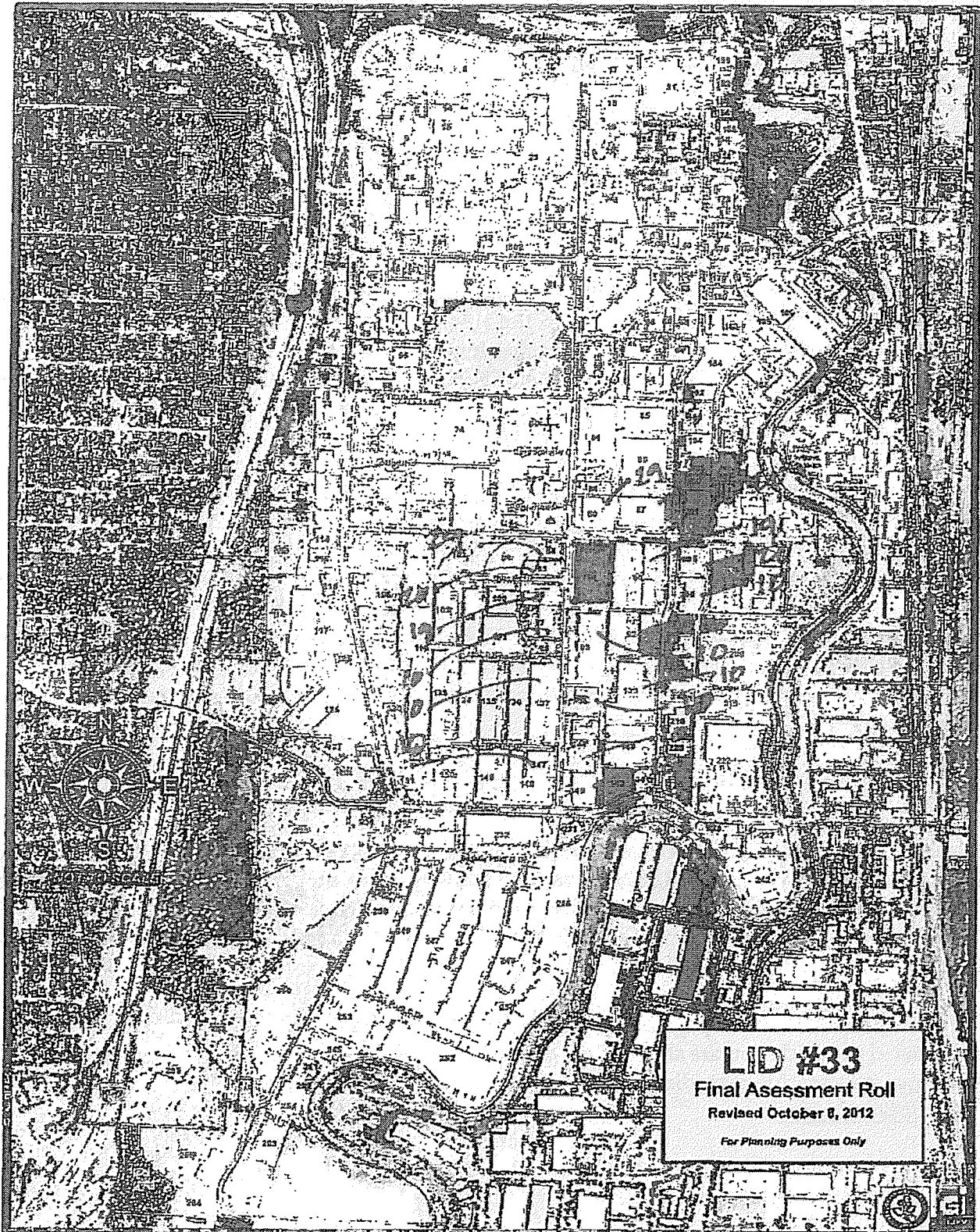


Daniel A. Rosenfeld
Manager

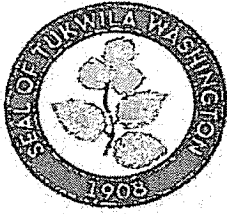
Attachment(s)

Cc: George Rockwell, Andover Company
Mary Rustin, Powell Development Co.

Aerial LID Boundary Photograph



DJR
3.19.13



City of Tukwila

KLICKITAT LOCAL IMPROVEMENT DISTRICT NO. 33 NOTICE OF ASSESSMENT ROLL HEARING THEREON

NOTICE IS HEREBY GIVEN that the Tukwila City Council has set **Wednesday, March 27, 2013 at 9:00 a.m.** as the date and time for the hearing by the Hearing Examiner in Meeting Room B at the Tukwila Community Center, 12424 42nd Avenue South, Tukwila, WA.

The Hearing Examiner shall consider the Assessment Rolls for the costs and expenses of Klickitat Local Improvement District (LID) No. 33 for the Tukwila Urban Center Access Project improvements to the Southcenter area. This hearing is to correct any irregularities or errors that may have occurred in property assessments and is not for the purpose of discussing the advisability of the project, as the decision to create LID No. 33 was done by Ordinance No. 2260, adopted November 16, 2009.

All persons who wish to object to the assessment roll because of irregularities, omissions, or errors must file written objections with the City Clerk, 6200 Southcenter Blvd., Tukwila, WA 98188, before 5:00 p.m. on Thursday, March 21, 2013. At the time set for the hearing, or at such time as the hearing may be adjourned to, the Hearing Examiner will consider all objections made to the Assessment Rolls, and will then make recommendations to the City Council at a future Council meeting, date to be determined. The City Council will consider the Hearing Examiner's recommendations regarding the Rolls, and may correct, revise, raise, lower, change, or modify the Assessment Rolls, or any part of the Rolls, or may set aside the Rolls, and order the assessment to be made anew.

The above notice was published in the Seattle Times on March 4, 2013 and March 11, 2013.

The total costs for the Tukwila Urban Center Access Project were estimated to be \$27,343,000, but finalized at \$24,085,656 with \$14,182,779 paid by the City, state, and federal grants. The balance of \$9,902,877 shall be borne by and assessed against the properties specially benefited by the improvements within Local Improvement District No. 33. The original estimated assessment in 2009 for LID No. 33 was \$10,500,000.

On the reverse side of this page is information on the estimated assessments against the property herein listed of which you are shown to be the owner on the rolls of the King County Assessor. Additional information regarding the LID can be found on the City's website at www.tukwilawa.gov

Christy O'Flaherty, MMC, City Clerk
City of Tukwila, Washington

RECEIVED

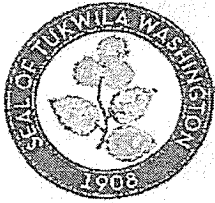
MAR 03 2013

March 7, 2013

POWELL DEVELOPMENT

If this notice is received by someone other than the owner of the her-in described property, please forward to the owner and notify the City Clerk at the City of Tukwila

March 7, 2013



City of Tukwila

Jim Haggerton, Mayor

NOTICE OF ASSESSMENT

Klickitat LID No. 33

Tukwila Urban Center Access (Klickitat) Project

NOTICE OF ASSESSMENT ROLL HEARING ON REVERSE SIDE

Parcel Number	Ownership	Site Address	Estimated Assessment
262304-9118	Andover West LLC % Powell, D	600 Andover Park W Tukwila, WA 98188	\$67,398.22
Total Estimated Assessment			\$67,398.22

If this notice is received by someone other than the owner of the her-in described property, please forward to the owner and notify the City Clerk at the City of Tukwila



THE ANDOVER COMPANY, INC.

CORPORATE REAL ESTATE

415 Baker Boulevard, Suite 200

Seattle, WA 98188

CHRISTY O'FLAHERTY
City of Tukwila
6200 Southcenter Blvd.
Tukwila, WA - 98188

APPEAL D

RECEIVED

3/17/2013

MAR 21 2013

CITY OF TUKWILA
CITY CLERK

City Of Tukwila

6200 Southcenter Blvd.

Tukwila, WA 98188

ATTN: Christy O'Flaherty, City Clerk

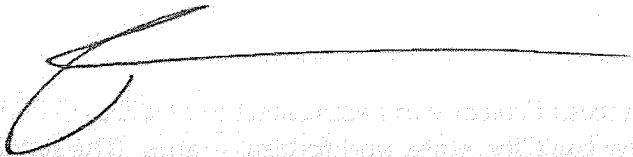
RE: Klickitat Local Improvement District No. 33 Notice of Assessment

Dear Ms. O'Flaherty

I recently received a Notice of Assessment which I thought was related to commercial property I own in Tukwila Washington located at 1233 Andover Park East. After reading through the Notice of Assessment I see that this pertains to properties located at 1251 Andover Park W and 5920 S. 180th St. which I have nothing to do with.

May this letter serve as notice that I am objecting to the assessment roll because of "irregularities, omissions, or errors".

Kind Regards,

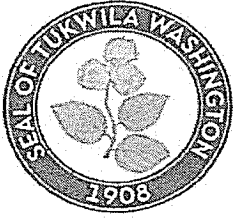


Matt Peterson

Houghton Harbor, LLC

6363 Lake Washington Blvd N.E.

Kirkland, WA 98033



City of Tukwila

KLICKITAT LOCAL IMPROVEMENT DISTRICT NO. 33 NOTICE OF ASSESSMENT ROLL HEARING THEREON

NOTICE IS HEREBY GIVEN that the Tukwila City Council has set **Wednesday, March 27, 2013 at 9:00 a.m.** as the date and time for the hearing by the Hearing Examiner in Meeting Room B at the Tukwila Community Center, 12424 42nd Avenue South, Tukwila, WA.

The Hearing Examiner shall consider the Assessment Rolls for the costs and expenses of Klickitat Local Improvement District (LID) No. 33 for the Tukwila Urban Center Access Project improvements to the Southcenter area. This hearing is to correct any irregularities or errors that may have occurred in property assessments and is not for the purpose of discussing the advisability of the project, as the decision to create LID No. 33 was done by Ordinance No. 2260, adopted November 16, 2009.

All persons who wish to object to the assessment roll because of irregularities, omissions, or errors must file written objections with the City Clerk, 6200 Southcenter Blvd., Tukwila, WA 98188, before 5:00 p.m. on Thursday, March 21, 2013. At the time set for the hearing, or at such time as the hearing may be adjourned to, the Hearing Examiner will consider all objections made to the Assessment Rolls, and will then make recommendations to the City Council at a future Council meeting, date to be determined. The City Council will consider the Hearing Examiner's recommendations regarding the Rolls, and may correct, revise, raise, lower, change, or modify the Assessment Rolls, or any part of the Rolls, or may set aside the Rolls, and order the assessment to be made anew.

The above notice was published in the Seattle Times on March 4, 2013 and March 11, 2013.

The total costs for the Tukwila Urban Center Access Project were estimated to be \$27,343,000, but finalized at \$24,085,656 with \$14,182,779 paid by the City, state, and federal grants. The balance of \$9,902,877 shall be borne by and assessed against the properties specially benefited by the improvements within Local Improvement District No. 33. The original estimated assessment in 2009 for LID No. 33 was \$10,500,000.

On the reverse side of this page is information on the estimated assessments against the property herein listed of which you are shown to be the owner on the rolls of the King County Assessor. Additional information regarding the LID can be found on the City's website at www.tukwilawa.gov

Christy O'Flaherty, MMC, City Clerk
City of Tukwila, Washington

March 7, 2013

If this notice is received by someone other than the owner of the her-in described property, please forward to the owner and notify the City Clerk at the City of Tukwila



City of Tukwila

March 7, 2013

Jim Haggerton, Mayor

NOTICE OF ASSESSMENT

Klickitat LID No. 33

Tukwila Urban Center Access (Klickitat) Project

NOTICE OF ASSESSMENT ROLL HEARING ON REVERSE SIDE

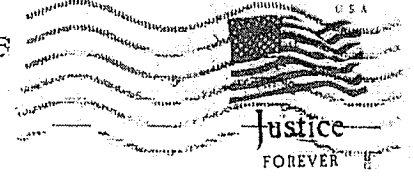
Parcel Number	Ownership	Site Address	Estimated Assessment
352304-9084	Houghton Harbor LLC	1251 Andover Park W Tukwila, WA 98188	\$3,690.39
352304-9122	Houghton Harbor LLC	5920 S 180th St. Tukwila, WA 98188	\$0.00
Total Estimated Assessment			\$3,690.39

If this notice is received by someone other than the owner of the ^{se?}her-in described property, please forward to the owner and notify the City Clerk at the City of Tukwila

Houghton Harbor, LLC
6363 Lake Washington Blvd. N.E.
Kirkland, WA 98033

SN 82PNADDDDD 01 923

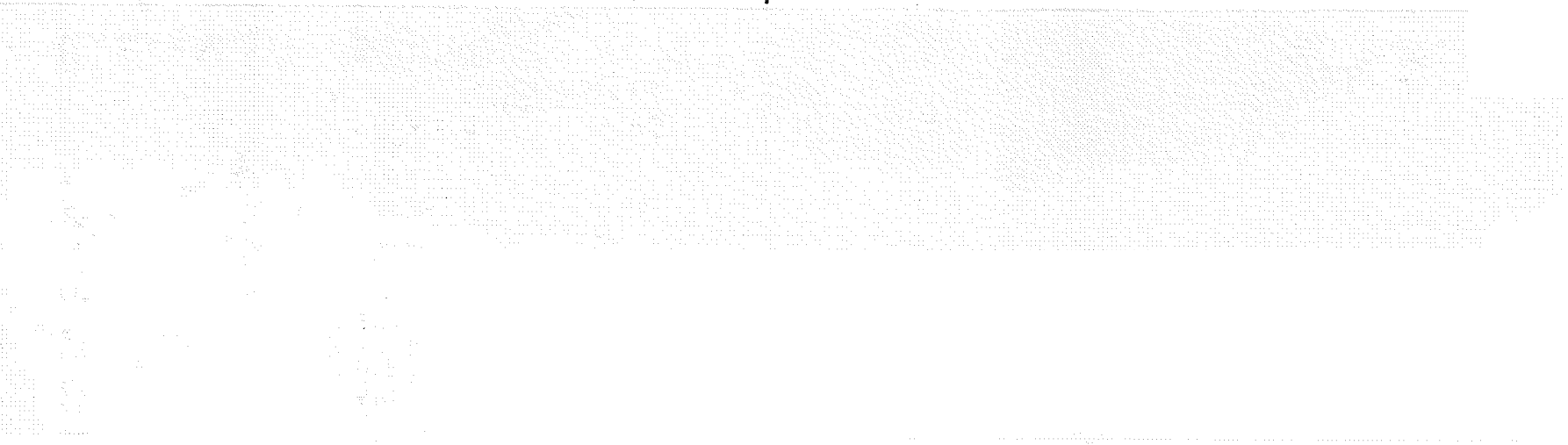
13 MAR 2013 PM 5 1



RECEIVED
MAR 21 2013
CITY OF TUKWILA
CITY CLERK

City of Tukwila/City Clerk
6200 Southcenter Blvd.
Tukwila, WA 98188

ATTN: Christy O'Flaherty, City Clerk



APPEAL E

FACSIMILE

RECEIVED

MAR 21 2013

WIDEWATERS

5786 Widewaters Parkway
Post Office Box 3
DeWitt, New York 13214-0003
315/445-2424
www.widewaters.com

CITY OF TUKWILA
CITY CLERK

DATE:	<u>March 21, 2013</u>
NUMBER OF PAGES INCLUDING COVER SHEET:	<u>3</u>

ATTENTION:	<u>Jim Haggerton, Mayor</u>
COMPANY:	<u>City of Tukwila</u>
PHONE:	_____
FAX:	<u>206-433-1833</u>
CC:	_____
FAX:	_____

FROM:	<u>Patrick T. Lawless</u>
PHONE:	<u>315-445-8554</u>
FAX:	<u>315-445-8570</u>
E-MAIL:	<u>plawless@widewaters.com</u>

REMARKS:	<input type="checkbox"/> URGENT	<input checked="" type="checkbox"/> FOR YOUR REVIEW	<input type="checkbox"/> REPLY ASAP	<input type="checkbox"/> PLEASE COMMENT
RE:	<u>Notice of Preliminary Assessment</u>			
	<u>LID NO. 33</u>			
Please see attached letter and enclosures.				

Confidentiality Notice:
This message is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient or the employee or agent responsible for delivering message to intended recipient, you are hereby notified that any disclosure, distribution, copying or the taking of any action in reliance on the contents contained in this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the address e via the U.S. Postal Service. Thank You.



RECEIVED

MAR 21 2013

CITY OF TUKWILA
CITY CLERK

VIA FACSIMILE: 206-433-1833

March 21, 2013

City of Tukwila
6200 Southcenter Blvd.
Tukwila, WA 98188
Attn: Jim Haggerton, Mayor

RE: Notice of Preliminary Assessment
LID NO. 33: Tukwila Urban Access Improvement Project
300 Upland Drive, Tukwila, WA 98188
Owner: Tukwila Hotel Ownership, LLC

Dear Mr. Haggerton:

Please be advised that Tukwila Hotel Ownership, LLC is challenging the enclosed LID assessment.

Sincerely,

Patrick T. Lawless
Assistant General Counsel
THE WIDEWATERS GROUP, INC.
Managing Agent

PTL/nh
Enclosure



City of Tukwila

Jim Haggerton, Mayor

NOTICE OF PRELIMINARY ASSESSMENT (October 2, 2009)

LID No. 33

Tukwila Urban Access Improvement Project

Parcel Number	Ownership	Site Address	Estimated Assessment
8838500030	Minkler Investments	300 Upland Dr. Tukwila, WA 98188	\$43,111
Total Estimated Assessment			\$43,111

APPEAL F



ARCHDIOCESE OF SEATTLE
OFFICE OF PROPERTY AND CONSTRUCTION SERVICES
206-382-4851
FAX: 206-382-4266

710 9TH AVE
SEATTLE, WA 98104 2017
www.seattlearchdiocese.org

RECEIVED

MAR 21 2013

CITY OF TUKWILA
CITY CLERK

March 21, 2013

City Clerk of Tukwila
6200 Strander Blvd.
Tukwila, WA 98188

Re: Notice of Assessment LID No. 33

To whom it may concern,

On March 11, 2013 we received the City of Tukwila Notice of Assessment Roll Hearing for LID #33. On February 4, 2013 we acquired the following site:

6801 S 180th Street
Tukwila, Wa. 98188
Parcel # - 862304-9087

At this time we are unsure whether our LID assessment for the above mentioned property is correct. **Therefore we must file our objection to the current assessment.**

The hearing date of March 27th leaves us with inadequate time to review the information as found on the city's website. We respectfully request an extension in order to perform due diligence on our recently acquired parcel.

Sincerely,

Edward J. Foster
Director of Property and Construction Services
Archdiocese of Seattle
710 9th Avenue
Seattle, WA. 98104
(206)382-4851



City of Tukwila RECEIVED

KLICKITAT LOCAL IMPROVEMENT DISTRICT NO. 33
NOTICE OF ASSESSMENT ROLL HEARING THEREON
PROPERTY AND CONSTRUCTION

MAR 11 2013

NOTICE IS HEREBY GIVEN that the Tukwila City Council has set **Wednesday, March 27, 2013 at 9:00 a.m.** as the date and time for the hearing by the Hearing Examiner in Meeting Room B at the Tukwila Community Center, 12424 42nd Avenue South, Tukwila, WA.

The Hearing Examiner shall consider the Assessment Rolls for the costs and expenses of Klickitat Local Improvement District (LID) No. 33 for the Tukwila Urban Center Access Project improvements to the Southcenter area. This hearing is to correct any irregularities or errors that may have occurred in property assessments and is not for the purpose of discussing the advisability of the project, as the decision to create LID No. 33 was done by Ordinance No. 2260, adopted November 16, 2009.

All persons who wish to object to the assessment roll because of irregularities, omissions, or errors must file written objections with the City Clerk, 6200 Southcenter Blvd., Tukwila, WA 98188, before 5:00 p.m. on Thursday, March 21, 2013. At the time set for the hearing, or at such time as the hearing may be adjourned to, the Hearing Examiner will consider all objections made to the Assessment Rolls, and will then make recommendations to the City Council at a future Council meeting, date to be determined. The City Council will consider the Hearing Examiner's recommendations regarding the Rolls, and may correct, revise, raise, lower, change, or modify the Assessment Rolls, or any part of the Rolls, or may set aside the Rolls, and order the assessment to be made anew.

The above notice was published in the Seattle Times on March 4, 2013 and March 11, 2013.

The total costs for the Tukwila Urban Center Access Project were estimated to be \$27,343,000, but finalized at \$24,085,656 with \$14,182,779 paid by the City, state, and federal grants. The balance of \$9,902,877 shall be borne by and assessed against the properties specially benefited by the improvements within Local Improvement District No. 33. The original estimated assessment in 2009 for LID No. 33 was \$10,500,000.

On the reverse side of this page is information on the estimated assessments against the property herein listed of which you are shown to be the owner on the rolls of the King County Assessor. Additional information regarding the LID can be found on the City's website at www.tukwilawa.gov

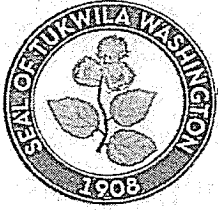
Christy O'Flaherty, MMC, City Clerk
City of Tukwila, Washington 433-0179

Vicki Carlson - Finance
433-1839

LAHMS9
3/30
2:35pm

March 7, 2013

If this notice is received by someone other than the owner of the her-in described property, please forward to the owner and notify the City Clerk at the City of Tukwila



City of Tukwila

March 7, 2013

Jim Haggerton, Mayor

NOTICE OF ASSESSMENT

Klickitat LID No. 33

Tukwila Urban Center Access (Klickitat) Project

NOTICE OF ASSESSMENT ROLL HEARING ON REVERSE SIDE

Parcel Number	Ownership	Site Address	Estimated Assessment
362304-9087	Lily Pointe Investments	18125 Andover Park W Tukwila, WA 98188	\$12,042.33
Total Estimated Assessment			\$12,042.33

If this notice is received by someone other than the owner of the her-in described property, please forward to the owner and notify the City Clerk at the City of Tukwila

APPEAL G

March 20, 2013

City Clerk
City of Tukwila
6200 Southcenter Boulevard
Tukwila, Washington 98188-2544

RECEIVED

MAR 21 2013

CITY OF TUKWILA
CITY CLERK

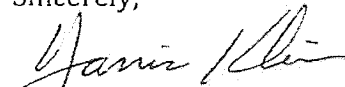


Reference: Parcel number 352304-9071 1224 Andover Park E. Tukwila, Wa. 98188

Dear City Clerk,

We wish to appeal our assessment for the Klickitat Local Improvement District No. 33.

Sincerely,



Harris Klein



APPEAL H

SEGALÉ PROPERTIES

A LIMITED LIABILITY COMPANY

COMMERCIAL • INDUSTRIAL • AGRICULTURAL • NATURAL RESOURCES

RECEIVED

MAR 21 2013

CITY OF TUKWILA
CITY CLERK

March 19, 2013

City of Tukwila
City Clerk
6200 Southcenter Blvd.
Tukwila, WA 98188

Re: Klickitat LID No. 33 Assessment Roll Hearing

Dear Ms. O'Flaherty,

Please accept these comments on behalf of Segale Properties LLC ("Segale") regarding the special benefit assessment associated with the Klickitat local improvement district No. 33 (the "LID" or "Project"). Unless otherwise noted, reference to Segale's property shall mean all the parcels owned by Segale that are located within the LID boundary except parcel number 262304-9001.

Study Does Not Reflect Right-of-Way Dedication and Vacation

On November 20, 2012 Segale dedicated the Southcenter Parkway Right-of-Way to the City of Tukwila. Segale prepared the spreadsheet attached as **Exhibit A** which identifies the land area vacated and dedicated by parcel.¹ The assessment for those parcels owned by Segale that were affected by the vacation and dedication should be revised accordingly.² The dedicated land is shown on the record of survey attached as **Exhibit C** and the deed is attached as **Exhibit D**. Additionally, the City of Tukwila vacated portions of the Southcenter Parkway/Frager Road

¹ See also Declaration of Jay Babcock, Professional Land Survey, attached as Exhibit A-1.

² Segale was unable to calculate an appropriate assessment based on the change in parcel size because the Study does not provide enough information to perform a calculation.

Right-of-Way pursuant to vacation ordinance numbers 2383 and 2387. The size of eight of Segale's parcels changed as a result of the vacation and dedication. Although the Study includes reference to the City's completion of the Southcenter Parkway project, it does not reflect the dedication or vacation of right-of-way in the calculation of Segale's land area.

Study Did Not Accurately Account for Unusable Land

The usable areas of three of Segale's parcels appear to have been misidentified in the study. The Segale properties are subject to Native Growth Protection Area ("NGPA") restrictions per the terms of the Development Agreement. The NGPA lands are unusable. The NGPA was delineated in the Development Agreement and was surveyed by Jay Babcock, Professional Land Surveyor. Attached hereto as **Exhibit B** is a spreadsheet prepared by Segale which shows the amount of NGPA area within each of these three parcels. The misidentification of usable area is particularly concerning with respect to parcel number 352304-9015, which the Study identifies as having no unusable area. In fact, parcel 352304-9015 has 178,609 square feet of NGPA which is nearly 20% of the entire parcel.

LID Did Not Cause Zoning Change

All but one of the parcels owned by Segale is located in the Tukwila South Overlay ("TSO") district. A primary assumption in the Study is that the TSO zoning only applies in the "with LID" condition.³ Therefore the special benefit for the TSO zoned properties is the difference in fair market value between the TSO zoning and the previous or "without LID" zoning. The fair market value increase resulting from the alleged change in zoning is estimated to result in a \$0.30 to \$1.25 increase in land value per square foot. Segale disagrees that without the Project the change in zoning from TVS to TSO would not have occurred.

On June 8, 2009, five months before the LID was formed, the Tukwila City Council approved ordinance number 2233 which approved the Tukwila South Development Agreement⁴ (the "Development Agreement") and approved ordinance number 2235 which adopted the TSO zoning. The Tukwila South Development Agreement applies to all of Segale's property, with the

³ See "Significant Factors and Extraordinary Assumptions" number 9, page 99 of Study and Valuation Summary at page 12.

⁴ The Development Agreement was not included in the appraiser's file for the Segale properties so it is attached hereto as Exhibit E.

exception of parcel number 262304-9001. The Development Agreement does not include any reference to the LID and completion of the Project was not a condition precedent to approval of the Development Agreement or the approval of the TSO zoning code. The Segale properties were rezoned to TSO as a result of the Development Agreement, not as a result of the LID Project. The measure of special benefit for an LID assessment must be limited to the increase in market value cause by the improvement. See *In re Local Imp.* 6097, 52 Wash.2d 330, 333, 324 P.2d 1078 (1958). Measuring the special benefit to Segale's properties based on the change from TVS to TSO zoning is a clear error that should invalidate the Study with respect to Segale's properties. Any increase in value associated with the adoption of the TSO zoning and the Development Agreement is independent of and certainly not attributable to the Project.

Study Contains Insufficient Evidence to Support Benefit to Segale Properties

Segale does not dispute that there may be some benefit accruing to its property as a result of the Project, the measure of that benefit however should not be the increase in land value attributed to the change from TVS zoning to TSO zoning. Based on the methodology in the Study that leaves the following as the benefits accruing to Segale's properties: (i) lower investment risk, (ii) enhancing the neighborhood's reputation, aesthetic appeal and character, and (iii) creating a more desirable location for residential and commercial property owners and tenants. The City must have "proof that rests upon competent evidence" to justify increase in fair market value accruing to Segale's properties as a result of the aforementioned "benefits". See *Bellevue Assocs. V. Bellevue*, 108 Wash. 2d 671, 675, 741 P.2d 993 (1987). As the following discussion explains, the Study fails to meet the competent evidence standard.

There is no evidence to suggest the Project benefits Segale's properties by reducing the investment risk. Rather, there is clear evidence that the Segale properties had permitting certainty prior to formation of the LID due to the Development Agreement which states:

"Pursuant to TMC 9.48 and TMC 21.04, the City has determined that the Tukwila South Project, up to the Trip Ceiling (hereinafter defined), meets the City's standards for transportation concurrency approval and mitigates significant adverse impacts to the City's transportation system; provided that the Tukwila South Project must be developed in compliance with the terms of this Agreement, including compliance with requirements that La Pianta

pay transportation impact fees applicable at the time of building permit issuance.”⁵

Although the Study includes an analysis of comparable sales, whether the sales represent the “without LID” or “with LID” is not identified.⁶ Because the purpose of the Study is to determine the increase in fair market value directly attributable to the Project, comparable sales data that doesn’t distinguish between with and without is meaningless. Furthermore, the comparable sales data does not equate the market value of any of those comps to enhanced neighborhood’s reputation, aesthetic appeal and character, and more desirable location for residential and commercial property owners and tenants arising out of a transportation improvement project.

The only mention of value associated with enhanced neighborhood’s reputation, aesthetic appeal and character, and more desirable location for residential and commercial property owners and comes in the form of the author’s professional opinion:

“Any knowledgeable investor in or purchaser of commercial property would realize the benefits of increased, more efficient traffic flow and circuitry of travel around to and from their property.” Additionally, the elimination of the negative stigma associated with the previously worsening conditions improves the market’s perception of property in the subject area, increasing potential retail sales and rental rates for both commercial and light industrial property.” Study at page 60

This broad generalization may have some merit, but it certainly doesn’t quantify the value and as such is hardly competent evidence to support a \$0.30 to \$1.00 per square foot increase in fair market value for a particular parcel.⁷ Furthermore, although the author’s opinion may be correct with respect to some properties in the LID, another real estate professional believes it has little merit with respect to Segale’s property.

Finally, although the study includes a discussion of the increase in fair market value of properties in and around the Alderwood Shopping Mall following a transportation project the Study clearly associates the market value increase with the up-zoning permitted as a result of the transportation

⁵ Segale Properties LLC is the successor by name change to La Pianta LLC

⁶ Any argument that the zoning of the comparable sales is said to represent the “with LID” and “without LID” distinction is clearly rebutted by Segale’s argument that the zoning of its properties did not change as a result of the LID.

⁷

project. As such the Alderwood Mall example does not support an increase in the fair market value of Segale's property.

Study Overstates Value of Zoning Change

Even if the assumption that the zoning change to TSO zoning was a result of the Project, the value of the zoning change is overstated. As explained in the letter from Randall Scott attached hereto as **Exhibit F**, the TSO zone does not allow substantially more valuable uses than the prior zoning. For example, the Segale Business Park⁸ was previously zoned Heavy Industrial and, as stated in the Study, the primary difference between HI and TSO is that TSO allows multi-family residential development. The Segale Business Park has several existing tenants that primarily use the property for warehouse with complimentary office use. Converting the Segale Business Park to multi-family residential use would not be financial beneficial. Given that the current use of the Segale Business Park property is the highest and best use, as shown on "Valuation Summary" table on page 12 of the Study, Segale disputes the finding that the Project conferred a \$0.50 to \$1.00 special benefit on the properties within the Segale Business Park. With respect to the change from TVS to TSO, the Study notes that the TSO allows "a similar range in uses as the underlying TVS zone except the overlay permits higher-intensity multi-family residential development and imposes a 500,000 SF limit on the size of shopping centers," but failed to consider that warehouses are prohibited in the TSO. The failure to consider the prohibition on warehouses is a fundamental error in the Study. In *Doolittle v. Everett* the court stated "The court may disregard the opinion of an expert if he has proceeded on a fundamentally wrong bases in arriving at that opinion," 114 Wash.2d 88, 106, 786 P.2d 253 (1990). In this case the Study failed to consider the legal permissibility of locating warehouses in the TSO resulting in a fundamentally wrong basis for the opinion set forth in the Study.

Study Didn't Consider Existing Uses

The discussion of the special benefits accruing to Segale's properties does not distinguish between the developed and undeveloped parcels. Segale believes the developed properties within the Segale Business Park do not benefit from the project, nor do they benefit from the change from TVS to TSO. As explained in the letter from Randall Scott, the highest and best use

⁸ Properties within the Segale Business Park include: 231, 232, 246, 247, 249, 251 & 252

of these properties is their current use which is primarily warehouse with some complimentary office use. It is highly unlikely that the rents Segale receives from its warehouse properties will increase as a result of the Project, primarily because the traffic associated with the warehouses use Orillia Road to access I-5 and Andover Park West to access I-405 and as such are not benefited from the Project.⁹ Additionally, the Study notes that mid-week peak hour level of service (“LOS”) at the intersections improved by the Project was at level “c” before the project, but the Saturday midday peak hour LOS ranged from D to F.¹⁰ Therefore the primary improvement to LOS was during the Saturday midday peak hour, an improvement that the Study notes is particularly important for the area’s retail businesses. The Segale Business Park does not include any retail uses that would benefit from the improved Saturday LOS.¹¹

Study Contains Inaccurate Information

The Study includes an inaccurate description of the Tukwila South Project, Segale’s master plan that applies to all but one of Segale’s properties. The Study states “The ongoing project remains in the planning stages and will require environmental mitigation, zoning code amendments, subdivision code amendments, a master plan, designation of a sensitive areas master plan overlay and shoreline master plan amendments.” With the exception of environmental mitigation, which is ongoing, each of the aforementioned items has been completed. The zoning code was amended in 2009 and the shoreline master plan and sensitive areas master plan were both approved in 2010. Segale’s shoreline substantial development permit was issued in 2010. Additionally, the Study states that the Tukwila South Project is expected to have 14 million square feet of occupied space upon full build out, when the Development Agreement limits the buildable area to 10.2 million square feet. These inaccuracies should call in to question the veracity of the Study.

Property Boundaries Have Changed

On February 27 2012 Segale recorded a boundary line adjustment (“BLA”) that affected four of the Segale properties. The BLA is attached hereto as **Exhibit I**. Segale also conveyed two of the properties to the City. The Study should be updated to reflect the revised parcel boundaries.

⁹ The opinion regarding warehouse traffic is based on the letter from Michael Read attached hereto as Exhibit G.

¹⁰ See Study at page 4.

¹¹ For a full list of tenants and lease terms for properties in the Segale Business Park see the attached Exhibit H.

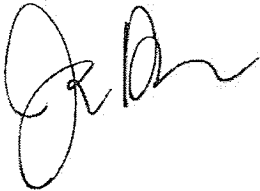
Assessment is Premature

The basis for determining the special benefit to each of the properties in the LID area is the change in zoning purportedly resulting from the Project. With respect to the properties located in the Tukwila Urban Center (TUC) subarea, the change is assumed to be a change TUC zone code. However, the TUC zoning code has not been introduced to the City Council, let alone adopted. To assume that the zoning amendment will be approved by the City Council is to flout the public process.

The Klickitat LID Project certainly benefited the City of Tukwila in general and some properties specifically. However, the evaluation of special benefit accruing to the Segale properties was based on inaccurate assumptions and information. We request the Segale properties be re-evaluated to determine what special benefit, if any, has actually accrued as a result of the Project.

Very Truly Yours,

SEGALE PROPERTIES LLC



Jami Balint

Company Counsel

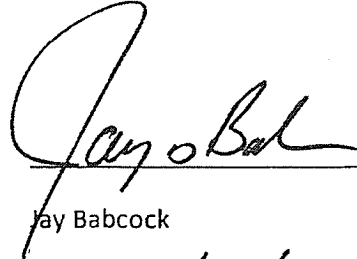
EXHIBIT A-1

Declaration of Survey

Jay Babcock, pursuant to RCW 9A.72.085, does hereby declare:

1. I am a Professional Land Surveyor, registered with and subject to the laws of the State of Washington, and am competent to testify to the matters asserted herein.
2. This declaration is based on work performed by me at the request of Segale Properties LLC.
3. I surveyed the following areas with respect to certain properties owned by Segale Properties LLC:
 - a. Native Growth Protection Areas (as set forth in the Development Agreement by and between the City of Tukwila and Segale Properties LLC)
 - b. Right-of-Way dedication for Southcenter Parkway
 - c. Vacated Right-of-Way for Frager Road
4. The calculation of the area I surveyed are accurately shown on the attached Exhibit A and Exhibit B
5. I prepared my surveys using Auto CADD based on King County Assessor maps.
6. I understand that this Declaration is being provided to Segale Properties LLC, a Washington limited liability company, which may rely on the statements made herein in presenting an objection to the final assessment roll for the City of Tukwila's Klickitat Local Improvement District.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.


Jay Babcock

Date: 03/21/13

Place of signing: TUKWILA, WA

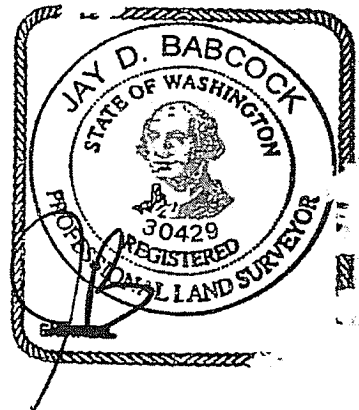


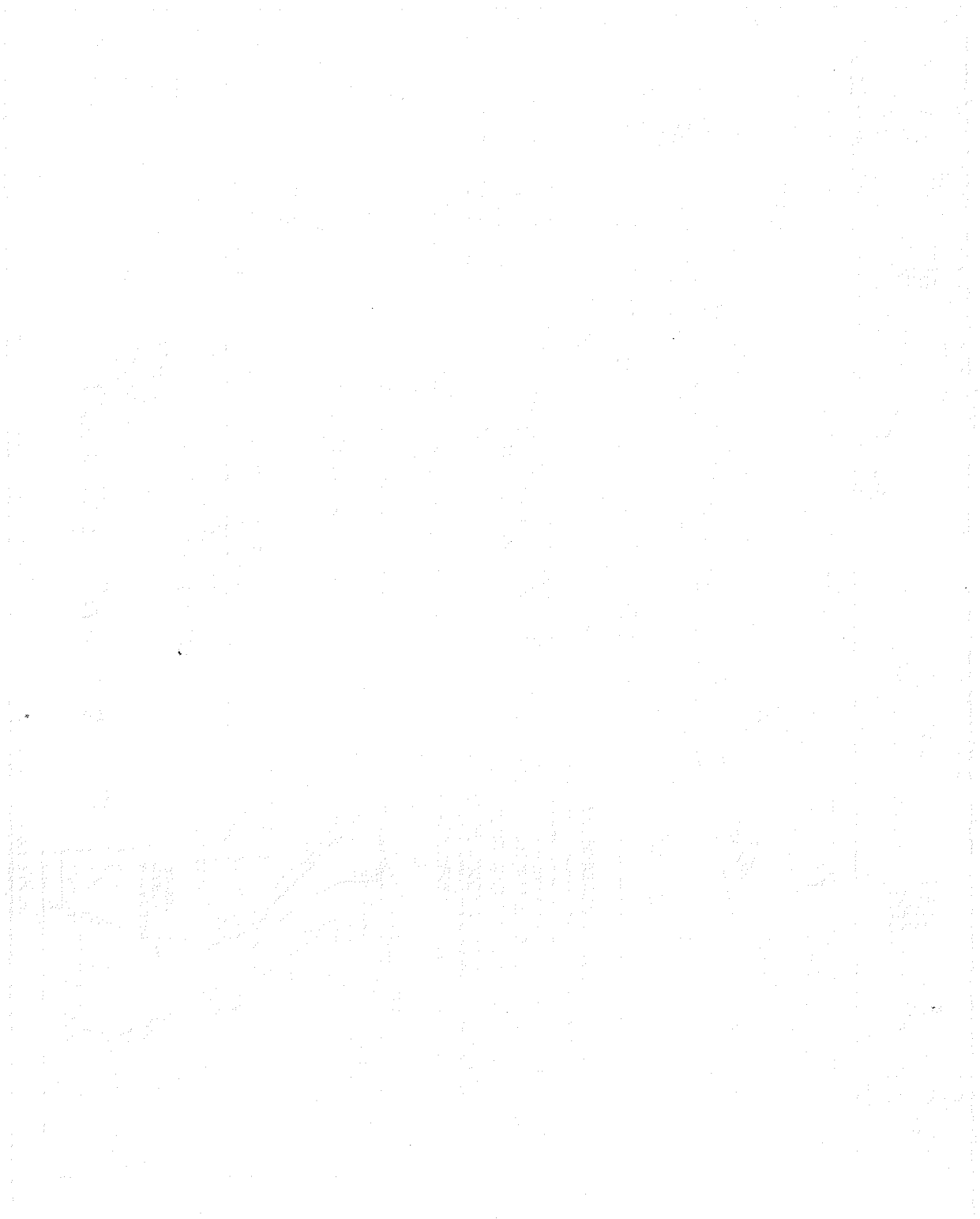
Exhibit A

Parcel	LID No.	Study Area	Actual Area	ROW Dedicated	ROW Vacated
9050	256	59,241.00	51,252.00	10,789.00	2,800.00
9068	255	415,560.00	417,663.00	311.00	2,414.00
9045	254	94,090.00	77,331.00	16,759.00	
9015	266	907,204.00	716,485.00	223,300.00	32,581.00
9115	252	629,172.00	630,252.00		1,080.00
9118	250	332,321.00	349,272.00		16,951.00
9032	260	27,420.00	30,222.00		2,802.00
9036	253	209,151.00	218,038.00		8,887.00
9116	245	232,770.00	237,104.00		4,334.00
			Total	251,159.00	71,849.00

EXHIBIT B

Parcel	LID No.	Study Usable	Actual Usable	Study Unusable	NGPA
9015	266	907,204.00	728,595.00	-	178,609.00
9025	121	297,902.00	169,746.00	Unknown	128,156.00
9009	122	121,400.00	32,865.00	Unknown	88,535.00

EXHIBIT C



2931079

W. HALF OF SEC. 35, TWP. 23 N, NW 1/4 OF SEC. 2 AND NE 1/4 OF SEC. 3, TWP. 22 N, ALL IN RING. 4 E., W.M.
CITY OF TUKWILA, KING COUNTY, WASHINGTON

LEGEND

- SECTION CORNER (CALCULATED)
- QUARTER CORNER (CALCULATED)
- QUARTER CORNER (FOUND AS NOTED)
- SECTION CENTER
-
-
- MONUMENT (FOUND AS NOTED)
- MEASURED DISTANCE
-
-
-
-
-
-
-
-
-
-
-



CITY OF TUKWILA

DEPARTMENT OF PUBLIC WORKS
TUKWILA, WASHINGTON

**SOUTHCENTER PARKWAY
EXTENSION**

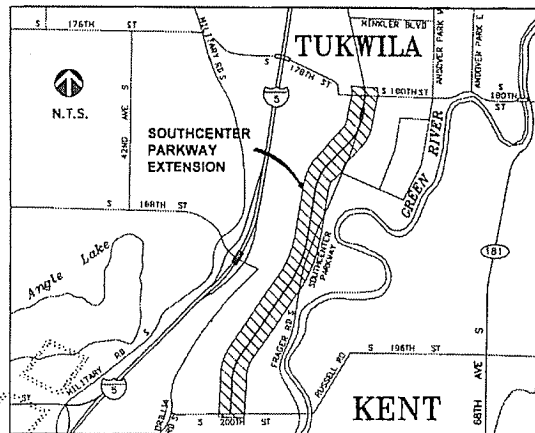
PROJECT NO. 84-RW37
FEDERAL AID PROJECT NO. STPUL-104(003)

HORIZONTAL DATUM
WASHINGTON STATE PLANE COORDINATE SYSTEM, NORTH ZONE, NAD(2007), BASED ON WSDOT
MON HC 17A (SEE SHEET 2)

BASS OF BEARING
N 82°14'30" W AS SHOWN FOR THE C-W CENTERLINE OF SECTION 2 BETWEEN TWO FOUND
MONUMENTS AS NOTED.

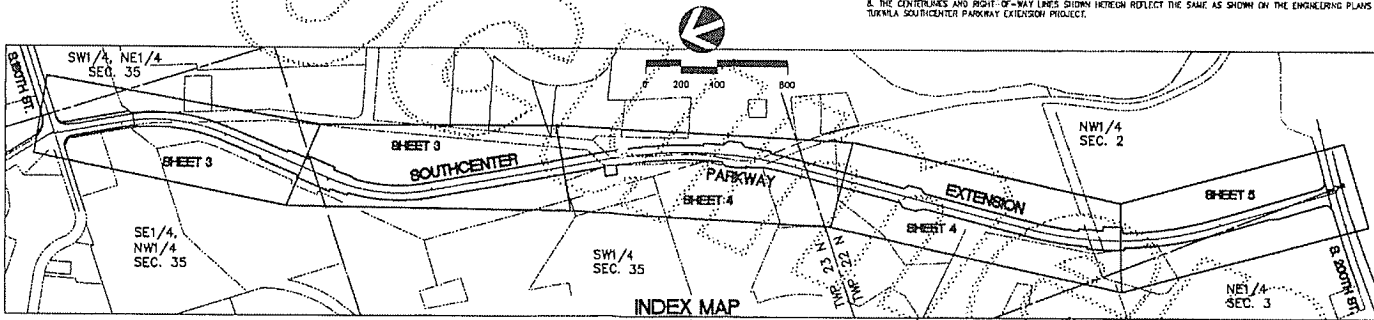
REFERENCE RECORDING
THIS RECORD OF SURVEY IS BEING RECORDED TO DELINEATE THE RIGHT-OF-WAY AS
DECLARED IN **RIGHT OF WAY D.E.D.** - RECORDED UNDER KING COUNTY RECORDING
NO. 201211309000019

FOUND MONUMENT	PROPOSED MONUMENT	MISS	MISS
10 163984.424 1287219.80 161986.426 1287219.889	0.11'E	0.01'W	
10 163320.283 1286289.251 161350.291 1286866.732	0.09'E	0.03'N	
10 162813.232 1285537.875 161213.228 1285551.891	0.07'E	0.04'W	
10 162425.538 1285276.553 161025.574 1285276.609	0.02'E	0.04'W	
10 158319.531 1284920.286 159310.613 1284840.315	0.02'E	0.09'W	
10 158205.518 1284509.454 158205.543 1284509.450	0.01'E	0.13'W	
10 157877.172 1284248.005 157876.502 1284247.109	0.23'E	2.83'W	



VICINITY MAP

- NOTES**
1. PURPOSE OF THIS SURVEY IS TO DOCUMENT THE LOCATION OF THE SOUTHCENTER PARKWAY EXTENSION BETWEEN 180TH STREET TO S. 200TH STREET, SITUATED IN THE CITY OF TUKWILA, KING COUNTY, WASHINGTON.
 2. METHODOLOGY FIELD MEASUREMENT FOR THIS SURVEY WERE PERFORMED USING A LEICA TORV 1201 TOTAL STATION AND LEICA AT1230 06 GPS RECEIVERS. THIS SURVEY COMPLETES WITH THE MINIMUM REQUIRED "ERROR OF CLOSURE" OF 1:10,000 FOR WASHINGTON STATE PLANE COORDINATES AS SET FORTH IN W.A.C. 332-130-050 (AND POSITIONAL TOLERANCE LEVELS OF LESS THAN 0.011 METERS).
 3. PARCEL LINES SHOWN HEREON ARE BASED UPON BOUNDARY AND TOPOGRAPHIC MAP PROVIDED BY GOLDSMITH & ASSOCIATES, INC., JOB NO. 03102-1, ON AUGUST 4, 2004. PARCEL LINES ARE SHOWN FOR GRAPHIC PURPOSES ONLY.
 4. EXISTING FENCE LINES AND ROADWAY FEATURES SHOWN HEREON ARE BASED UPON BOUNDARY AND TOPOGRAPHIC MAP PROVIDED BY GOLDSMITH & ASSOCIATES, INC., JOB NO. 03102-1 ON AUGUST 6, 2004.
 5. ALL SURVEY MONUMENTS AND OTHER SURVEY MARKERS SHOWN HEREON WERE VISITED DURING DECEMBER, 2009 AND JANUARY, 2010.
 6. STREET MONUMENTS WERE SET IN CONJUNCTION WITH THIS SURVEY.
 7. ALL DISTANCES SHOWN ON THIS SURVEY ARE GROUND DISTANCES BASED UPON THE US SURVEY FOOT.
 8. THE CENTERLINES AND RIGHT-OF-WAY LINES SHOWN HEREON REFLECT THE SAME AS SHOWN ON THE ENGINEERING PLANS FOR CITY OF TUKWILA SOUTHCENTER PARKWAY EXTENSION PROJECT.



INDEX MAP
SCALE 1"=400'

SURVEYOR'S CERTIFICATE

THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE SURVEY RECORDING ACT AT THE REQUEST OF
CITY OF TUKWILA, PUBLIC WORKS DEPARTMENT
DATE 10/5/12
SIGNATURE [Signature]
CERTIFICATE NO. 21582



20121130900001
RECORD OF SURVEY
RECORDING NO. 201211309000019

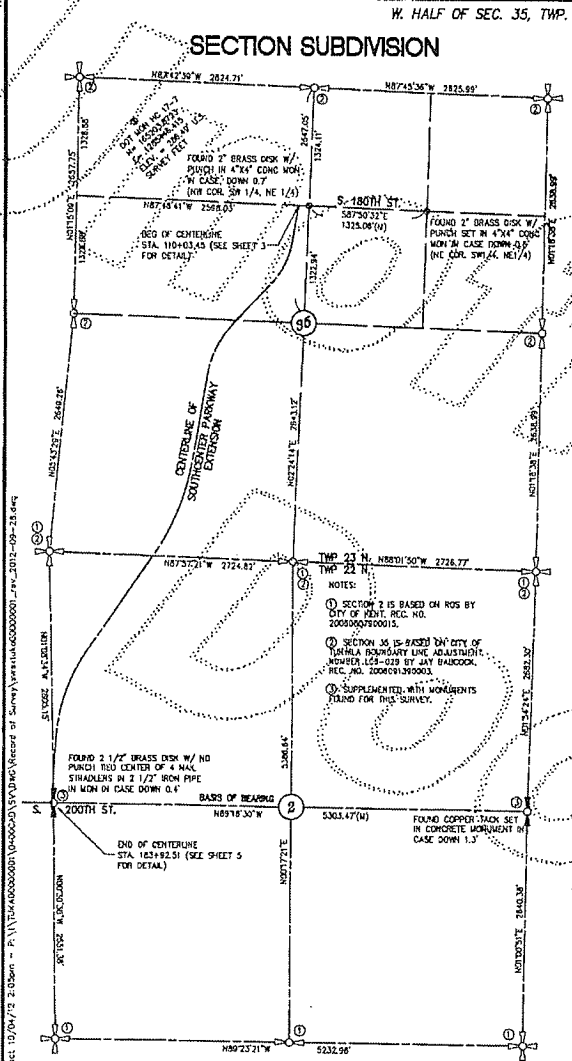
RECORD OF SURVEY
FOR
**SOUTHCENTER PARKWAY
EXTENSION**
CITY OF TUKWILA
FEDERAL AID PROJECT NO. STPUL-104(003)



**DAVID EVANS
AND ASSOCIATES INC.**
415 - 118th Avenue SE
Bellevue Washington 98005-3518
Phone: 425.518.0900

SHEET	1	OF	5
SCALE			
SURVEYED BY	[Signature]		
FIELD BOOK			
DRAWN BY	[Signature]		
CHECKED BY	[Signature]		
FILE NO.	TUK03000001		

293 1080



RIGHT-OF-WAY DESCRIPTION

SOUTHCENTER PARKWAY EXTENSION
SOUTH 180TH STREET TO SOUTH 200TH STREET

THAT PORTION OF THE WEST HALF OF SECTION 35, TOWNSHIP 23 NORTH, AND THE NORTHWEST QUARTER OF SECTION 2 AND THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 22 NORTH, ALL IN RANGE 4 EAST, 1/4 STRIP OF LAND 83.00 FEET IN WIDTH, WITH 41.50 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE, TOGETHER WITH ADDITIONAL STRIPS OF LAND OF VARYING WIDTHS AND ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, DESCRIBED AS FOLLOWS:

COMMENCING AT THE PUNCH MARK IN A 2" BRASS DISC ATOP A 4"x4" CONCRETE MONUMENT IN CASE, BEING THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 35 AND THE CENTERLINE OF SOUTH 180TH STREET, FROM WHICH THE NORTH QUARTER CORNER OF SAID SECTION 35, BEARS N02°21'41", 1324.11 FEET; THENCE N87°50'32"W, 1044.52 FEET TO THE INTERSECTION OF SOUTH 180TH STREET WITH SOUTHCENTER PARKWAY FROM THE NORTH; THENCE CONTINUING N87°50'32"W, 1044.52 FEET TO THE POINT OF BEGINNING OF AFORESAID CENTERLINE OF SOUTHCENTER PARKWAY EXTENSION (SPE) SOUTHERLY TO SOUTH 200 STREET, BEING SPE STATION 1104+03.45; THENCE SOUTHERLY ALONG SAID CENTERLINE, THE FOLLOWING COURSES AND DISTANCES:

THENCE S02°30'27"W, 391.79 FEET TO THE BEGINNING OF A 1000.00 FOOT RADIUS CURVE TO THE RIGHT BEING SPE PC 1134+95.24;
 THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°56'02", AN ARC DISTANCE OF 574.91 FEET, TO THE END OF SAID CURVE BEING SPE PT 119+70.05;
 THENCE S42°46'22"W, 449.15 FEET TO THE BEGINNING OF A 1000.00 FOOT RADIUS CURVE TO THE LEFT BEING SPE PC 126+16.16;
 THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°56'02", AN ARC DISTANCE OF 574.91 FEET, TO THE END OF SAID CURVE BEING SPE PT 131+94.18;
 THENCE S09°49'47"W, 810.02 FEET TO THE BEGINNING OF A 2500.00 FOOT RADIUS CURVE TO THE RIGHT BEING SPE PC 142+04.60;
 THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24°48'59", AN ARC DISTANCE OF 1092.82 FEET TO THE END OF SAID CURVE BEING SPE PT 172+05.98;
 THENCE S44°26'46"W, 233.88 FEET TO THE BEGINNING OF A 2000.00 FOOT RADIUS CURVE TO THE LEFT BEING SPE PC 166+18.31;
 THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 31°07'05", AN ARC DISTANCE OF 1088.25 FEET TO THE END OF SAID CURVE BEING SPE PT 172+05.98;
 THENCE S03°31'58"W, 488.85 FEET TO THE CENTERLINE OF SOUTH 200TH STREET BEING SPE 183+92.51; THENCE CONTINUING S03°31'58"W, 8.88 FEET TO THE EAST-WEST CENTERLINE OF AFORESAID SECTION 3, FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION 3 BEARS N89°54'22"E, 21.85 FEET, AND THE END OF THIS CENTERLINE DESCRIPTION;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING NORTHEASTERLY OF THE FOLLOWING DESCRIBED LINE, BEGINNING ON THE SOUTH RIGHT-OF-WAY MARGIN OF AFORESAID SOUTH 180TH STREET TO SPE 1104+03.45 FEET SOUTH OF THE CENTERLINE OF SAID SOUTH 180TH STREET, BEING SPE 1104+43.02, RT. 87.43 FEET; THENCE S40°21'28"E, 44.32 FEET TO SPE 1104+74.00, LT. 41.50 FEET AND THE TERMINATION OF SAID LINE;

AND TOGETHER WITH A 12.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 122+12.00, RT. 41.50 FEET TO SPE 124+43.00, RT. 41.50 FEET; AND TOGETHER WITH A 11.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 123+41.00, LT. 41.50 FEET TO SPE 124+84.00, LT. 41.50 FEET;

AND TOGETHER WITH A 25.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 124+43.00, RT. 41.50 FEET TO SPE 128+43.00, RT. 41.50 FEET;

AND TOGETHER WITH A 26.50 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 124+84.00, RT. 41.50 FEET TO SPE 128+43.00, RT. 41.50 FEET;

AND TOGETHER WITH A 12.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 128+43.00, RT. 41.50 FEET TO SPE 127+15.00, LT. 41.50 FEET;

AND TOGETHER WITH A 12.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 127+15.00, LT. 41.50 FEET TO THE TERMINATION OF SAID LINE;

AND TOGETHER WITH A 12.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 128+43.00, RT. 41.50 FEET TO SPE 127+37.00, RT. 41.50 FEET;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE, BEGINNING AT SPE 141+77.44, RT. 41.50 FEET; THENCE N80°13'45"W, 121.77 FEET TO SPE 141+77.44, RT. 80.71 FEET; THENCE N04°45'47"E, 3.28 FEET TO SPE 141+74.00, RT. 80.71 FEET; THENCE N80°13'41", 31.55 FEET TO SPE 141+74.11, RT. 82.27 FEET; THENCE S03°30'52"W, 99.79 FEET TO SPE 149+48.31, RT. 91.89 FEET; THENCE S80°30'16", 50.48 FEET TO SPE 142+44.48, RT. 41.50 FEET TO THE TERMINATION OF SAID LINE;

AND TOGETHER WITH A 11.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 147+47.00, LT. 41.50 FEET TO SPE 148+57.00, LT. 41.50 FEET;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING NORTHEASTERLY OF THE FOLLOWING DESCRIBED LINE, BEGINNING AT SPE 148+57.00, LT. 52.50 FEET; THENCE S14°11'21"E, 37.11 FEET TO SPE 148+82.00, LT. 78.00 FEET; THENCE S28°13'32"W, 72.13 FEET TO SPE 149+55.00, LT. 78.00 FEET; THENCE S27°29'32"W, 31.33 FEET TO SPE 150+32.00, RT. 52.50 FEET; THENCE S19°48'22"W, 63.70 FEET TO SPE 150+68.00, RT. 41.50 FEET TO THE TERMINATION OF SAID LINE;

AND TOGETHER WITH A 12.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 149+51.00, LT. 41.50 FEET TO SPE 151+25.00, LT. 41.50 FEET;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE, BEGINNING AT SPE 149+51.00, LT. 41.50 FEET; THENCE S83°04'48"W, 30.10 FEET TO SPE 158+14.00, RT. 64.00 FEET; THENCE S34°28'46"W, 72.00 FEET TO SPE 159+88.00, RT. 64.00 FEET; THENCE S10°04'52"W, 50.31 FEET TO SPE 160+31.00, LT. 41.50 FEET TO THE TERMINATION OF SAID LINE;

AND TOGETHER WITH A 13.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 169+08.00, LT. 41.50 FEET TO SPE 170+47.00, LT. 41.50 FEET;

AND TOGETHER WITH A 34.50 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 170+47.00, LT. 41.50 FEET TO SPE 171+81.00, LT. 41.50 FEET;

AND TOGETHER WITH A 32.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 169+88.00, RT. 41.50 FEET TO SPE 171+81.00, LT. 41.50 FEET;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE, BEGINNING AT SPE 170+88.00, RT. 41.50 FEET; THENCE S17°33'51"W, 49.47 FEET TO SPE 180+37.00, RT. 53.00 FEET; THENCE S03°31'58"W, 283.00 FEET TO SPE 183+30, RT. 53.00 FEET; THENCE S40°21'28"E, 22.56 FEET TO SPE 183+40.53, RT. 68.70 FEET; THENCE S27°07'48"W, 24.80 FEET TO THE NORTH RIGHT-OF-WAY MARGIN OF SOUTH 200TH STREET, LYING 42.00 FEET NORTH OF THE CENTERLINE OF SAID SOUTH 200TH STREET, BEING SPE 183+92.51, RT. 91.89 FEET; AND THE TERMINATION OF SAID LINE;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING SOUTHWESTERLY OF THE FOLLOWING DESCRIBED LINE, BEGINNING AT SPE 183+20.00, LT. 41.50 FEET; THENCE S80°14'12"E, 37.25 FEET TO THE NORTH RIGHT-OF-WAY MARGIN OF SOUTH 200TH STREET, LYING 42.00 FEET NORTH OF THE CENTERLINE OF SAID SOUTH 200TH STREET, BEING SPE 183+92.51, LT. 80.70 FEET AND THE TERMINATION OF SAID LINE;

AND EXCEPT ANY PORTION LYING WITHIN THE EXISTING RIGHT-OF-WAY OF SOUTH 180TH STREET, SOUTH 200TH STREET, AND THAT PORTION OF EXISTING SOUTHCENTER PARKWAY LYING NORTH OF LINE "A" AS DESCRIBED IN CITY OF TUKWILA ORDINANCE 22240, DATED JUNE 8, 2009.

SURVEYOR'S CERTIFICATE
 THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE SURVEY RECORDING ACT AT THE REQUEST OF
 CITY OF TUKWILA PUBLIC WORKS DEPARTMENT
 ON 10/15/12
 SIGNATURE: [Signature] DATE: 10/15/12
 CERTIFICATE NO. 71882

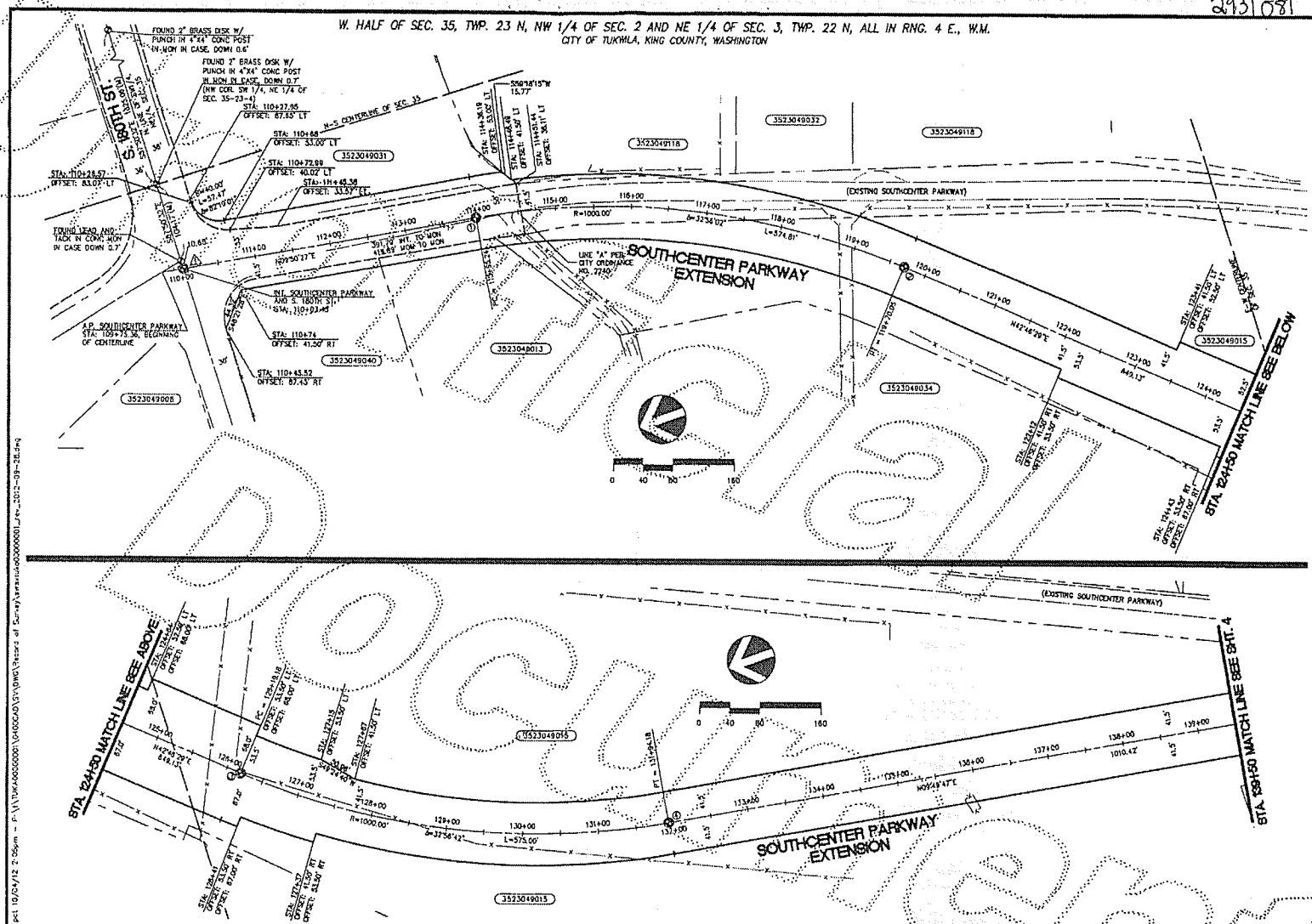


RECORD OF SURVEY FOR
SOUTHCENTER PARKWAY EXTENSION
 CITY OF TUKWILA
 FEDERAL AID PROJECT NO. STPLU-104(003)

DAVID EVANS AND ASSOCIATES INC.
 415 - 118th Avenue SE
 Bellevue Washington 98005-3518
 Phone: 425.019.8500



SHEET 2 OF 5
 SCALE: SURVEYED FROM TGS
 FIELD BOOK
 DRAWN: [Signature]
 CHECKED: [Signature]
 FILE: [Signature]



SURVEYOR'S CERTIFICATE
 THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE SURVEY RECORDING ACT AT THE REQUEST OF
 CITY OF TUKWILA, PUBLIC WORKS DEPARTMENT
 OCTOBER 2012
 SIGNATURE: *[Signature]* DATE: 11/5/12
 CERTIFICATE NO. 21589



20121130900001
 CITY OF TUKWILA, WA
 SURVEY NO. 2012 100 00
 KING COUNTY, WA
 NAME OF RECORDS/DEPUTY ALIEN: _____
 RECORDING FEE: _____

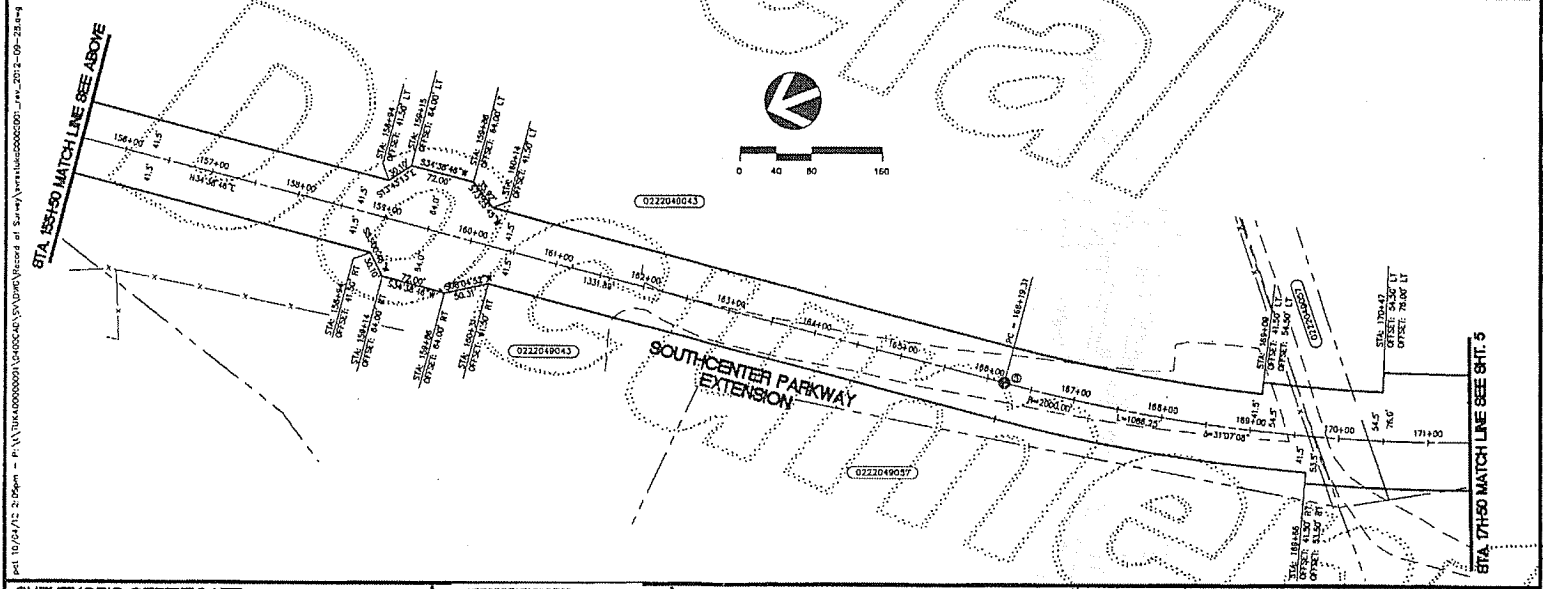
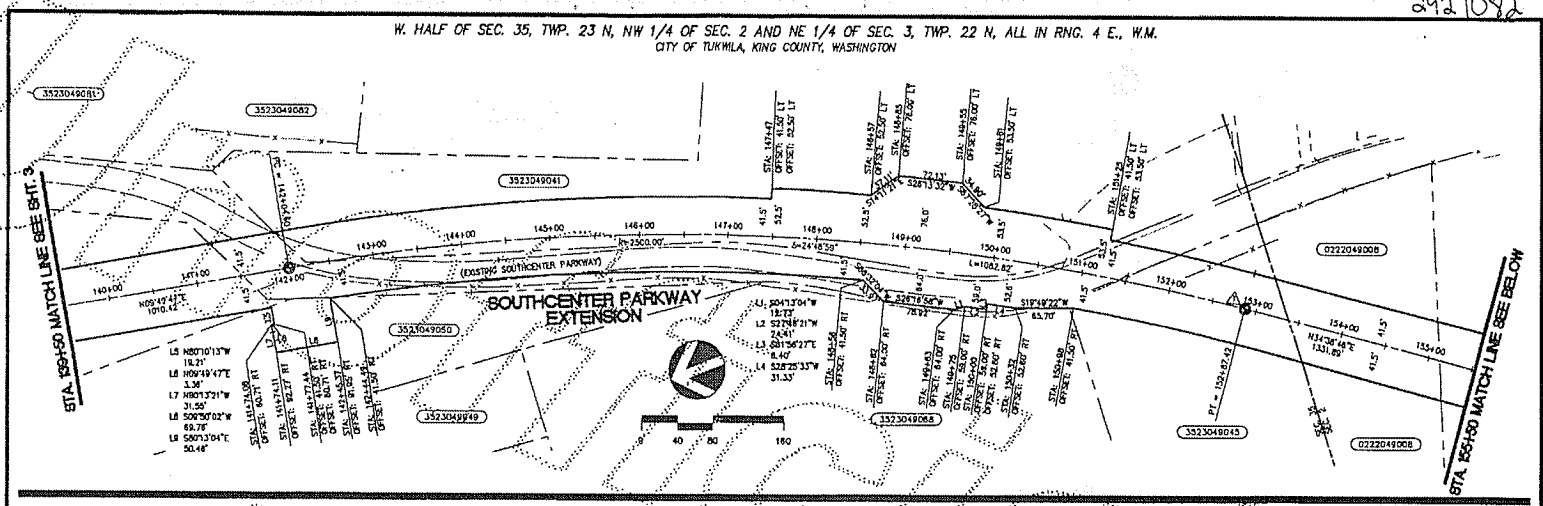
RECORD OF SURVEY
 FOR
SOUTHCENTER PARKWAY
EXTENSION
 CITY OF TUKWILA
 FEDERAL AID PROJECT NO. 61PUL-104(003)

DAVID EVANS AND ASSOCIATES, INC.
 415 - 118th Avenue SE
 Bellevue, Washington 98005-5510
 Phone: 425.615.8500

SHEET 3 OF 5
 SCALE 1" = 80'
 SURVEYED ROWM, PWS
 FIELD BOOK
 DRAWN PWT
 CHECKED DEW
 FILE TUK200000001

2921092

W. HALF OF SEC. 35, TWP. 23 N, NW 1/4 OF SEC. 2 AND NE 1/4 OF SEC. 3, TWP. 22 N, ALL IN RING. 4 E., W.M.
CITY OF TUKWILA, KING COUNTY, WASHINGTON



SURVEYOR'S CERTIFICATE
THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE SURVEY RECORDING ACT AT THE REQUEST OF
CITY OF TUKWILA, PUBLIC WORKS DEPARTMENT
DATE: OCTOBER 2012
SIGNATURE: [Signature]
DATE: 10/5/12
CERTIFICATE NO. 21229



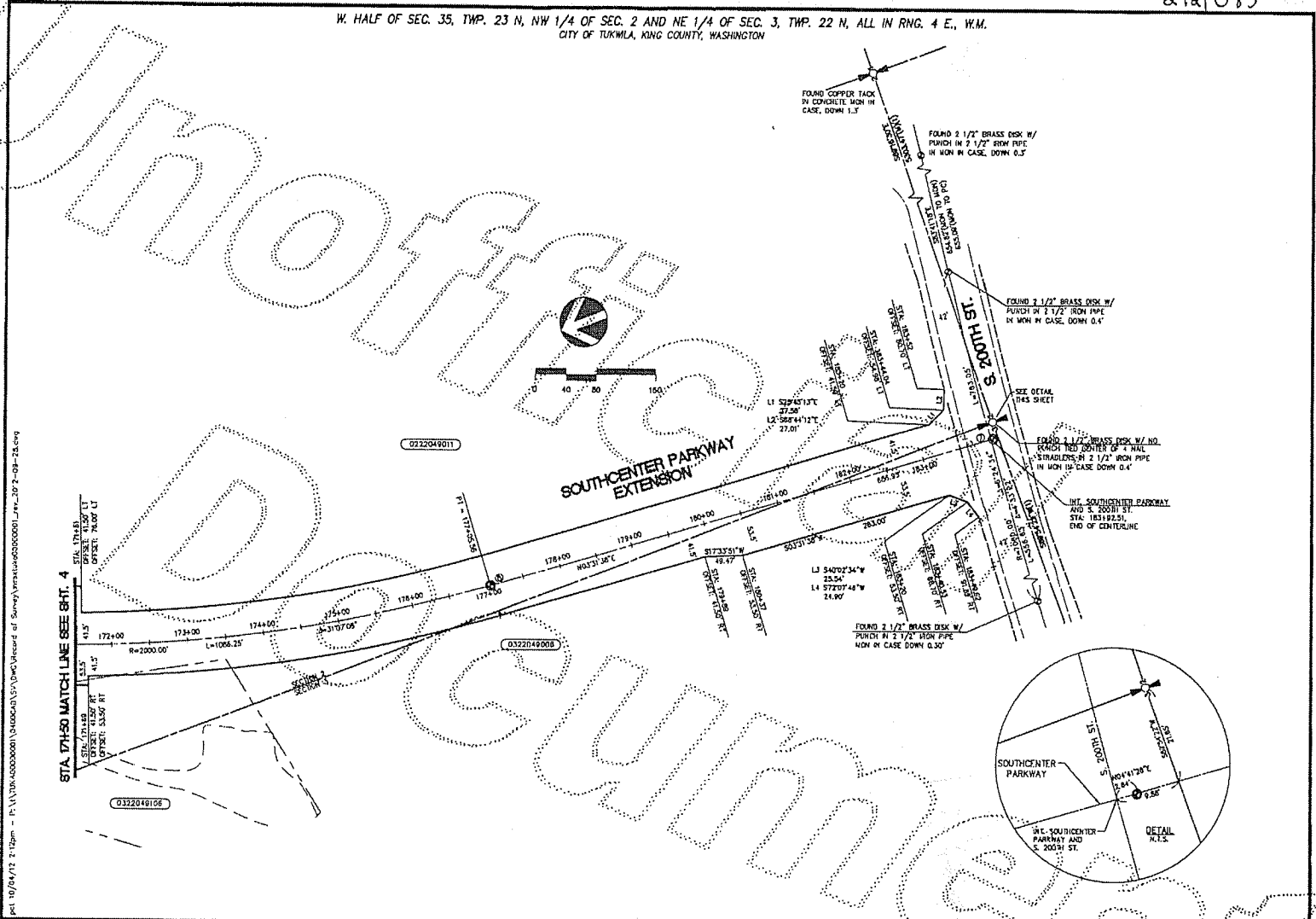
20121130900001
SURT. OF RECORDS/DEPUTY AUDITOR
RECORDING NO.

RECORD OF SURVEY FOR SOUTHCENTER PARKWAY EXTENSION
CITY OF TUKWILA
FEDERAL AID PROJECT NO. 81PUL-104(003)

DAVID EVANS AND ASSOCIATES INC.
416 - 118th Avenue SE
Bellevue Washington 98005-3918
Phone: 425.519.8500

SHEET 4 OF 5
SCALE 1" = 80'
SURVEYED ROW, 100'
FIELD BOOK
DRAWN PCJ
CHECKED JFW
FILE: R:\200000001

W. HALF OF SEC. 35, TWP. 23 N, NW 1/4 OF SEC. 2 AND NE 1/4 OF SEC. 3, TWP. 22 N, ALL IN RNG. 4 E., W.M.
CITY OF TUKWILA, KING COUNTY, WASHINGTON



Plot: 10/04/12 7:12pm - P:\1\1304-0000001\13040001\5\DW\Record of Survey\mstrat000001_1.mxd - 10/7-09-28.dwg

SURVEYOR'S CERTIFICATE
 THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE SURVEY RECORDING ACT AT THE REQUEST OF
 CITY OF TUKWILA PUBLIC WORKS DEPARTMENT
 OCTOBER, 2012
 SIGNATURE: *[Signature]* DATE: 10/5/12
 CERTIFICATE NO. 21282



20121130900001
 SLIP OF SURVEY
 11/30/2012 VOL. 2012 182 183
 KING COUNTY, WA
 SEPT. OF RECORDS/COPYRIGHT AUDITOR
 RECORDING NO.

RECORD OF SURVEY FOR SOUTHCENTER PARKWAY EXTENSION
 CITY OF TUKWILA
 FEDERAL AID PROJECT NO. 8TPUL-104(003)



DAVID EVANS AND ASSOCIATES, INC.
 415 - 118th Avenue SE
 Bellevue, Washington 98005-3618
 Phone: 425.618.0500

SHEET 5 OF 5
 SCALE 1"=80'
 SURVEYED ROW, ICG
 FIELD BOOK
 DRAWN PGT
 CHECKED JWA
 FILE TWA00000001

EXHIBIT D



20121130002219

CITY OF TUKWILA
PAGE-001 OF 011
11/30/2012 14:32
KING COUNTY, WA

Return Address:

City of Tukwila
ATTN: City Clerk
6200 Southcenter Blvd
Tukwila, WA 98188

E2576920

11/30/2012 14:46
KING COUNTY, WA
TAX
SALE

\$10.00
\$0.00

PAGE-001 OF 001

Please print or type information WASHINGTON STATE RECORDER'S Cover Sheet (RCW 65.04)

Document Title(s) (or transactions contained therein): (all areas applicable to your document must be filled in)

- 1. Dedication of Right-of-way
- 3. (Deed)

Reference Number(s) of Documents assigned or released:

Additional reference #'s on page _____ of document

Grantor(s) Exactly as name(s) appear on document

- 1. Segale Properties LLC
- 2. _____

Additional names on page _____ of document.

Grantee(s) Exactly as name(s) appear on document

- 1. City of Tukwila
- 2. _____

Additional names on page _____ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

See attached

Additional legal is on page 4-10 of document.

Assessor's Property Tax Parcel/Account Number 022204-9011 Assessor Tax # not yet

assigned 352304-9040; 352304-9013; 352304-9118; 352304-9015; 352304-9050; 352304-9041; 352304-9018; 352304-9045; 022204-9008; 022204-9043; 032204-9006

The Auditor/Recorder will rely on the information provided on this form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein 022204-9006

"I am signing below and paying an additional \$50 recording fee (as provided in RCW 36.18.010 and referred to as an emergency nonstandard document), because this document does not meet margin and formatting requirements. Furthermore, I hereby understand that the recording process may cover up or otherwise obscure some part of the text of the original document as a result of this request."

Signature of Requesting Party

Note to submitter: Do not sign above nor pay additional \$50 fee if the document meets margin/formatting requirements

Above this line reserved for recording information

DEDICATION OF RIGHT-OF-WAY

Grantor: Segale Properties LLC, a Washington State limited liability company

Grantee: City of Tukwila, a Municipal Corporation of the State of Washington

Document Reference Number(s): N/A

Section/Township/Range: Portions of the W ½ of Sec. 35, T23N, R4E;
the NW ¼ of Sec. 2, T22N, R4E; and the NE ¼ of Section 3, T22N, R4E., W.M.

Assessor's Tax Parcel Numbers: 352304-9040, 352304-9013, 352304-9118, 352304-9015,
352304-9050, 352304-9041, 352304-9068, 352304-9045, 022204-9008, 022204-9043, 032204-
9106, 032204-9006, and 022204-9011

THE GRANTOR, **SEGALE PROPERTIES LLC**, a Washington State limited liability company, for and in consideration of the sum of TEN DOLLARS (\$10.00) in hand paid, and other good and valuable consideration, receipt whereof is hereby acknowledged, does by these presents hereby conveys, and warrants to the **City of Tukwila**, a Municipal Corporation of the State of Washington, for any and all municipal purposes as GRANTEE, the real property legally described in the attached Exhibit A, a portion of which is depicted on Exhibit B and the remainder of which is shown on the Record of Survey recorded under King County Recorder's number 20121130900001, situated in the County of King, State of Washington including any after acquired title:

SEE EXHIBITS 'A' AND 'B' ATTACHED HERETO AND BY THIS REFERENCE MADE A PART
HEREOF.

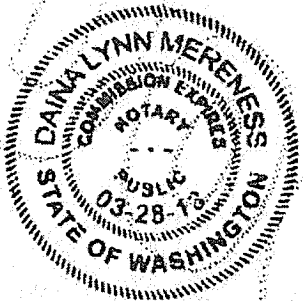
Dated this 30th day of November, 2012

Mark Segale 11/20/2012
Property Owner / Grantor Date

STATE OF WASHINGTON)
)ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Mark Segale is the person who appeared before me, and said person acknowledged that he signed this instrument on oath stated that he was authorized to execute the instrument and acknowledge as Vice President of **SEGALE PROPERTIES LLC**, a Washington State limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 11/20/12



Daina Lynn Mereness
Daina Lynn Mereness
Notary Public in and for the State of Washington
residing at Edmonds

My appointment expires 3/28/13

DATED this 21st day of November, 2012.

GRANTEE: CITY OF TUKWILA

Jim Haggerton
Mayor

Attest/Authenticated:

Christy O. Flukarty
City Clerk

Rachel B...
Approved As To Form by
City Attorney

STATE OF WASHINGTON)
County of King) ss:

On this 21st day of November, 2012, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Jim Haggerton, known to me to be the Mayor of CITY OF TUKWILA, the municipal corporation that executed the foregoing instrument, and acknowledged it to be the free and voluntary act of said municipal corporation, for the uses and purposes mentioned in this instrument, and on oath stated that he was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year above written.



Melissa R Hart
Print name

Melissa R Hart

Notary Public in and for the State of

Washington, residing at Tukwila

My appointment expires 11/9/16

EXHIBIT 'A'
LEGAL DESCRIPTION OF
RIGHT-OF-WAY DEDICATION

THAT PORTION OF THE WEST HALF OF SECTION 35, TOWNSHIP 23 NORTH, AND THE NORTHWEST QUARTER OF SECTION 2 AND THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 22 NORTH, ALL IN RANGE 4 EAST, W.M., BEING A STRIP OF LAND 83.00 FEET IN WIDTH, WITH 41.50 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE, TOGETHER WITH ADDITIONAL STRIPS OF LAND OF VARYING WIDTHS AND ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, DESCRIBED AS FOLLOWS:

COMMENCING AT THE PUNCH MARK IN A 2" BRASS DISC ATOP A 4"X4" CONCRETE MONUMENT IN CASE, BEING THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 35 AND THE CENTERLINE OF SOUTH 180TH STREET, FROM WHICH THE NORTH QUARTER CORNER OF SAID SECTION 35, BEARS N02°24'14"E, 1324.11 FEET; THENCE N87°50'32"W, ALONG THE NORTH LINE OF SAID SOUTHEAST QUARTER AND CENTERLINE OF SOUTH 180TH STREET, A DISTANCE OF 104.17 FEET TO A TACK IN LEAD ATOP A 4"X4" CONCRETE MONUMENT IN CASE, MARKING THE INTERSECTION OF SOUTH 180TH STREET WITH SOUTHCENTER PARKWAY FROM THE NORTH; THENCE CONTINUING N87°50'32"W, ALONG SAID CENTERLINE OF SOUTH 180TH ST, 10.68 FEET TO THE POINT OF BEGINNING OF AFORESAID CENTERLINE OF SOUTHCENTER PARKWAY EXTENSION (SPE) SOUTHERLY TO SOUTH 200 STREET, BEING SPE STATION 110+03.45; THENCE SOUTHERLY ALONG SAID CENTERLINE, THE FOLLOWING COURSES AND DISTANCES:

THENCE S09°50'27"W, 391.79 FEET TO THE BEGINNING OF A 1000.00 FOOT RADIUS CURVE TO THE RIGHT BEING SPE PC 113+95.24;
THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°56'02", AN ARC DISTANCE OF 574.81 FEET, TO THE END OF SAID CURVE BEING SPE PT 119+70.05;
THENCE S42°46'29"W, 649.13 FEET TO THE BEGINNING OF A 1000.00 FOOT RADIUS CURVE TO THE LEFT BEING SPE PC 126+19.18;
THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32°56'42", AN ARC DISTANCE OF 575.00 FEET, THE END OF SAID CURVE BEING SPE PT 131+94.18;
THENCE S09°49'47"W, 1010.42 FEET TO THE BEGINNING OF A 2500.00 FOOT RADIUS CURVE TO THE RIGHT BEING SPE PC 142+04.60;
THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24°48'59", AN ARC DISTANCE OF 1082.82 FEET TO THE END OF SAID CURVE BEING SPE PT 152+87.42;
THENCE S34°38'46"W, 1331.89 FEET TO THE BEGINNING OF A 2000.00 FOOT RADIUS CURVE TO THE LEFT BEING SPE PC 166+19.31;
THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 31°07'08", AN ARC DISTANCE OF 1086.25 FEET TO THE END OF SAID CURVE BEING SPE PT 177+05.56;

THENCE S03°31'38"W, 686.95 FEET TO THE CENTERLINE OF SOUTH 200TH STREET BEING SPE 183+92.51; THENCE CONTINUING S03°31'38"W, 9.88 FEET TO THE EAST- WEST CENTERLINE OF AFORESAID SECTION 3, FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION 3 BEARS N89°54'22"E, 21.65 FEET, AND THE END OF THIS CENTERLINE DESCRIPTION;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING NORTHEASTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING ON THE SOUTH RIGHT-OF-WAY MARGIN OF AFORESAID SOUTH 180TH STREET, LYING 30.00 FEET SOUTH OF THE CENTERLINE OF SAID SOUTH 180TH STREET, BEING SPE 110+45.52, RT. 87.43 FEET; THENCE S48°21'28"E, 44.32 FEET TO SPE 110+74.00, RT. 41.50 FEET AND THE TERMINATION OF SAID LINE;

AND TOGETHER WITH A 12.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 122+12.00, RT. 41.50 FEET TO SPE 124+43.00, RT. 41.50 FEET;

AND TOGETHER WITH A 11.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 123+41.00, LT. 41.50 FEET TO SPE 124+64.00, LT. 41.50 FEET;

AND TOGETHER WITH A 25.50 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 124+43.00, RT. 41.50 FEET TO SPE 126+41.00, RT. 41.50 FEET;

AND TOGETHER WITH A 26.50 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 124+64.00, LT. 41.50 FEET TO SPE 126+19.18, LT. 41.50 FEET;

AND TOGETHER WITH A 12.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 126+19.18, LT. 41.50 FEET TO SPE 127+15.00, LT. 41.50 FEET;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING NORTHWESTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT SPE 127+15.00, LT. 53.50 FEET; THENCE S49°24'40"W, 50.96 FEET TO SPE 127+67.00, LT. 41.50 FEET TO THE TERMINATE OF SAID LINE;

AND TOGETHER WITH A 12.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 126+41.00, RT. 41.50 FEET TO SPE 127+37.00, RT. 41.50 FEET;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT SPE 141+77.44, RT. 41.50 FEET; THENCE N80°10'13"W, 19.21 FEET TO SPE 141+77.44, RT. 60.71 FEET; THENCE N09°49'47"E, 3.36 FEET TO SPE 141+74.08, RT. 60.71 FEET; THENCE N80°13'21"W, 31.55 FEET TO SPE

141+74.11, RT. 92.27 FEET; THENCE S09°50'02"W, 69.76 FEET TO SPE 142+45.37, RT. 91.95 FEET; THENCE S80°13'04"E, 50.46 FEET TO SPE 142+44.49, RT. 41.50 FEET TO THE TERMINATE OF SAID LINE;

AND TOGETHER WITH A 11.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 147+47.00, LT. 41.50 FEET TO SPE 148+57.00, LT. 41.50 FEET;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING NORTHWESTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT SPE 148+57.00, LT. 52.50 FEET; THENCE S14°11'21"E, 37.11 FEET TO SPE 148+85.00, LT. 76.00 FEET; THENCE S26°13'32"W, 72.13 FEET TO SPE 149+55.00, LT. 76.00 FEET; THENCE S67°28'27"W, 34.90 FEET TO SPE 149+81.00, LT. 53.50 FEET TO THE TERMINATE OF SAID LINE;

AND TOGETHER WITH A 12.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 149+81.00, LT. 41.50 FEET TO SPE 151+25.00, LT. 41.50 FEET;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT SPE 148+56.00, RT. 41.50 FEET; THENCE S66°32'04"W, 33.97 FEET TO SPE 148+82.00, RT. 64.00 FEET; THENCE S26°16'58"W, 78.92 FEET TO SPE 149+63.00, RT. 64.00 FEET; THENCE S04°13'04"W, 12.73 FEET TO SPE 149+75.00, RT. 59.00 FEET; THENCE S27°46'21"W, 24.41 FEET TO SPE 150+00, RT. 59.00 FEET; THENCE S61°56'27"E, 6.40 FEET TO SPE 150+00, RT. 52.60 FEET; THENCE S28°25'33"W, 31.33 FEET TO SPE 150+32.00, RT. 52.60 FEET; THENCE S19°49'22"W, 65.70 FEET TO SPE 150+98.00, RT. 41.50 FEET TO THE TERMINATE OF SAID LINE;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING NORTHWESTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT SPE 158+94.00, LT. 41.50 FEET; THENCE S13°43'13"E, 30.10 FEET TO SPE 159+15.00, LT. 64.00 FEET; THENCE S34°38'46"W, 72.00 FEET TO SPE 159+86.00, LT. 64.00 FEET; THENCE S73°25'45"W, 35.92 FEET TO SPE 160+14.00, LT. 41.50 FEET TO THE TERMINATE OF SAID LINE;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT SPE 158+94.00, RT. 41.50 FEET; THENCE S83°00'46"W, 30.10 FEET TO SPE 159+14.00, RT. 64.00 FEET; THENCE S34°38'46"W, 72.00 FEET TO SPE 159+86.00, RT. 64.00 FEET; THENCE S08°04'52"W, 50.31 FEET TO SPE 160+31.00, RT. 41.50 FEET TO THE TERMINATE OF SAID LINE;

AND TOGETHER WITH A 13.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 169+09.00, LT. 41.50 FEET TO SPE 170+47.00, LT. 41.50 FEET;

AND TOGETHER WITH A 34.50 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 170+47.00, LT. 41.50 FEET TO SPE 171+61.00, LT. 41.50 FEET;

AND TOGETHER WITH A 12.00 FOOT WIDTH STRIP OF LAND, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND, FROM SPE 169+66.00, RT. 41.50 FEET TO SPE 171+69.00, RT. 41.50 FEET;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT SPE 179+89.00, RT. 41.50 FEET; THENCE S17°33'51"W, 49.47 FEET TO SPE 180+37.00, RT. 53.50 FEET; THENCE S03°31'38"W, 283.00 FEET TO SPE 183+20, RT. 53.50 FEET; THENCE S40°02'34"W, 25.54 FEET TO SPE 183+40.53, RT. 68.70 FEET; THENCE S72°07'46"W, 24.90 FEET TO THE NORTH RIGHT- OF-WAY MARGIN OF SOUTH 200TH STREET, LYING 42.00 FEET NORTH OF THE CENTERLINE OF SAID SOUTH 200TH STREET, BEING SPE 183+49.62, RT. 91.89 FEET AND THE TERMINATION OF SAID LINE;

AND TOGETHER WITH A STRIP OF LAND OF VARYING WIDTH, ADJACENT TO AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND LYING SOUTHWESTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT SPE 183+20.00, LT. 41.50 FEET; THENCE S25°45'13"E, 27.56 FEET TO SPE 183+44.04, LT. 54.98 FEET; THENCE S68°44'12"E, 27.01 FEET TO THE NORTH RIGHT-OF-WAY MARGIN OF SOUTH 200TH STREET, LYING 42.00 FEET NORTH OF THE CENTERLINE OF SAID SOUTH 200TH STREET, BEING SPE 183+52.00, LT. 80.70 FEET AND THE TERMINATION OF SAID LINE;

AND TOGETHER WITH A PORTION OF GOVERNMENT LOT 6, IN SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST OF THE W. M., CITY OF TUKWILA, COUNTY OF KING, STATE OF WASHINGTON, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT BEING OPPOSITE STATION SPE 141+81.94 AND 63.69 FEET LEFT OF THE CENTERLINE OF SAID (SPE); ALSO BEING A POINT ON THE EASTERLY RIGHT OF WAY MARGIN OF OLD SOUTHCENTER PARKWAY (FORMERLY 57th AVE. SO.); THENCE NORTH 44° 59'23" EAST ALONG SAID EASTERLY MARGIN OF OLD SOUTHCENTER PARKWAY A DISTANCE OF 86.43 FEET TO THE WESTERLY LINE OF THAT CERTAIN PROPERTY AS DESCRIBED IN DEED AS RECORDED UNDER KING COUNTY RECORDING NO. 9712260357; THENCE LEAVING SAID RIGHT OF WAY MARGIN SOUTH 26° 07' 25" WEST ALONG SAID WESTERLY LINE AND ITS EXTENSION THEREOF 73.43 FEET TO THE BEGINNING OF A NON TANGENT CURVE TO THE RIGHT, THE RADIAL CENTER OF WHICH BEARS NORTH 48° 58' 04" WEST 75.50 FEET; THENCE ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 44° 44' 57", AN ARC LENGTH OF 58.97 FEET TO A POINT OF REVERSE CURVATURE TO THE LEFT HAVING A RADIUS OF 49.50 FEET; THENCE ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 05° 04' 29", AN ARC LENGTH OF 4.38 FEET TO THE POINT OF BEGINNING.

CONTAINING 1532.20 SQ.FT.

ALSO TOGETHER WITH THAT PORTION LYING ADJACENT TO THE AFORESAID 83.00 FOOT WIDTH STRIP OF LAND AND WESTERLY OF THE WESTERLY RIGHT OF WAY

MARGIN OF OLD SOUTHCENTER PARKWAY (FORMERLY 57th AVE. SO.) AND SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

SAID LINE BEGINNING OPPOSITE STATION SPE 141+01.67 AND 41.50 FEET LEFT OF THE CENTERLINE OF THE AFOREMENTIONED SOUTHCENTER PARKWAY EXTENSION, ALSO BEING THE BEGINNING OF A CURVE TO THE LEFT, THE RADIAL CENTER OF WHICH BEARS NORTH 60° 53' 14" EAST 49.50 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12° 18' 43", AN ARC LENGTH OF 10.64 FEET TO THE BEGINNING OF A COMPOUND CURVE HAVING A RADIUS OF 29.50 FEET; THENCE ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27° 41' 59" AN ARC LENGTH OF 14.26 FEET TO THE WESTERLY RIGHT OF WAY MARGIN OF SAID OLD SOUTHCENTER PARKWAY AND BEING THE TERMINUS OF THIS LINE.

CONTAINING 394.25 SQ.FT.

AND EXCEPT ANY PORTION LYING WITHIN THE EXISTING RIGHT-OF-WAY OF SOUTH 180TH STREET, SOUTH 200TH STREET, AND THAT PORTION OF EXISTING SOUTHCENTER PARKWAY LYING NORTH OF LINE "A" AS DESCRIBED IN CITY OF TUKWILA ORDINANCE 2240, DATED JUNE 8, 2009.

AND EXCEPT ANY PORTION OF THE FOLLOWING DESCRIBED PARCEL NUMBER 3523049031 AS SHOWN ON THE RECORD OF SURVEY FOR SOUTHCENTER PARKWAY EXTENSION AND LOCATED AT THE SOUTHEAST QUADRANT OF THE INTERSECTION OF SOUTH 180th STREET AND SOUTHCENTER PARKWAY.

THOSE PORTIONS OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER AND SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, ALL IN SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; THENCE SOUTH 88°54'46" EAST ALONG THE NORTH LINE OF SAID SUBDIVISION, 449.30 FEET; THENCE SOUTH 0°05'14" WEST, 36.00 FEET TO THE SOUTHERLY MARGIN OF SOUTH 180TH STREET AND THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH 01°05'14" WEST, 365.78 FEET; THENCE NORTH 88°54'46" WEST, 424.89 FEET; THENCE SOUTH 86°58'00" WEST, 103.76 FEET; THENCE SOUTH 58°20'50" WEST, 74.23 FEET TO THE EASTERLY MARGIN OF 57TH AVENUE SOUTH (SOUTHCENTER PARKWAY); THENCE NORTH 08°43'18" EAST ALONG SAID EASTERLY MARGIN, 316.06 FEET; THENCE NORTH 14°46'53" EAST ALONG SAID EASTERLY MARGIN, 63.77 FEET; THENCE ON SAID EASTERLY MARGIN ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 50 FEET THROUGH A CENTRAL ANGLE OF 76°18'21" AN ARC DISTANCE OF 66.59 FEET; THENCE SOUTH 88°54'46" EAST ALONG THE SOUTHERLY MARGIN OF SAID SOUTH 180TH STREET 485.16 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT 'B'
DEPICTION OF A PORTION OF RIGHT-OF-WAY DEDICATION

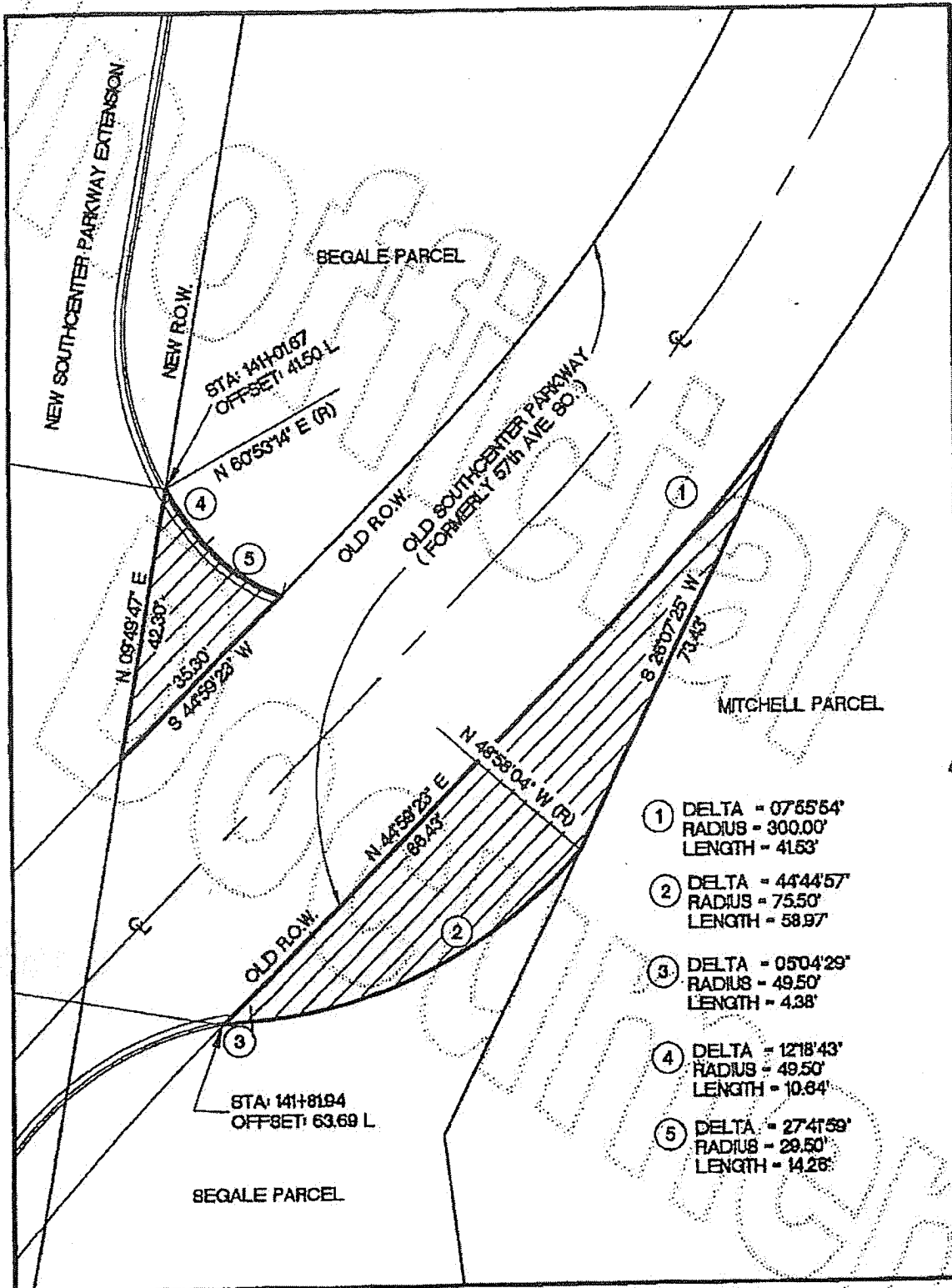


EXHIBIT E

[Faint handwritten text]



20100726001100

TUKWILA CITY ORD 3681.00
PAGE-001 OF 085
07/26/2010 14:22
KING COUNTY, WA

After recording, return to:

CITY OF TUKWILA
Office of the City Clerk
6200 Southcenter Blvd.
Tukwila, WA 98188
(206) 433-1800

WASHINGTON STATE RECORDER'S Cover Sheet (RCW 65.04)

DOCUMENT TITLE(S) (or transactions contained therein): ORDINANCE 2233
REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED: N/A <input type="checkbox"/> Additional reference #s on page _____ of document(s)
GRANTOR(S) (Last name first, then first name and initials) Segale Properties LLC
GRANTEE(S) (Last name first, then first name and initials) City of Tukwila
LEGAL DESCRIPTION (abbreviated: i.e., lot, block, plat or section, township, range) N/A
ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBERS 022204-9008; 022204-9011; 022204-9015; 022204-9033; 022204-9037; 022204-9040; 022204-9043; 022204-9057; 023900-0352; 032204-9006; 032204-9047; 032204-9056; 032204-9062; 032204-9090; 032204-9092; 032204-9093; 032204-9100; 032204-9106; 262304-9065; 352304-9008; 352304-9009; 352304-9013; 352304-9015; 352304-9016; 352304-9018; 352304-9019; 352304-9025; 352304-9027; 352304-9032; 352304-9033; 352304-9036; 352304-9038; 352304-9040; 352304-9041; 352304-9045; 352304-9049; 352304-9050; 352304-9051; 352304-9055; 352304-9065; 352304-9066; 352304-9068; 352304-9078; 352304-9090; 352304-9104; 352304-9108; 352304-9109; 352304-9112; 352304-9115; 352304-9116; 352304-9117; 352304-9118; 352304-9119; 352304-9120; 352304-9121; 352304-9017; 0322049020; 032204-9102 <input type="checkbox"/> Assessor Tax # not yet assigned

After recording, return to:

CITY OF TUKWILA
Office of the City Clerk
6200 Southcenter Blvd.
Tukwila, WA. 98188
(206) 433-1800

WASHINGTON STATE RECORDER'S Cover Sheet (RCW 65.04)

DOCUMENT TITLE(S) (or transactions contained therein): ORDINANCE 2233
REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED: N/A <input type="checkbox"/> Additional reference #s on page _____ of document(s)
GRANTOR(S) (Last name first, then first name and initials) Segate Properties LLC
GRANTEE(S) (Last name first, then first name and initials) City of Tukwila
LEGAL DESCRIPTION (abbreviated: i.e., lot, block, plat or section, township, range) N/A
ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBERS 022204-9008; 022204-9011; 022204-9015; 022204-9043; 022204-9057; 032204-9006; 032204-9090; 032204-9106; 352304-9013; 352304-9015; 352304-9017; 352304-9032; 352304-9040; 352304-9041; 352304-9045; 352304-9049; 352304-9050; 352304-9068; 352304-9118; 352304-9115 <input type="checkbox"/> Assessor Tax # not yet assigned



City of Tukwila

Washington

Ordinance No. 2233

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, ADOPTING BY REFERENCE A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF TUKWILA AND LA PIANTA LLC FOR THE TUKWILA SOUTH DEVELOPMENT; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the "Tukwila South Project" comprises approximately 512 acres of real property, and La Pianta LLC owns or controls approximately 503 of those acres, which is known as the "Tukwila South Property," generally located between the boundaries of South 178th Street/South 180th Street on the north; South 204th Street on the south; Orillia Road and Interstate 5 on the west; and the Green River on the east; and

WHEREAS, the Tukwila South Property is located within an Urban Growth Area and is appropriate for urban development pursuant to the Growth Management Act and the City's adopted Comprehensive Plan; and

WHEREAS, La Pianta intends to develop the Tukwila South Property consistent with the Tukwila South Master Plan, which envisions the creation of a major new employment and housing base on the Tukwila South Property; and

WHEREAS, the City Council accordingly desires to enter into a Development Agreement with La Pianta LLC for the Tukwila South development; and

WHEREAS, a public hearing was held for this Development Agreement on May 18, 2009;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. Development Agreement Adopted. The City of Tukwila hereby adopts the "Development Agreement by and between the City of Tukwila and La Pianta LLC, for the Tukwila South Development," a copy of which is attached hereto as "Exhibit A" and by this reference fully incorporated herein.

Section 2. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 3. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force five days after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Special Meeting thereof this 8th day of JUNE, 2009.

ATTEST/AUTHENTICATED:
Christy O'Flaherty
Christy O'Flaherty, CMC, City Clerk

Jim Haggerton
Jim Haggerton, Mayor

APPROVED AS TO FORM BY:
[Signature]
Office of the City Attorney

Filed with the City Clerk: 6-3-09
Passed by the City Council: 6-8-09
Published: 6-15-09
Effective Date: 6-20-09
Ordinance Number: 2233

Attachment: Exhibit A – Development Agreement

**DEVELOPMENT AGREEMENT BY AND
BETWEEN THE CITY OF TUKWILA
AND LA PIANTA LLC, FOR THE
TUKWILA SOUTH DEVELOPMENT**

09-100
Council Approval 6/08/09
By Ordinance No. 2233

THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into this 10th day of June, 2009, by and between the CITY OF TUKWILA ("CITY"), a non-charter, optional code Washington municipal corporation, and LA PIANTA LLC, a Washington limited liability company ("La Pianta").

I. RECITALES

WHEREAS, the Washington State Legislature has authorized the execution of development agreements between a local government and a person having ownership or control of real property within its jurisdiction and between a local government and a person owning real property outside its boundaries as part of a proposed annexation, pursuant to RCW 36.70B.170 through RCW 36.70B.210.

WHEREAS, the "Tukwila South Project" (hereinafter defined) comprises approximately 512 acres of real property, which site is shown on the vicinity map attached hereto as Exhibit 1, and La Pianta owns or controls approximately 503 of those acres, which is known as the "Tukwila South Property" and legally described in Exhibit 2. The Tukwila South Project is generally located between the boundaries of South 178th Street/South 180th Street on the north; South 204th Street on the south; Orillia Road and Interstate-5 on the west; and the Green River on the east. Approximately 259 acres will be annexed to the City pursuant to this Agreement.

WHEREAS, the Tukwila South Property is located within an Urban Growth Area and is appropriate for urban development pursuant to the Growth Management Act, and the City's adopted Comprehensive Plan. The City will provide public services to the Tukwila South Property, with the exception of power and water.

WHEREAS, La Pianta intends to develop the Tukwila South Property consistent with the Tukwila South Master Plan ("Master Plan"). The Master Plan envisions the creation of a major new employment and housing base on the Tukwila South Property. The plan calls for approximately ten million square feet of development that would be accommodated in a combination of campus style research and office environments with a mix of other supporting uses such as retail, residential, commercial, hotel and flex tech ("Tukwila South Project"). The Tukwila South Project will use the topographic and environmental constraints of the site to define the limits of its development area, as shown on Exhibit 3 ("Development Areas" and "Non-Development Areas"). The Tukwila South Project includes the extension of Southcenter Parkway in an alignment along the west edge of the valley floor ("Southcenter Parkway Project"); thus, functioning as the major transportation arterial through the site. The Tukwila South Project will also contain an integrated, internal circulation system of streets, sidewalks and pedestrian connections that link its various developments and will serve vehicles, cyclists and pedestrians.

WHEREAS, La Pianta's goals for the Tukwila South Project are for a return on investment, quality public infrastructure and service, certainty regarding the costs and flexibility in how and when it develops. The City's goals in the development of the Tukwila South Property include implementing its comprehensive plan, producing positive economic impacts to the City and promoting environmental quality, mitigating financial risk for City funds, and mitigation of project impacts.

WHEREAS, a development agreement must be approved by ordinance or resolution after a public hearing.

WHEREAS, a public hearing for this Development Agreement was held on May 18, 2009 and the City Council approved this Development Agreement by Ordinance No. 2233 on June 8, 2009.

WHEREAS, this Agreement constitutes a final land use action pursuant to RCW 36.70C.020 and is subject to review pursuant to RCW 36.70C.101 et seq.

NOW, THEREFORE, in consideration of the mutual promises set forth herein and the long-term benefit to both the City and La Pianta, the parties hereby agree as follows:

II. AGREEMENT

1. Project Description.

The master-planned development to be sited on the Tukwila South Property in accordance with the terms and conditions of this Agreement as well as other applicable development regulations is called the "Tukwila South Project." As used in this Agreement, the term Tukwila South Project (or "Project") means the proposed development of the Tukwila South Property with a mix of uses, types and density of development, public and private infrastructure and amenities consistent with the Tukwila South Master Plan and this Agreement.

2. Zoning Approvals.

2.1 Comprehensive Plan Designation. The Tukwila South Property is described within the "Tukwila South" element of the City's 1995 Comprehensive Land Use Plan, as amended ("Comprehensive Plan"). This includes both the portion of the property currently located within the City limits and the portion within the City's Potential Annexation Area ("PAA"). The City's Comprehensive Plan provides for use of a master plan in the Tukwila South district to guide and authorize development. La Pianta has submitted a Master Plan which identifies its development proposal. The City's Comprehensive Plan contemplates an overlay district for the property subject to the Tukwila South Master Plan.

2.2 Master Plan Approval. In accordance with the City's Comprehensive Plan and TMC 18.40.075, the City approved the Tukwila South Master Plan on June 8, 2009. This Master Plan covers approximately 512 contiguous acres and provides the vision and framework for the creation of a "campus-type environment" focused on office and research facilities for emerging technology industries, along with a mix of supporting retail, residential, commercial and flex-tech and hotel uses. The Master Plan is attached as Exhibit 4 to this Agreement and incorporated by this reference. The first phase of the Master Plan implementation will involve grading the entire site and installation of street and utility infrastructure. The approved Master Plan will remain in effect for the Term of this Agreement. The Master Plan may not be amended or superseded without the consent of both parties. In addition, any amendment to the master plan must follow the process for such amendments that is in effect at the time of the request.

2.3 Sensitive Areas Overlay and Master Plan. The City Council approved the designation of Tukwila South Property as a Sensitive Area Master Plan Overlay district on June 8, 2009. La Pianta has submitted for City review a Sensitive Areas Master Plan ("SAMP") for the Tukwila South Property. The Department of Ecology ("DOE") has issued a Section 401 water quality certification for the Tukwila South Property (Certification Order No. 2877, dated November 7, 2005) (the "401 Certification"). Pursuant to TMC 18.45.160.G.8, the City will review the SAMP to ensure it conforms to the conditions of the 401 Certification. If the SAMP conforms to the conditions of the 401 Certification and TMC 18.45.160, the Director of Community Development will take action to approve the proposed SAMP, pursuant to TMC 18.45.160.G, within 30 calendar days after the effective date of the annexation. The Sensitive Areas Overlay and associated SAMP require mitigation of impacts to sensitive areas associated with the Tukwila South Project through build-out.

2.4 Land Use Permit Process. The above referenced plans will be implemented in phases by a series of Land Use Permit Process applications. These include but are not limited to, applications for clearing and grading permits, tree permits, building permits, shoreline substantial development permits, development permits, design review approvals, conditional use permits, planned residential developments, and such other permits and approvals described in Chapter 18.104 of the TMC and necessary to authorize development and implementation of the Master Plan approval. The Land Use Permit process requires the applicant to demonstrate consistency with the requirements of the approved Master Plan, as implemented through the Tukwila South Overlay District described in Section 2.5 below. All land use fees not specifically addressed in this Agreement will be paid at the time of permit application or when otherwise due.

2.5 Application of Tukwila South Overlay District. Consistent with the Comprehensive Plan, the City has amended the Tukwila Municipal Code ("TMC") to adopt the Tukwila South Overlay District as Chapter 18.40, a copy of which is attached hereto as Exhibit 5. The purpose of the Tukwila South Overlay District is to encourage innovative uses, sites and comprehensive planning of large land parcels through a master plan. The Tukwila South Overlay contains the development regulations, including commercial design guidelines, that will apply to the Tukwila South Property. The City agrees to apply the Tukwila South Overlay District regulations to the portion of the Tukwila South Property within its PAA, after that area is annexed to the City.

2.6 Shoreline Map Amendment. The City, by ordinance, has pre-designated a portion of the Tukwila South Project as "Tukwila Urban" under its Shoreline Master Program/Plan, TMC Chapter 18.44 ("SMP"). Upon completion of the annexation, the City shall, consistent with this development regulation, amend its SMP map to include the Tukwila South Property as urban. It is understood by the parties that this amendment is subject to the approval of the State Department of Ecology. The parties agree that this map designation does not vest La Pianta to any shoreline regulations under the SMP.

3. Allowable Development.

3.1 Maximum Allowable Development. Except as otherwise provided herein, the maximum allowable development in the Development Area of the Tukwila South Project shall be limited to a maximum development (including any mix of buildings and permitted uses) that does not generate more than 10,166 Net New Trips (as defined below) from onsite development and is limited to 10.3 million square feet of new building floor area ("Allowable Development"). For the purposes of determining Allowable Development, new "building floor area" shall include new floor area generating vehicle trips, but shall not include floor area that does not generate vehicle trips, such as parking areas and mechanical space.

3.2 Site Clearing, Grading and Coverage. Subject to the limitations of Section 3.5 below, (i) up to 100% of the Development Area, outside of sensitive area or shoreline buffers, may be cleared and graded, and (ii) in the Development Area, up to 85% of the developable area served by each stormwater facility may be covered with impervious surfaces.

3.3 Limit on Certain Uses. The following uses in the Tukwila South Project will be subject to the restrictions set forth in this Section 3.3:

- (a) Movie theaters with three (3) or fewer screens shall be a permitted use. Movie theaters with more than three (3) screens shall be treated as special permission uses (TMC 18.41.060).
- (b) Regional malls shall be a prohibited use. For purposes of this Agreement, "Regional Mall" shall mean an independent retail complex of at least 500,000 square feet of building floor area (as that term is defined in Section 3.1 above) containing privately-owned indoor and outdoor walkways for shoppers traveling to and from multiple retail uses. The square footage limitation under this definition shall be applied on a project-by-project basis, and shall not be applied to the Tukwila South Property as a whole.
- (c) No warehouse uses will be allowed in the Tukwila South Project beyond what is in existence at the time of execution of this Agreement, and redevelopment of existing warehouses to warehouse use will not be permitted. Notwithstanding the foregoing, with respect to existing warehouse uses and buildings, La Pianta shall be entitled to undertake normal maintenance and repair, reconstruction in the

event of casualty and condemnation, modifications necessary to meet current code requirements, and for each building, a one-time "minor expansion" (not exceeding 5% of building floor area). The City shall require special permission uses (TMC 18.41.060). approval for such "minor expansions".

3.4 Expansion Areas. Several parcels that are not currently owned by La Pianta are located within the Project boundaries and are more particularly described and depicted in Exhibit 6. These parcels were included within the 512 acres analyzed in the Tukwila South EIS (hereinafter defined). The Tukwila South Overlay District regulations shall apply to these parcels if they are acquired and developed by La Pianta during the Term of this Agreement. Another parcel owned by La Pianta, hereinafter referred to as the "Arnold Parcel", also described in Exhibit 6, was not studied as part of the Tukwila South EIS. La Pianta and the City acknowledge that the Tukwila South Overlay District regulations shall apply to the Arnold Parcel, but that additional environmental review may be necessary when La Pianta elects to develop the Arnold Parcel. In the event that La Pianta desires to develop an Expansion Area under the Development Agreement, La Pianta shall provide (i) written notice to the City, (ii) evidence of its ownership or control of the Expansion Area(s) in question or the agreement by La Pianta and the owner(s) of the Expansion Area in question to subject such area to the terms of the Agreement, and (iii) evidence that no further additional environmental analysis is required beyond that covered in the Tukwila South EIS for the development proposed.

3.5 Floodplain Development Review. Development in any areas of the Tukwila South Property lying within a 100-year floodplain, as designated by the Federal Emergency Management Agency ("FEMA"), shall be subject: (i) to review by the City and/or agencies with jurisdiction to ensure that such development will not result in a "take" of any endangered species in violation of federal law; and (ii) to all laws and regulations governing development within such FEMA-designated 100-year floodplains that are in effect at the time of a complete development application (the "Floodplain Regulations").

The clearing and grading permit for initial, overall site development for the Tukwila South Project ("Clearing and Grading Permit") shall be executed in accordance with the Floodplain Regulations, as applicable. Upon completion of the clearing and grading, subject to the Clearing and Grading Permit, and the Levee Modification, as defined herein, La Pianta will prepare for review by the City a Letter of Map Revision ("LOMR"). The City shall forward the LOMR to FEMA for review and when the LOMR is approved by FEMA, future building applications will not be subject to the Floodplain Regulations.

4. Parties Obligations Under this Agreement.

This Agreement establishes certain roles and responsibilities for the development of the Tukwila South Project, including but not limited to City commitments for partial funding and construction of certain public infrastructure improvements benefiting the Tukwila South Project, as well as the community at large, and La Pianta commitments to participate in the funding of certain public improvements, to fund all private aspects of the development and to develop the Tukwila South Property consistent with all applicable land use policies and regulations.

4.1 Annexation. Upon execution of this Agreement, La Pianta shall submit a signed 60% petition for annexation to the City of Tukwila for the portion of the Tukwila South Property located within the PAA. The City will take all steps necessary to consider the annexation in a timely manner after submittal of a signed 60% petition. In the event that La Pianta fails to submit the 60% petition, the City may terminate this Agreement upon giving 14 days notice to La Pianta. Should the annexation fail to occur by December 31, 2009 (the "Outside Annexation Date"), this Agreement will terminate and all obligations herein will be extinguished. The Outside Annexation Date shall automatically be extended for the period of any review of the annexation by the Boundary Review Board, if jurisdiction is taken, and/or the courts. For purposes of this Agreement, the "effective date of the annexation" hereunder shall be the date on which the ordinance of annexation of the Tukwila South Property adopted by the City Council is effective, final and unappealable.

4.2 Levee Modification and 404 Permit Approval. The City has submitted to the U.S. Army Corps of Engineers, Seattle District ("ACOE") an application for modification of the levee system in the Tukwila South Property which will, among other things, permit the removal of the existing cross-levee structure at South 196th Street (the "Levee Modification"). La Pianta has submitted to ACOE an application for a Section 404 permit under the Clean Water Act to permit the grading, filling and development of the Tukwila South Property as contemplated in the Tukwila South Master Plan (the "404 Permit"). The parties will take all reasonable steps necessary to secure from the ACOE the issuance of the Levee Modification and the 404 Permit in a timely manner. If either the Levee Modification or the 404 Permit has not been issued by the Corps, and all appeal periods having passed with no appeals filed, by June 30, 2010 (the "Outside Approval Date"), this Agreement will terminate and all obligations herein will be extinguished. The Outside Approval Date may be extended by mutual agreement of the parties. As provided herein, the parties will place in the Escrow (as established under Section 4.8.4.6 below) all documents, payments and other undertakings required to be delivered prior to the Outside Approval Date. Upon approval of the Levee Modification and issuance of the 404 Permit, the Escrow Agent (hereinafter defined) shall be instructed to release, deliver or record, as appropriate, all sums and documents held in escrow unless expressly provided otherwise in this Agreement.

The City shall incur no costs for the maintenance of the new levee constructed as a result of the Levee Modification. Failure of La Pianta to secure maintenance for the levee prior to issuance of the Clearing and Grading Permit, shall result in denial of said permit.

4.3 Southcenter Parkway Project

4.3.1 Southcenter Parkway Project Design. The City shall, using grant funds secured for this Project, promptly complete the final design of the extension and relocation of Southcenter Parkway from S. 180th Street to S. 200th Street ("Southcenter Parkway Project" or "SCP Project"), including necessary sewer, water, stormwater, natural gas, power and telecommunications utility system improvements associated with this roadway improvement project (the "Final Design Plans"), as documented in the 90% drawings completed by David

Evans and Associates dated September 2005 (the "90% drawings") and on file with the City. The City may use up to \$300,000 of the grant funds identified in Section 4.3.7 below for the purpose of completing the Final Design Plans; any costs to complete the Final Design Plans in excess of \$300,000 shall be borne by the City. The Southcenter Parkway Project will provide additional access to the Tukwila Urban Center and the Tukwila South Project. Except as set forth in this subsection, the Final Design Plans shall not materially deviate from the 90% drawings without the written consent of both parties. For the purposes of this Section, the Final Design Plans shall be deemed to "materially deviate" from the 90% drawings if the Final Design Plans include modifications to the 90% drawings that will result in a construction cost increase in the aggregate of more than \$250,000. The Southcenter Parkway Project will not include the relocated South 178th Street improvements or the bike lanes as specified on the 90% drawings.

4.3.2. Land Dedication for Southcenter Parkway Project. La Pianta agrees to dedicate, at no cost to the City, the land necessary to construct the Southcenter Parkway as depicted in Exhibit 7. La Pianta waives all credit for this dedication of land against any traffic impact fee assessed for the Project. In addition, La Pianta agrees to waive any claim for just compensation pursuant to RCW 8.12 and any claims under the Washington and Federal Constitutions in connection with the dedication of this right-of-way. La Pianta shall deliver a signed but undated statutory warranty deed (free of all encumbrances and easements unacceptable to the City) for this land and a signed and dated right of way easement encumbering the same property described in the deed, in commercially reasonable form acceptable to the City, to the Escrow no later than 5 days after the effective date of the annexation specified in Section 4.1. Upon receipt, the City shall record the right of way easement and retain the undated deed in Escrow until the City is prepared to vacate Frager Road/Southcenter Parkway as provided in Section 4.10. Simultaneously with the transfer of the properties described in Section 4.10, the City shall cause the deed delivered by La Pianta into Escrow to be dated and recorded. If the deed and the right of way easement are not delivered in the time specified by this Section, this Agreement will terminate. For the purpose of the real estate excise tax, the City acknowledges that the transfer of property pursuant to this section shall be for a "public use in connection with the development of real property" as provided under WAC 458-61A-205.

4.3.3. Planning and Design Work. La Pianta has provided the following planning and design services in connection with the Southcenter Parkway Project:

- (i) Geotechnical reports and information;
- (ii) Survey, topographical maps;
- (iii) As-built survey of utilities;
- (iv) Legal description of final right-of-way;
- (v) Plans and designs for wetland and stream mitigation, including plans for land, cost of restoration, permitting, on-going maintenance and monitoring;
- (vi) 30% design work; and
- (vii) Plans and designs for temporary stormwater detention and treatment for Southcenter Parkway Project during construction, and permanent

stormwater detention and water quality facilities for Southcenter Parkway and South 200th Street as more particularly described in Sections 4.3.5 and 5.4.

4.3.4 Highline/PSE/Southcenter Parkway Costs. La Pianta shall obtain power and gas utility service for the Tukwila South Project from Puget Sound Energy ("PSE") and water service from the Highline Water District ("Highline"). La Pianta shall pay for all costs related to the design and construction of Highline Water systems and PSE systems for the Tukwila South Project (not including costs for which PSE and Highline are responsible for undergrounding and relocation of existing systems, as described herein). The City shall cause Highline to relocate its existing water system facilities pursuant to its franchise agreement with the City. The City shall cause PSE to relocate and underground existing power and gas system facilities pursuant to its franchise agreement with the City and applicable tariff. Any costs or fees assessed to the City by those utilities for invoking either of the franchise terms discussed in this Section shall be paid to the City by La Pianta within 30 days of invoice.

4.3.4.1 Highline Water. The City will include the work for the relocation and upgrade of the Highline Water system utilities in its SCP Project bid as a bid additive (the "Highline Work"). The Highline Work will be accounted for and invoiced separately from the SCP Project. The City shall enter into an agreement with Highline pursuant to which Highline shall reimburse the City for the cost of the Highline Work. La Pianta shall enter into a separate agreement with Highline pursuant to which La Pianta shall reimburse Highline for La Pianta's portion of the costs of the Highline Work. Pursuant to Section 4.8.4 of this Agreement, La Pianta shall provide the City with a letter of credit in the amount of 110% of La Pianta's portion of the estimated cost of the Highline Work as security for payment of those associated costs. In the event that Highline fails to reimburse the City, pursuant to the terms of the agreement between the City and Highline, for La Pianta's portion of the cost of the Highline Work, the City may draw upon the letter of credit as provided in Section 4.8.4. In addition, La Pianta shall provide the City with a copy of La Pianta's agreement with Highline and evidence of timely payments to Highline thereunder.

4.3.4.2 PSE. The City will exclude the work for the PSE power and gas utilities from the SCP Project bid. PSE will provide the specifications for such power and gas utility work to serve the Tukwila South Project (the "PSE Work"), which will be constructed in coordination with the SCP Project. The PSE Work will be conducted by third parties on behalf of PSE. The bid documents and the final construction contract for the SCP Project shall include a "cooperation clause," requiring cooperation and communication between the City (and the City's contractor on the SCP Project), La Pianta LLC and PSE or PSE's designees and contractors undertaking the PSE Work. La Pianta shall indemnify and defend the City against delay claims made by the City's contractor for the SCP Project because of the PSE Work. La Pianta shall pay (i) PSE directly for La Pianta's share of the cost of the PSE Work in accordance with PSE Tariff Schedule 85, and (ii) the City directly for the City's share of the cost of the PSE Work in accordance with PSE Tariff Schedule 74. La Pianta's obligation under this Section 4.3.4.2 shall be secured by an irrevocable standby letter of credit in the amount of 110% of the City's estimated share of the PSE Work, naming the City as beneficiary as provided in Section

4.8.4. In the event that La Pianta fails to pay the amount due under this Section 4.3.4.2 within thirty (30) days of demand by the City, the City may draw upon the letter of credit as provided in Section 4.8.4.

4.3.5. Southcenter Parkway Storm Drainage. La Pianta shall provide, at no cost to the City, sufficient capacity for all drainage from the Southcenter Parkway Project within the regional storm drainage facilities more particularly described in Section 5.4 to be constructed by La Pianta as part of the permanent stormwater drainage facilities for the Tukwila South Project. La Pianta shall provide easements granting the City the right to discharge stormwater from Southcenter Parkway and South 200th Street to La Pianta's regional stormwater facilities. La Pianta covenants that the regional stormwater facilities will be sized to accommodate stormwater run-off from the Tukwila South Project, including Southcenter Parkway, South 200th Street and all other development proposed as part of the Tukwila South Project. The stormwater system includes a "South Facility" and a "North Facility", both as defined in Section 5.4 below.

4.3.5.1 South Facility. Easements and stormwater facilities for the South Facility may, at the discretion of La Pianta, be temporary, provided however, that except as provided in Section 4.3.5.3 below, La Pianta shall: (i) provide permanent, no-cost easement and stormwater facilities in the South Facility prior to the issuance of the first construction permit for a new building development in the Tukwila South Project; and (ii) ensure that the South Facility will be operational and ready for use prior to the completion of the Southcenter Parkway Project.

4.3.5.2 North Facility. At La Pianta's option, stormwater to be treated in the North Facility may be piped to the South Facility for treatment and discharge on an interim basis. The development of the North Facility shall occur prior to the date on which the capacity of the South Facility is fully utilized.

4.3.5.3 WSDOT/FHWA Approval. Immediately upon execution of this Agreement, the City shall amend its submissions to WSDOT/FHWA to describe the storm drainage plan for the Southcenter Parkway Project that is more particularly set forth in Section 5.4, and shall request approval for such change. La Pianta shall cooperate in good faith to provide all necessary documentation reasonably necessary to secure WSDOT's approval of such stormwater plan for Southcenter Parkway. In the event that the stormwater plan for Southcenter Parkway described in Section 5.4 is not approved by WSDOT/FHWA, the City shall construct the stormwater ponds described in its original proposal to WSDOT, for treating and detaining stormwater runoff from Southcenter Parkway and South 200th Street. In such case, La Pianta shall, within thirty (30) days of the City's written demand therefore, grant at no cost to the City temporary easements necessary to construct the stormwater ponds needed to accommodate the stormwater run-off from Southcenter Parkway and South 200th Street that was described in the City's original SCP Project proposal to WSDOT. The easement agreements shall provide that at such time La Pianta completes the South Facility and it is available to accommodate the run-off from Southcenter Parkway and South 200th Street, the temporary easements shall terminate and shall be replaced by permanent easements to the South Facility.

4.3.6 Southcenter Parkway Bidding/Construction. Upon the issuance of the 404 Permit contemplated in Section 4.2, the City shall be responsible for the bidding and construction of Southcenter Parkway ("Southcenter Parkway Project"). The City shall request formal bids from contractors for the construction of the Southcenter Parkway Project as soon as all necessary approvals and permits have been received. This Agreement is premised on the assumption that the project costs for the Southcenter Parkway Project (including the up to \$300,000 allocated to completion of the Final Design Plans under Section 4.3.1 above) will not exceed available financing in the amount of \$26,800,928 ("Construction Cost Cap"). The total project cost of the Southcenter Parkway Project ("Total Project Cost") shall be the lowest responsible bid received by the City, and shall allow and include up to a 15% construction management allowance and a 15% project contingency allowance. For the purpose of determining whether the Total Project Cost exceeds the Construction Cost Cap, the Total Project Cost shall not include the costs for the Highline Work and PSE Work (which costs shall be paid by La Pianta and the utilities as provided in Section 4.2.4), and shall not include the City's costs for its employees in connection with or related to the management and/or supervision of the construction of the Southcenter Parkway Project, which costs the City shall bear. The City shall use commercially reasonable efforts to minimize the Total Project Cost of the Southcenter Parkway Project. For purposes of this Agreement, "commercially reasonable efforts" means the actions normally taken to reduce costs for any City project.

If the Total Project Cost exceeds the Construction Cost Cap, the City shall have no obligation to construct the Southcenter Parkway Project unless La Pianta gives written notice as provided herein to the City that La Pianta shall pay such difference ("Project Cost Differential"). In such case, the City shall send written notice to La Pianta of the Project Cost Differential, and La Pianta shall, within 15 days of receipt thereof, give the City written notice of whether La Pianta elects to pay the Project Cost Differential. If La Pianta elects to pay the Project Cost Differential, then La Pianta must provide the City cash security for such amount ("Cash Security") also within the 15 days. Provided that La Pianta timely provides the City such notice and Cash Security, the City shall promptly execute a construction contract for the Southcenter Parkway Project. If La Pianta does not timely provide the City with the notice and/or the cash security, the City shall reject all bids and this Agreement shall immediately terminate without further action required by any party.

If La Pianta pays the Project Cost Differential, the City agrees to utilize the funds within the Construction Cost Cap prior to utilizing the Cash Security. Should any Cash Security remain after completion of the Southcenter Parkway Project, said remainder shall be refunded to La Pianta within thirty (30) days after final acceptance of the Southcenter Parkway Project. In the event of cost overruns in excess of the Total Project Cost (including Cash Security for the Project Cost Differential), the City shall promptly notify La Pianta, and La Pianta shall provide additional Cash Security equal to or greater than the amount of any overruns within ten (10) days of invoice. Upon completion of the Southcenter Parkway Project, if state or federal auditors identify any charges that fall outside the scope of work, excluding mutually agreeable change orders and agreed to modifications to the scope of work, for the Southcenter Parkway Project, La Pianta shall be entitled to a refund for those sums identified within thirty (30) days after completion of said audit(s).

4.3.7 Southcenter Parkway Financing. The City shall use \$18,530,345.00 in state and federal grant money secured for the cost of design and construction of Southcenter Parkway Project. The City shall also utilize limited tax general obligation debt ("General Obligation Bonds") or other financing mechanisms to finance up to \$8,250,000.00 dollars toward the construction of the Southcenter Parkway Project. In the event that any state or federal grant funds are withdrawn from the Southcenter Parkway Project prior to the Outside Approval Date (as defined in Section 4.2), the parties will use best efforts to seek replacement grant funds ("Replacement Funds"). If the parties are unable to secure commitments for such Replacement Funds by December 31, 2010, then this Agreement will immediately terminate, all obligations hereunder will be extinguished, and the Escrow shall be terminated.

In the event that any additional state or federal grant funds, debt or credit enhancements, including but not limited to interest rate reductions, tax credits or reimbursements, and which are not Replacement Funds, are provided to the Southcenter Parkway Project, the parties shall equally share the economic benefit of such additional measures.

4.3.8 Closure of Southcenter Parkway and Frager Road. The City shall close the existing Southcenter Parkway and Frager Road from South 180th Street to South 200th Street during the construction phase of the Southcenter Parkway Project, except for local traffic, and agrees that La Pianta can use the roadway for project purposes, without compensation to the City or the need for issuance of right-of-way permits, provided that La Pianta maintains the roadway during that period of time and La Pianta's use does not unreasonably interfere with use for local traffic. La Pianta shall ensure that local traffic may access their properties from the north access point to Tukwila South. The City acknowledges that a certain portion of Frager Road and the existing stormwater pond near South 200th Street shall be permanently closed and removed upon issuance of a grading permit to La Pianta for the purpose of constructing the "Green River Off-Channel Habitat Area." Provided that WSDOT approval for stormwater plan is granted pursuant to Section 4.3.5.3, the City shall permit La Pianta to use said portions of the right of way and existing detention pond for such purpose prior to conveying ownership of such parcels to La Pianta pursuant to Sections 4.10 and 4.11, provided however, La Pianta shall indemnify and hold the City harmless for any claims or damages because of or arising out of La Pianta's use or possession of this land, except to the extent caused by the negligence of the City, its employees or agents.

Before commencing the construction of the Green River Off Channel Habitat Area, La Pianta shall provide temporary detention of stormwater from South 200th Street in place of the removed stormwater pond until the South Facility is complete and operational.

4.4 Sanitary Sewer System. As outlined in the Tukwila South EIS, additional sewer capacity may be required to serve the Tukwila South Project, as the Project develops. Sewer Lift Station #2 may need to be upgraded to create sufficient pumping capacity, and the force sewer main along Andover Park West from Minkler Ave to Strander Blvd (the "Force Sewer Main") may need to be upgraded to provide sufficient capacity to carry the additional flows generated by the Tukwila South Project. If at any time during the Term of this Agreement, a capacity analysis of the system shows that any of the Sewer Lift Station #2, the Force Sewer Main, or any other facility within the City's sanitary sewer system necessary to provide service to the Tukwila

South Property (each a "Facility") is at 80% or more of its capacity, then the City shall promptly initiate its standard process of planning, financing and construction for improvement to the Facility (or more than one) necessary to provide adequate sanitary sewer service to accommodate the Allowable Development. The City will finance the construction of the Facility through bonds or any other source of City capital funding and/or through connection fees, sewer rates or other charges to be paid by all the benefited ratepayers. If the City elects to form a Utility Local Improvement District ("ULID") or other special district to pay for the Facility, La Pianta shall execute a No Protest ULID Agreement for the formation of an ULID to provide improvements to the sanitary sewer system as outlined herein. The No Protest agreement shall be in a form acceptable to the City. La Pianta shall be responsible for paying citywide sewer system connection charges and fees at the time of each building permit application, subject to the terms of any applicable No Protest Agreement as described herein and La Pianta's participation in any ULID or special district assessment.

Construction of the initial Southcenter Parkway sewer line serving the Tukwila South Property will be included in the cost of the Southcenter Parkway Project, and therefore a portion of the cost of the sewer improvements will be funded by sources other than the City. La Pianta or Parcel Builders (hereinafter defined) shall pay sewer connection charges based on the total project cost. Each sewer connection charge paid by La Pianta or a Parcel Builder for the initial Southcenter Parkway sewer line shall be credited to La Pianta as O&M Revenue pursuant to Section 4.8.3.

4.5 Parks and Open Space.

4.5.1 Bike/Pedestrian Trail. Within thirty (30) days of the effective date of the annexation, La Pianta shall donate to the City an easement for a north-south trail system through the Tukwila South Property from S. 180th Street to S. 204th Street, provided however, that the City shall not permit the public to use the easement area until the later of: (i) three (3) years after the conveyance of the easement, or (ii) completion of initial site grading and the Green River Off Channel Habitat Area, but not later than four (4) years after the conveyance of the easement. The width of the easement shall be at a minimum 14 feet or such greater width as may be required under the City's Shoreline Master Program. The easement shall be delivered into the Escrow. The bike/pedestrian trail shall be located along the Green River within the crown of the levee. When the new levee is constructed, as contemplated by this Agreement, the easements will be revised to follow the crown of the new levee configuration. La Pianta waives any credit for this donation against any future park impact fee assessed against the Project and waives all claims for just compensation pursuant to RCW 8.12 and State and Federal Constitutions. La Pianta shall not be responsible for costs of construction or maintenance of any improvements within the trail easement.

La Pianta will develop and submit to the City for approval a plan for trails and bike/pedestrian connections within the Tukwila South Property. The Plan will identify the general goals and objectives of a system of pedestrian connections for the Tukwila South Property and will identify possible locations for eight (8) 14 foot wide pedestrian corridors and connections from the bike/pedestrian trail described above through the Tukwila South Property,

in locations approved by La Pianta, to off-site pedestrian trails and City rights-of-way. The eight locations will include the City's existing trail connection points at South 180th Street, South 200th Street and South 204th Street. La Pianta will complete this plan and submit it for approval to the Parks and Recreation Director by December 31, 2011.

4.5.2 Green River Pedestrian Bridge. La Pianta shall be responsible for \$500,000.00 toward the cost of construction of a pedestrian bridge across the Green River to the Green River Trail and Briscoe Park (the "Bridge"). Any additional cost for this bridge project and all permitting obligations shall be the responsibility of the City. Within thirty (30) days of the date the City notifies La Pianta that the City will make application for a grant or grants for any portion of the cost of construction of the Bridge, La Pianta shall provide to the City a letter of credit in the amount of \$500,000 pursuant to Section 4.8.4.3 of this Agreement. The letter of credit shall have a term of one (1) year (or less than one year in the initial year, as set forth in Section 4.8.4.4) and shall be renewed until the \$500,000 payment is made to the City. In the event that La Pianta fails to pay \$500,000 to the City within thirty (30) days of the date the City notifies La Pianta that any grant(s) have been awarded to the City, which grants, together with other funds available to the City, will underwrite the full cost of construction of the Bridge, the City may draw upon the letter of credit as provided in Section 4.8.4. The City will use best efforts to obtain full funding to provide the additional funding necessary to complete construction of the Bridge project. If the City is unable to obtain grant funding for construction of the Bridge within five (5) years of the date of this Agreement, then La Pianta shall pay \$500,000 in cash to the City within thirty (30) days after such date, or the City may thereafter draw upon the letter of credit as provided in Section 4.8.4. If the City is unable to secure adequate funding for the Bridge, the City may utilize the \$500,000.00 for general park facilities within the Tukwila South area. La Pianta waives credit for this donation against any future park impact fee assessed for the Tukwila South Project and waives any claim for just compensation pursuant to RCW 8.12 and the State and Federal Constitutions. The City and La Pianta acknowledge that construction of the Bridge will occur after December 31, 2012 when significant development has occurred within the Tukwila South Project. Prior to commencement of construction of the Bridge project, La Pianta shall grant to the City an easement in commercially reasonable form on a portion of the Tukwila South Property for the purpose of installing and maintaining bridge supports and touchdowns (the "Bridge Easement"). The area of the Bridge Easement shall not exceed 3,000 square feet and shall be located subject to mutual agreement of the parties, provided such location shall be within the river buffer of the City's Shoreline Master Program. If the City has obtained funding and is commencing construction of the bridge, La Pianta shall grant the Bridge Easement within thirty (30) days of the City's request.

4.5.3 Donation of Levee Easements. La Pianta will grant permanent easements, at no cost to the City, on property under its ownership, to the City of Tukwila for improvements to the City's levee system on the west side of the Green River. The easements will be sized to accommodate (i) an overall slope gradient of 2.5:1 on the river side of the levee from S. 196th Street to S. 204th Street; (ii) a slope gradient of 2:1 on the landward side of the levee from S. 196th Street to S. 204th Street and on both sides of the levee from S. 180th Street to S. 196th Street and (iii) a 14-foot-wide levee crown. In each case, the easement area to be granted will

commence at the waterside toe of the existing levee. If levee improvements are made before redevelopment in the existing Segale Business Park, the levee improvements shall not unreasonably interfere with La Pianta's use of the existing Segale Business Park. "Unreasonably interferes" shall be deemed to include, without limitation, any restriction on the use of the existing buildings or the paved areas around them. If it is determined that additional easement area is needed, the City will negotiate with La Pianta or take necessary legal action to acquire the additional easement. The easements referenced in this section shall be delivered to the Escrow within thirty (30) days of the effective date of the annexation.

4.6 Fire Service.

4.6.1 Voluntary Fire Impact Fee. Pursuant to RCW 82.02.020, La Pianta agrees to voluntarily pay a fire service mitigation fee of \$0.50 per square foot for commercial/industrial development and \$500.00 per dwelling unit for residential development. If the City adopts a fire impact fee pursuant to RCW 82.02 or other enabling legislation, those impact fees will apply to the Tukwila South Project, replacing the fee set forth above, and will be assessed at the time of building permit issuance. In either case, La Pianta will not be assessed an impact fee for new development which replaces existing building square footage, currently served by Tukwila Fire, if redeveloped.

4.6.2 Donation of Land for Fire Station. La Pianta shall donate to the City up to three (3) acres of undeveloped land along Southcenter Parkway south of South 180th Street for future use as a fire station. The location of the specific property must be mutually acceptable and the property shall meet the following criteria of the City: (1) Able to accommodate a 25,000 gsf building, parking and outdoor storage (more specific detail will be provided by the City's architect no later than 180 days after execution of this Agreement); (2) level topography; (3) rectilinear site; (4) clear title (i.e., subject to liens and encumbrances approved by the City, created under this Agreement, or which are not inconsistent with the City's intended use); (5) soils capable of bearing the load of the proposed fire station without shoring, bracing, piling, or other extraordinary construction methods, and containing no hazardous substances; (6) direct access onto an arterial street; (7) located in the vicinity of S. 180th Street, but outside the shoreline environment. La Pianta shall transfer such property to the City in its as-is, where-is condition, without warranties other than good title. No credit will be given against any fire impact fee for this land donation. The parcel will be identified and agreed upon, and the deed therefore shall be delivered to the Escrow, prior to the City Council's adoption of the ordinance vacating existing Frager Road, as provided in Section 4.11 below. La Pianta will be responsible for all closing and escrow costs associated with this land donation. La Pianta waives any credit for this land donation against any fire impact fee assessed under the Tukwila Municipal Code. For the purpose of the real estate excise tax, the City acknowledges that the transfer of property pursuant to this section shall be for a "public use in connection with the development of real property" as provided under WAC 458-61A-205. The City agrees to cooperate with La Pianta to implement modifications to the boundaries of the fire station parcel (prior to commencement of construction of the fire station) to promote logical development of adjacent lands by La Pianta, as long as such modifications are consistent with the parameters set forth above.

4.7 Impact Fees. Nothing in this Agreement shall preclude the City from assessing duly enacted impact fees to this Project at the time of building permit issuance.

4.8 City Revenues and Costs; La Pianta Financial Guarantees.

4.8.1 Operations and Maintenance Services. Pursuant to the protocols set forth in Section 4.8.3, the City will track the following revenue generated from the Tukwila South Property (including all use and development thereon): sales tax, real estate excise taxes, utility taxes, franchise fees, business license revenues, commercial parking taxes, hotel/motel tax, admission tax, where those taxes and/or fees are paid by the owners of property or businesses developed as part of the Tukwila South Project (collectively, the "O&M Revenue"); provided, however, that if the Washington State Department of Revenue begins to report liquor excise taxes, motor vehicle excise taxes, and/or fire insurance premium taxes in such a way that they can be identified as having been generated from the Tukwila South Property, then each of those taxes that is so reported shall be included in O&M Revenue. The O&M Revenue will not include any property tax revenue from the Tukwila South Property, or any revenue from any business or land use existing or in operation on any portion of the Tukwila South Property as of the date of this Agreement.

The City will also track expenditures related to providing operations and maintenance public services to new development within the Project and pre-construction expenses related to the Project, including without limitation, the provision of police, fire, public works and parks services allocable to new development at Tukwila South, the pro-rata capital costs for such services (not covered by impact fees), and the pro-rata operations and maintenance expenses related to the Southcenter Parkway Project once completed (collectively, the "O&M Expenses"). The City covenants to use commercially reasonable efforts to minimize the O&M Expenses during the Term of this Agreement (i.e., the same efforts the City uses to minimize its O&M Expenses city-wide).

On or before March 31, 2010 and each March 31 thereafter, the City shall provide to La Pianta an Annual Statement (hereinafter defined). If for any year the Annual Statement shows that O&M Expenses have exceeded O&M Revenue, La Pianta shall pay the difference to the City within thirty (30) days of receipt of the Annual Statement ("O&M Guarantee"). If for any year the Annual Statement shows that O&M Revenue has exceeded O&M Expenses, the City is not prohibited from using the excess funds for general City purposes.

If La Pianta requests an audit of an Annual Statement pursuant to Section 4.8.3, it shall nonetheless pay to the City any amount shown to be due by the Annual Statement within thirty (30) days of receipt of the Annual Statement, and if the audit shows an error in the Annual Statement then the City shall refund to La Pianta any sums it has paid that were not due pursuant to this Section 4.8.1, or La Pianta shall make any additional payment due, in either case within thirty (30) days of the Accountant's decision.

La Pianta's total obligation under this section 4.8.1 shall be limited to \$12,000,000.

4.8.2 General Obligation Bonds and Increased Property Tax Revenues.

Pursuant to the protocols set forth in Section 4.8.3, the City shall track the Increased Property Tax Revenues from the Tukwila South Property. For the purposes of this section, "Increased Property Tax Revenues" shall mean the property tax revenue attributable to that property annexed to the City of Tukwila pursuant to this Agreement.

If any Annual Statement shows that the Increased Property Tax Revenue in that year is less than the annual debt service for the General Obligation Bonds in that year ("Debt Service Shortfall"), then La Pianta shall pay to the City within thirty (30) days of receipt of the Annual Statement a sum equal to the Debt Service Shortfall. However, notwithstanding the foregoing, (a) the City shall be responsible for debt service on the first \$6,000,000 of bonds, and (b) La Pianta's yearly obligation under this Section 4.8.2 shall not in any year exceed a sum equal to the difference between the total annual debt service on the General Obligation Bonds in that year minus the debt service on \$6,000,000 of those bonds in that year. If, for any year, the Annual Statement shows that Increased Property Tax Revenue has exceeded the City's annual debt service for the General Obligation Bonds in that year, the City is not prohibited from using the excess funds for general City purposes.

For example, if the City issues General Obligation Bonds totaling \$7,000,000, the City will be responsible for the first six-sevenths of the debt service ($\$6,000,000$ divided by $\$7,000,000$) in each year, whether or not the Increased Property Tax Revenues are sufficient to fully provide for that portion of the debt service. If there is no Debt Service Shortfall in a given year, the City will be responsible for all of the debt service in that year. If, in this example, however, there is a Debt Service Shortfall in a year, then for that year La Pianta will be responsible for the Debt Service Shortfall up to one-seventh of the debt service on those General Obligation Bonds and must make a shortfall payment to the City in that amount. In no event will the City issue more than \$8.25 million of General Obligation Bonds.

If La Pianta requests an audit of an Annual Statement pursuant to Section 4.8.3, it shall nonetheless pay to the City any amount shown to be due by the Annual Statement within thirty (30) days of receipt of the Annual Statement, and if the audit shows an error in the Annual Statement then the City shall refund to La Pianta any sums it has paid that were not due pursuant to this Section 4.8.2, or La Pianta shall make any additional payment due, in either case within thirty (30) days of the Accountant's decision.

4.8.3 Project Revenue/City Expenditures – Protocols. Within thirty (30) days of execution of this Agreement, the parties will meet and confer regarding the development of accounting protocols for tracking Project revenue and City expenditures related to the Tukwila South Project, as required under this Section 4.8. Within thirty (30) days of said meeting, the parties shall retain the services of a mutually agreeable certified public accountant with expertise in municipal accounting (the "Accountant"). With the assistance of the parties, the Accountant will develop protocols for tracking revenue and expenditures consistent with the terms of this Section 4.8. The protocols will be developed and will be reduced to writing in the form of a memorandum of understanding signed by both parties within one hundred eighty (180) days of

the retention of the Accountant. Each party will share equally the cost for the Accountant's services outlined in this section. In the event that the parties do not execute the memorandum of understanding documenting the accounting protocols within one hundred eighty (180) days of the retention of the Accountant, this Agreement shall terminate.

On or before March 31, 2010 and each March 31 thereafter, the City shall prepare a statement ("Annual Statement") showing the O&M Revenue, O&M Expenses, O&M Guarantee, the Increased Property Tax Revenues, the annual debt service for the General Obligation Bonds, any Debt Service Shortfall, and the portion of any Debt Service Shortfall which La Pianta has guaranteed under the terms of this Agreement, consistent with the protocols set forth in the memorandum of understanding. If La Pianta questions the City's determination of any of the items set forth in the Annual Statement for the prior calendar year, La Pianta may request an audit of the disputed matter from the Accountant who developed the protocols, or his or her designee. Within thirty (30) days of La Pianta's request, the Accountant shall review the Annual Statement and La Pianta's dispute therewith, and render a decision based on generally accepted governmental accounting practices, the protocols, and the terms of this Agreement. The Accountant's decision shall be final and binding on the parties, excepting manifest error by the Accountant. The parties agree to cooperate in good faith with the Accountant concerning any requests for information or documentation to resolve the issue. If there is a variance of 10% or more between the Accountant's decision and the City's determination of revenue or expenditures, the City shall pay the cost of the audit. If the variance is less than 10%, La Pianta shall pay the cost of the audit.

4.8.4 Security for La Pianta's Financial Guarantees

4.8.4.1 O&M Guarantee.

4.8.4.1.1 O&M Collateral.

La Pianta's obligation under Section 4.8.1 (not to exceed \$12,000,000) shall be secured during the Term of this Agreement by collateral comprised of: (i) an irrevocable standby letter of credit naming the City as beneficiary ("O&M LC"), and (ii) a first-lien deed of trust on Building No. 931 located in Segale Business Park, which is currently occupied by Qwest Communications Corporation ("O&M Deed of Trust"). If La Pianta fails to pay timely any amount due under Section 4.8.1, the City may draw upon the O&M LC and/or foreclose on the O&M Deed of Trust as provided in this Section 4.8.4.

4.8.4.1.2 O&MLC.

(a) The O&M LC shall be in the form, and meet the requirements, set forth in Section 4.8.4.4 below. The O&M LC shall be in the sum of \$6,000,000 and shall be delivered to the Escrow Agent following Boundary Review Board action on the annexation described in Section 4.1 but no later than 10 days before the date on which the City Council is scheduled to take final action on the annexation at a public meeting. To the extent La Pianta makes any payments to the City under the O&M Guarantee, then the amount of

the letter of credit shall be reduced by 50% of the total of such payments, and the credits set forth in Section 4.4, except that the amount of the O&M LC shall not be less than \$2,000,000 at any time during the Term. The amount of the O&M LC shall be determined annually pursuant to the foregoing upon renewal. If a longer term O&M LC is provided, the amount shall be recalculated annually on the anniversary of the initial issuance date and may be adjusted at that time. If La Pianta is not required to make any payments to the City under the O&M Guarantee, then at any time, and from time to time, during the last five (5) years of the Term, the parties may agree to a reasonable reduction in the amount of the O&M LC, taking into consideration the remaining Term of this Agreement, the historical receipt of O&M Revenue by the City, the likely obligation of La Pianta pursuant to the O&M Guarantee, the security provided under the O&M Deed of Trust, and all other relevant factors.

(b) Failure of La Pianta to provide and maintain the O&M LC at the time and in the amount required by this Section 4.8.4.1, where such failure continues after written notice from the City specifying the nature of the default and 20 days' opportunity to cure, shall entitle the City to accelerate that portion of the O&M Guarantee obligation represented by the amount of the O&M LC, draw on the O&M LC, and deposit the amount drawn ("O&M Deposit") into an escrow account with the Escrow Agent described in Section 4.8.4.6 (the "Escrow Agent"), except that in the case of a failure to provide a replacement of the O&M LC no later than 15 days prior to its stated expiration, no notice and opportunity to cure shall be required prior to a City draw on the O&M LC. The City may subsequently draw upon the O&M Deposit if La Pianta shall default on its obligations under the O&M Guarantee. If the City shall draw on the O&M Deposit at any time during the Term of this Agreement, La Pianta shall, within 30 days of notice by the City, restore the O&M Deposit to the amount required at the time the O&M Deposit was established. Upon expiration of the Term, any remaining funds held in the escrow account, including any remaining accrued interest, shall be released to La Pianta. La Pianta's obligation to provide the O&M LC, and the City's remedy for failure to provide the O&M LC, shall not be subject to the Dispute Resolution Process set forth in Section 7 of this Agreement.

4.8.4.1.3 O&M Deed of Trust.

(a) The remaining \$6,000,000 of La Pianta's total potential liability under the O&M Guarantee shall be secured by the O&M Deed of Trust. The O&M Deed of Trust shall be in the form attached to this Agreement as Exhibit 8 and shall be delivered to the City at the same time that the O&M LC is delivered to the Escrow Agent. La Pianta shall have the right, to substitute as security from time to time one or more deeds of trust in the same or similar form on other real estate acceptable to the City in the exercise of reasonable discretion, so long as the unencumbered value of the substituted collateral is equal to or greater than \$9,000,000 as shown by a current appraisal performed by a neutral appraiser having no less than 10 years' experience appraising commercial property in the area in which the real estate is located, with appraisal cost shared equally between the parties. Any permitted substitute deed of trust given under this Section 4.8 shall be delivered to the City in an escrow arrangement (the cost of which shall be paid by La Pianta) that provides for delivery and recording of the substitute deed of trust simultaneously with release of the original deed of trust.

Substituted collateral must be located in the State of Washington, shall have an appraised value of nine million dollars (\$9,000,000) or more, shall be income producing, shall be improved by structures of a quality that is the same as or similar to the improvements existing on the land encumbered by the initial deed of trust, and shall be of a character suitable as collateral for a substantial commercial loan from a recognized commercial real estate lender. The City shall not have the right to unreasonably reject proposed substitute collateral, and the characteristics listed in the previous sentence will be relevant in determining reasonableness of a City rejection.

(b) In the event of a default that entitles the City to foreclose on the O&M Deed of Trust, then the O&M Deed of Trust shall provide that there shall be no default entitling the City to foreclose the O&M Deed of Trust until (1) La Pianta shall have failed after notice and 20 days to cure to pay the sum(s) required under the terms of this Agreement, (2) the City has drawn on the letter of credit (or cash deposit) securing the obligation in default to the maximum amount of the letter of credit (or cash deposit) and has applied the sum(s) so drawn to the obligation in default, and (3) there remains outstanding an additional sum due under the terms of this Agreement for which the deed of trust has been granted as security.

4.8.4.2 Southcenter Parkway Project General Obligation Bonds Guarantee.

La Pianta's obligation pursuant to Section 4.8.2 of this Agreement to guarantee a portion of the General Obligation Bonds (the "Bond Guarantee") shall be secured during the Term of this Agreement by a separate irrevocable standby letter of credit naming the City as beneficiary ("SCPW LC"). The amount of the SCPW LC shall be determined annually as of January 1 of each calendar year during the Term of this Agreement, and shall initially be in the amount of \$185,000, and, upon issuance of the General Obligation Bonds, shall be adjusted to an amount equal to twice the average annual debt service on the Bonds for that portion of the General Obligation Bonds that exceeds \$6,000,000. The SCPW LC shall be delivered to the Escrow Agent before the date on which the City awards the contract for construction of the Southcenter Parkway Project. If La Pianta fails to pay timely any amount due under Section 4.8.2, the City may draw upon the letter of credit as provided in this Section 4.8.4.

Failure of La Pianta to provide and maintain the SCPW LC at the time and in the amount required by this Section 4.8.4.2, where such failure continues after written notice from the City specifying the nature of the default and 20 days' opportunity to cure, shall entitle the City to accelerate that portion of the Bond Guarantee that is represented by the amount of the SCPW LC, draw on the SCPW LC, and deposit the amount drawn ("SCPW Deposit") into an escrow account with the Escrow Agent, except that in the case of a failure to provide a replacement of the SCPW LC no later than 15 days prior to its stated expiration, no notice and opportunity to cure shall be required prior to a City draw on the SCPW LC. The City may subsequently draw upon the SCPW Deposit if La Pianta shall default on its obligation under the Bond Guarantee. If the City shall draw on the SCPW Deposit at any time during the Term of this Agreement, La Pianta shall, within 30 days of notice by the City, restore the SCPW Deposit to the amount required at the time the SCPW Deposit was established. Upon expiration of the Term, any remaining funds held in the escrow account, including any remaining accrued interest, shall be released to La Pianta. La Pianta's obligation to provide the SCPW LC, and the City's

remedy for failure to provide the SCPW LC, shall not be subject to the Dispute Resolution Process set forth in Section 7 of this Agreement.

4.8.4.3 Other Secured Obligations.

For each of the remaining obligations of La Pianta under this Agreement for which security is required specifically, (i) the letter of credit required pursuant to Section 4.3.4.1 in the amount of 110% of La Pianta's portion of the Highline Work (the "Highline Work LC"), (ii) the letter of credit required pursuant to Section 4.3.4.2 in the amount of 110% of the City's share of the cost of the PSE Work in accordance with PSE Tariff Schedule 74 (the "PSE Work LC"), and (iii) the letter of credit required pursuant to Section 4.5.2 in the amount of \$500,000 (the "Bridge LC"), La Pianta shall provide to the City an irrevocable standby letter of credit naming the City as beneficiary. The Highline Work LC and the PSE Work LC shall be delivered to the Escrow Agent at the same time that the SCPW LC is delivered, which shall be prior to the award of the construction contract for the Southcenter Parkway Project. The Bridge LC shall be delivered to the Escrow Agent no later than thirty (30) days after the date the City notifies La Pianta that the City will make application for a grant or grants for any cost of constructing a pedestrian bridge across the Green River to connect Tukwila South to Briscoe Park. Only upon La Pianta paying the amount due in fulfillment of an obligation secured by one of the foregoing letters of credit, the City shall release the letter of credit for that obligation, and La Pianta's obligation to provide that letter of credit shall terminate.

Failure of La Pianta to provide and maintain any letter of credit at the time and in the amount required by this Section 4.8.4.3, where such failure continues after written notice from the City specifying the nature of the default and 30 days' opportunity to cure, shall constitute a default with respect to the obligation secured by that letter of credit ("Secured Obligation in Default"), except that in the case of a failure to provide a replacement letter of credit no later than 15 days prior to its stated expiration, no notice and opportunity to cure shall be required prior to a City draw on the letter of credit for which no replacement has been delivered. The default shall entitle the City to draw on the letter of credit securing the Secured Obligation in Default, and deposit the amount drawn into an escrow account with the Escrow Agent. The City may subsequently draw upon that deposit if La Pianta shall default in the obligation so secured. Upon expiration of the Term or fulfillment of the obligation so secured (whichever shall first occur), any remaining funds held in the escrow account, including any remaining accrued interest, shall be released to La Pianta. La Pianta's obligation to provide any letter of credit under this Section 4.8.4.3, and the City's remedy for failure to provide a letter of credit under this Section 4.8.4.3, shall not be subject to the Dispute Resolution Process set forth in Section 7 of this Agreement.

4.8.4.4 General Terms and Conditions for the Letters of Credit.

Each letter of credit provided under this Section 4.8.4 (including the O&M LC, the SCPW LC and each letter of credit provided pursuant to Section 4.8.4.3) shall be in form substantially similar to Exhibit 9. Each letter of credit shall be issued by Bank of America or, at La Pianta's option, another financial institution having a branch in the State of Washington that

is reasonably acceptable to the City; provided, however, that the City shall not withhold its consent to any institution having a long term debt rating of at least A from Standard and Poor's Corporation, or at least Aa3 from Moody's Investors Service. Each letter of credit shall have at least a one-year term (except that any initial letter of credit may have a shorter term so that when all letters of credit have been issued they will expire simultaneously), and La Pianta shall provide the City with a replacement letter of credit 15 days prior to the expiration of the respective letter of credit, or within 90 days after the downgrade of an existing letter of credit below the long term debt rating set forth above. Each letter of credit shall provide that it will be honored by presentation or at sight at an office of the issuer upon presentation of a certificate signed by the City stating that (i) La Pianta has defaulted on an obligation under this Agreement that is secured by the letter of credit and (ii) the City is entitled to draw on the letter of credit. If any letter of credit is drawn by the City because of La Pianta's failure to provide a replacement letter of credit 15 days prior to the expiration of the existing letter of credit, or within 90 days after the downgrade of an existing letter of credit below the long term debt rating set forth above (each draw resulting in a "Deposit" pursuant to the terms of this Section 4.8), then within five (5) after delivery to the Escrow Agent of a replacement letter of credit that complies with the requirements of this Section 4.8, the resulting Deposit shall be refunded to La Pianta except to the extent (if any) that the City shall have drawn upon the Deposit pursuant to the terms of this Agreement.

4.8.4.5 Specific Remedy under Section 4.8.4.

The City shall have the right to specific performance of La Pianta's obligations under this Section 4.8.4.

4.8.4.6 Escrow and Escrow Agent.

An escrow shall be established as set forth herein (the "Escrow"). The Escrow Agent initially shall be The Bank of New York Mellon Trust, N.A. The Escrow Agent shall hold funds as provided in Section 4.8.4.1.2 and in this Section 4.8.4.6, and various deeds and easements as provided in this Agreement, pursuant to a written escrow agreement among the Escrow Agent, La Pianta and the City to be agreed by the parties within one hundred twenty (120) days after full execution of this Agreement. The Escrow Agent selected by the parties may be replaced by another financial institution with trust powers that has a branch in Seattle, Washington, selected by the City and approved by La Pianta (which approval shall not be unreasonably withheld). The Escrow Agent shall hold each of the letters of credit on behalf of the City and shall receive deposits of amounts and deliveries of documents as set forth in this Agreement. Upon the direction of the City, the Escrow Agent shall present and make draws on the letters of credit described in Section 4.8.4.1.1, Section 4.8.4.2 and Section 4.8.4.3. The Escrow Agreement shall also provide that the Escrow Agent shall, with or without direction from the City, draw the full amount of any letter of credit that is not replaced or extended on or before the date that is 15 days prior to the expiry date of that letter of credit. Upon any such withdrawal, the Escrow Agent will hold the amount drawn as an O&M Deposit, an SCPW Deposit or a deposit made pursuant to Section 4.8.4.3 and apply such amounts on deposit consistent with this Agreement. If this Agreement is not terminated following the Outside

Approval Date (as defined in Section 4.2 above), the Escrow Agent shall deliver all deeds and easements in the Escrow to the City for recording, with the exception of the deed to the fire station parcel pursuant to Section 4.6.2, which shall be delivered to the City at its request following adoption of the ordinance vacating existing Frager Road. The parties shall share equally the cost of the Escrow Agent for services performed pursuant to this Agreement.

4.9 Grading Permit Review. The City will complete review and issue a determination regarding La Pianta's Clearing and Grading permit application for the Tukwila South Project within 30 days of determining that such application is complete for areas outside of the shoreline jurisdiction. For areas within the shoreline jurisdiction, La Pianta shall submit a Shoreline Substantial Development Permit along with the Clearing and Grading Permit. The City will promptly review the Shoreline Substantial Development Permit, and forward its decision to the Department of Ecology for review. The City will complete review of the Clearing and Grading permit application within thirty (30) days and issue a decision after the expiration of the Department of Ecology's review period for the Shoreline Substantial Development permit. La Pianta shall segregate the Clearing and Grading permit application into separate applications for those portions of the Tukwila South Project inside and outside the 200-foot shoreline environment, respectively, and the City shall review and issue such separate permits independently. These grading permit applications shall not operate to vest La Pianta to the SMP or any Floodplain Regulations.

4.10 South 178th Street Project. The Administration of the City shall recommend to the City Council that the realignment of South 178th Street, as depicted in the 90% construction drawings, be added to the City's Capital Improvement Plan.

4.11 Vacation of Frager Road/Southcenter Parkway and the City Triangular Parcel. Pursuant to RCW 35.79.010, the City has by resolution initiated a vacation of (i) that portion of Frager Road/Southcenter Parkway described in Exhibit 7, attached hereto, and (ii) the "City Triangular Parcel," which is more particularly described in Exhibit 6 of this Agreement. The City agrees that there will be no remaining public use or benefit to that portion of Frager Road/Southcenter Parkway described in Exhibit 7 and the City Triangular Parcel, following dedication of the Southcenter Parkway right-of-way as set forth in Section 4.3.2 above. Therefore, the City shall, simultaneous with La Pianta's dedication of the Southcenter Parkway right-of-way set forth in Section 4.3.2 above, vacate Frager Road/Southcenter Parkway and the City Triangular Parcel at no cost to La Pianta and the other adjoining landowners, as applicable. The conveyance of the property to La Pianta pursuant to the vacation will occur within thirty (30) days after the completion of the Southcenter Parkway Project.

4.12 Transfer of the City Detention Pond. The City hereby determines that there is no remaining public use or benefit to the following property and shall transfer to La Pianta, free and clear of all encumbrances and for no additional consideration, in its as-is, where-is condition, the "City Detention Pond," which is more particularly described in Exhibit 6 of this Agreement. Subject to the terms set forth in Section 4.2.5, the City shall convey the City Detention Pond within thirty (30) days of the completion of the annexation. The City shall undertake all

necessary actions required to declare said parcel surplus, and convey the parcel to La Pianta in the manner required by law.

5. Development Under This Agreement.

The Tukwila South Project will be developed under the jurisdiction of the City pursuant to the terms and conditions of this Agreement. This Agreement sets forth the development standards, mitigation measures, and other conditions of development for the Project. Proper operation and maintenance of surface water management systems, adequate sewer service capacity, adequate public safety facilities and services, and adequate transportation facilities will be fully satisfied through La Pianta's compliance with the requirements of this Agreement. Provided La Pianta satisfies its obligations under this Agreement as such obligations may arise, the City shall provide on a timely basis the necessary City public infrastructure specified in this Agreement needed to support build-out of the Project, subject to the condition of securing the necessary funds to construct such improvements and City Council approval for such improvements.

5.1 Native Growth Protection Areas (NGPA). No development shall be permitted to occur in a Native Growth Protection Area except trails, the Orillia Road Connector and utilities, including, but not limited to, electrical transmission lines, placement of which must be approved by the City; water and sewer system lines; access roads for levy maintenance. Clearing limitations within NGPA areas shall be those identified in the existing Tukwila Municipal Code, subject to the provisions of this Section 5.1. Clearing and ground disturbing activities associated with mitigation activities are permitted, with City permits. Once the Sensitive Areas Master Plan is implemented and mitigation areas are enhanced, restored, or created, NGPAs shall be left permanently in an undisturbed vegetated state and shall not be cleared or improved except as necessary to (1) prune or remove dead or diseased trees, and vegetation reasonably adjacent to developed areas of the Tukwila South Property, (2) remove invasive or exotic vegetation, (3) prune or remove trees or other vegetation presenting a threat to life or safety or growing over roadways, levees, drainage ditches, trails, or other corridors that must be kept clear, or (4) maintain mitigation areas; or (5) permit the work expressly described in this Section 5.1. For the purposes of this Agreement, the NGPAs on the Tukwila South Property are identified in Exhibit 3 attached hereto.

5.2 Vesting of Development Regulations. The proposed development as described in this Agreement shall vest to the following development regulations in effect on the date of execution of this Agreement (the "Development Regulations") for the Term of this Agreement:

The Tukwila Comprehensive Plan (Ord No. 2070 adopted November 22, 2004, as amended by Ordinance 2218 adopted December 15, 2008); the Tukwila Zoning Ordinance (Title 18, TMC); the Tukwila Subdivision Ordinance (Title 17, TMC); Shoreline Master Program designations and pre-designations, transportation concurrency regulations; stormwater, surface water treatment and quality, and surface water retention and detention design standards and ordinances (including the requirement of the NPDES permit effective February 2007); SEPA regulations and substantive SEPA policies,

Development of the Property shall not be subject, during the Term of this Agreement, to any amendments to, or replacements of, the Development Regulations listed above. These are rights vested under state law for purposes of RCW 36.70A.300 (3)(a). In accordance with Section 3.5 above, La Pianta will comply with the provisions of the SMP and the Floodplain Regulations in effect on the date of each complete development permit application.

5.2.1 Police Power/Pre-emption. Nothing herein relieves La Pianta of any obligations it may have during the Term to comply with state or federal laws or regulations of any kind, including but not limited to those related to storm, surface water and floodplain management. The proposed development shall not be vested against the application of development standards that are imposed by virtue of state or federal pre-emption of the City's regulatory authority. As provided by RCW 36.70B.170(4), the proposed development shall not vest against new development regulations to the extent the new regulations are required by a serious threat to public health and safety.

5.2.2 International Codes. The International Building Code, International Fire Code, and other construction codes in effect in the State of Washington as of the date of the filing of a complete application for a building permit shall apply to all new development and the redevelopment or modification of existing development.

5.2.3 Scope of Vesting. The vesting described herein shall apply for fifteen (15) years from the effective date of the annexation provided in Section 4.1 (the "Term" of the Agreement). For those development standards not specifically enumerated in this section or in Section 5.2.1, the Land Use Process approvals shall be governed by the City codes and standards in effect upon the date of complete application.

5.2.4 FEMA. La Pianta is obligated to comply with applicable FEMA National Flood Insurance Program regulations that are in effect at the date of any building, grading or clearing permit application.

5.2.5 Optional Regulations. During the Term of this Agreement, La Pianta may at its option develop the Property or portions thereof in accordance with new code provisions or generally applicable standards for that subject adopted after the date of execution of this Agreement, without the obligation to bring other portions of the Property into conformance with newly-adopted codes or regulations.

5.3 Transportation.

5.3.1 Concurrency Approval. Pursuant to TMC 9.48 and TMC 21.04, the City has determined that the Tukwila South Project, up to the Trip Ceiling (hereinafter defined), meets the City's standards for transportation concurrency approval and mitigates significant adverse impacts to the City's transportation system; provided that the Tukwila South Project must be developed in compliance with the terms of this Agreement, including compliance with requirements that La Pianta pay transportation impact fees applicable at the time of building permit issuance.

5.3.2 Trip Ceiling for Tukwila South Project. New development within the Tukwila South Project under this Agreement is limited to new development generating net new p.m. peak hour vehicle trips (inbound and outbound) ("Net New Trips") not exceeding the Trip Ceiling. New development within the project exceeding the Trip Ceiling shall be subject to mitigation and concurrency requirements applicable at the time of application. The number of Net New Trips for the Project for which full mitigation and concurrency approval is established under this Agreement (the "Trip Ceiling") shall be 10,166 Net New Trips from new development, comprising not more than 2,646 Net New Trips inbound to the Project and not more than 7,520 Net New Trips outbound from the Project. The methodology for determining Net New Trips for any phase of the Tukwila South Project (including assumed values for trip generation and percentages for trip reductions) shall be as set forth in the Transportation Impact Study incorporated in the Tukwila South EIS for the Tukwila South Project. Trip counts shall be estimated at the perimeter of the Project site; trips internal to the Project shall not count against the Trip Ceiling. Transportation impact fees shall apply only to the Net New Trips allocated to the proposed new development. Subject to the provisions of this Agreement, these 10,166 Net New Trips shall be reserved by the City for use by La Pianta hereunder for the Term of this Agreement. If La Pianta is in compliance with the requirements of this Section, La Pianta will only be required to produce a trip generation study for each development project in order to identify the associated Net New Trips for that project.

(a) Construction of Orillia Road Connector. La Pianta shall construct at its own expense a new 4-lane arterial connector between Orillia Road S. and Southcenter Parkway Extension ("Orillia Road Connector"). La Pianta shall complete construction of the Orillia Road Connector within 6 years of the time 7500 Net New Trips are generated by the Project (the "Orillia Road Completion Date"). After the Orillia Road Completion Date, no Net New Trips from the remainder of the Trip Ceiling may be used by La Pianta until this improvement is completed and accepted by the City. La Pianta shall, at its own cost, obtain all state, federal, and local permits and approvals required for the Orillia Road Connector. Subject to applicable laws and ordinances and the terms and conditions of this Development Agreement, the City agrees to cooperate with La Pianta in obtaining such permits and approvals. The Orillia Road Connector will consist of four lanes. A diagram of the Orillia Road improvement is attached hereto as Exhibit 10.

(b) If the Orillia Road Connection, required hereunder cannot be constructed within the time frame set out herein for reasons outside the control of La Pianta, then if La Pianta desires to continue with new development absent the construction of either of this improvement, La Pianta may, as an alternative to construction of the Orillia Road Connector (i) reduce or defer the amount of development proposed in the Project; (ii) implement Transportation Demand Management (TDM) strategies and/or (iii) construct other transportation system improvements ("Alternative Mitigation"). The City shall approve such Alternative Mitigation if, with such Alternative Mitigation in place, the Project passes a test under the City's transportation concurrency requirements, applying the requirements of TMC 9.48 and the City's traffic concurrency ordinance. Provided that under no circumstance can the cap of 10.3 million square feet of new building floor area (as that term is defined in Section 3.1) be exceeded by implementing TDM strategies or Alternative Mitigation measures.

5.3.3 Credit for Existing Trips. As described in the Tukwila South EIS, the existing development on the Project site generates a total of 1,241 p.m. peak hour vehicle trips (298 trips inbound and 943 trips outbound) ("Existing Development Trips"). Existing Development Trips shall not count against the Trip Ceiling, and are not subject to impact fees hereunder. Existing Development Trips may be used as a credit against trip generation from new development to the extent existing uses are permanently discontinued and/or existing structures are removed ("Credit Trips"). The existing development and Existing Development Trips are set forth in Exhibit 11. La Pianta may allocate available Credit Trips to the proposed new individual development, as development occurs.

5.3.4 No Additional Transportation Concurrency or SEPA Review Required. Since the City has determined compliance with the mitigation requirements identified in this Agreement satisfies transportation concurrency and substantive SEPA requirements for the Tukwila South Project, no additional SEPA review or transportation concurrency review shall be required for development that is within the Trip Ceiling for the Term of this Agreement, except additional SEPA review may occur as set forth in Section 6:2 below.

5.4 Stormwater Regulation.

5.4.1 Description of Surface Water Control Facilities. The surface water control facilities for the Project shall include:

5.4.1.1 Parcel storm drains. Parcel storm drains will provide collection and conveyance of runoff from individual development parcels to a primary trunk storm drain within Southcenter Parkway from S. 180th Street to S. 200th Street (the "Trunk Storm Drain").

5.4.1.2 Trunk storm drain. The Trunk Storm Drain will drain into two detention/water quality facilities - the North Basin ("North Facility") and the South Basin ("South Facility"), and are more particularly described in Section 5.4.1.3. The North Basin will outflow into the S. 180th Street Pump station, which will route stormwater either to the Green River or into the P-17 Drainage Basin. The South Basin will outflow into the Green River. Emergency overflow of the South Basin will be discharged to Johnson Creek.

5.4.1.3 Water quality treatment and detention facilities. The stormwater control system includes two major water quality treatment and runoff control facilities (one each in the north and south portions of the site). Each facility shall be constructed as a combined water quality/detention ponds and sized to meet the water quality treatment and runoff control requirements for the area being served, including the Expansion Areas.

The South Facility shall provide at least Level 1 flow control as defined in the 2005 King County SWDM. The North Facility shall control the peak flow magnitude of runoff to at or below 75% of the designed pumping capacity of the S. 180th Street Pump Station. Both the North and South Facilities will be open ponds, and a preliminary design of the facilities are set forth in the Tukwila South EIS. The water quality/detention facilities will operate to

provide the required level of downstream peak flow control. The detention facilities will include a dead storage component for water quality and a live storage component representing the required detention volumes. The site development phasing may include phased construction of detention and water quality facilities or the use of temporary facilities for the early site development. Temporary use of the South Facility may also be used for site development within the North Basin, provided that such use does not exceed the capacity of the South Facility.

5.4.2 Stormwater Standards. This Section specifies the surface water management standards applicable to the Tukwila South Project during the Term of the Agreement, including the existing Segalé Business Park and the proposed Expansion Areas.

5.4.2.1 Vested Design Standards for Surface Water Control Facilities. City of Tukwila Development Guidelines and Design and Construction Standards (Second Edition, Revision 1, 2005) and the 1998 King County SWDM provide the approved methods for the analysis and design of the surface water management components for the Project during the Term of this Agreement, except for the South Facility where conservation flow control is required under the 2005 King County SWDM, and except for those modifications listed in Table 1 (the "Stormwater Standards"). Where not otherwise specified, design standards of the 1998 King County SWDM will apply. The Stormwater Standards supersede any other applicable TMC, SWDM, and basin/water quality plan requirements during the Term of this Agreement. The Stormwater Standards include the Code Modifications specified in Table 1. Furthermore, some adjustments in the natural location of discharge (including minor inter-subbasin diversions of runoff) will be permitted as a result of changes in development area drainage collection, detention, treatment, and outfall locations. Other adjustments from the applicable SWDM, design standards or other applicable surface water management regulations may be requested during the site plan review process and evaluated in accordance with the criteria in TMC 18.41D:090. Nothing herein shall relieve La Pianta from any obligation to comply with applicable state and federal stormwater regulations currently in effect or adopted in the future.

TABLE 1. Code Modifications

SWDM Manual Section / TMC	SWDM Manual / TMC – Reference Text	Code Modifications	Rationale
SWDM Core Requirement #1	<p>Discharge at the Natural Location</p> <ul style="list-style-type: none"> <i>"All surface and storm water runoff from a proposed project that proposes to construct new, or modify existing drainage facilities must be discharged at the natural location so as not to be diverted onto, or away from, the adjacent downstream property..."</i> 	<ul style="list-style-type: none"> During development, minor changes to natural drainage shed boundaries and tributary areas are inevitable due to grading of roadways etc. Interpretation that existing discharge points to the Green River do not constitute separate "natural" discharge points 	<ul style="list-style-type: none"> Other minor on-site sub-basin routing through detention ponds and discharges to on-site wetlands etc. are not formal variances from core requirement #1 but shall be reviewed during the preliminary plat technical review or the detailed engineering drainage review. The existing discharge points are man-installed culverts through the levee system. The Green River is a "managed" flow system and is a direct receiving water above and below the project site. Proposed future discharge points from post developed basins will not pose an adverse impact to the River.
SWDM Core Requirement #3	<p>Flow Control</p> <ul style="list-style-type: none"> <i>Level 1 flow control identified for the Site area of Tukwila South</i> 	<ul style="list-style-type: none"> The Manual prescribed Level 1 flow control is not proposed for the North Basin runoff. 	<ul style="list-style-type: none"> All runoff from the North Basin drains to City stormwater pump stations. The control of runoff and stormwater detention design is geared to the capacity of these existing pump stations. This is not specifically listed in the Manual as an allowed exemption.
SWDM Core Requirement #8	<p>Basic Water Quality Treatment Design</p> <ul style="list-style-type: none"> <i>Water quality design flow per KCSWDM Sec. 6.2.1</i> 	<ul style="list-style-type: none"> Sizing methods utilizing the HSPF model from the project Master Drainage Plan 	<ul style="list-style-type: none"> Would best meet the intent of the design standard by utilizing continuous simulation and historic data.
TMC 14.30 Storm Water Management	<p>TMC 14.30.070 Standards requires that all activities be undertaken in accordance with the 1998 King County Surface Water Design Manual</p>	<ul style="list-style-type: none"> All facilities would be in accordance with the 1998 King County Surface Water Design Manual, unless site constraints or other provisions such as LID require variation to design specifics. 	<ul style="list-style-type: none"> To allow for maximum flexibility of the site, and acknowledging the site design particulars, adequate water quality and detention will be provided, but may vary from Manual design specifics.

5.4.2.2 Grading Ordinance Design Standard Modifications. The following exceptions from Grading Ordinance No. 2062 shall apply to the Project during the Term of this Agreement:

- a. A significant tree survey and tree replacement plan are not required.
- b. Slope grading - Slope stability and slope grading limitations shall be evaluated within site development areas based on geotechnical evaluation and applicable codes.
- c. A vegetative restoration plan is not required except for the wetland mitigation portions of the NGPAs.
- d. Project notification and permanent NGPA signs are required.
- e. Points of drainage discharge are not limited to the nearest practicable drainageway - Required methods of managing natural discharge from springs, streams, or other natural sources are to be defined in the approved Master Stormwater Infrastructure Plan (hereinafter defined).
- f. Proposed modifications to surface water management provisions are governed by TMC 18.41D.090.
- g. Any construction activities, including site grading and building, during wet or dry seasons shall be allowed provided such activities meet with the stormwater quality requirements set forth in the NPDES Permit.

5.4.2.3 Impervious Area Limitations. In the "Development Area", up to 85% of the developable area served by each stormwater facility may be covered with impervious surfaces, unless otherwise altered with City approval in the design phase. Expansion Areas described in Section 3.4 of the Development Agreement are included in the impervious area calculations. The sizing of surface water control facilities may be adjusted to reflect actual land use impervious areas in final design as indicated in the final approved Master Stormwater Infrastructure Plan.

5.4.2.4 TESC and NPDES Requirements for all Construction. Temporary Erosion and Sedimentation Control Plans ("TESCPs") will use SWDM Best Management Practices ("BMPs") to minimize the extent of soils disturbance in contact with surface runoff during construction, and to maximize disturbed soil stabilization/cover practices to reduce erosion potential. This will apply to both dry and wet season construction. The TESCPs will be developed to comply with *Core Requirement No. 5 and Appendix D* of the SWDM, and Department of Ecology requirements as identified in the NPDES Permit. The TESCPs will be implemented in Project grading permits, which shall be submitted for City review and approval. Multiple TESCPs will be required to accommodate the phasing of site development. La Pianta shall comply with all project inspection requirements concerning surface water TESC plans that are set forth in the NPDES Permit.

5.4.3 Stormwater Infrastructure Development.

5.4.3.1 La Pianta Obligations. La Pianta shall implement the following stormwater mitigation conditions at its sole expense, in accordance with the timing requirements set forth below:

Mitigation Measures	Timing
1. A temporary stormwater treatment system shall be installed per the requirements of the 1998 King County SWDM during the first construction season. Prior to its completion, all stormwater from construction or cleared areas shall be retained on site.	During the first construction season.
2. Install a long-term construction stormwater polymer treatment system.	Constructed and operational prior to the start of any discharges from the site.
3. Construct the elevation of the separating berm between the Green River and the Green River Off Channel Habitat Area excavation to prevent Green River inflow to the excavation during the high flow season.	During the first construction season and prior to first wet season construction activities.
4. Install a sediment curtain or similar measures to minimize sediment release to the Green River when the separating berm between the Green River Off Channel Habitat Area and the river is removed.	Installation before breaching the berm adjacent to the off-channel habitat restoration project, during a time window defined in the Hydraulic Project Approval (HPA) for the project.
5. Prepare and implement the SAMP wetland mitigation plan to compensate for the filling of low-value wetlands.	Approval of SAMP plan by the Department of Community Development Director prior to the start of site mass grading during the first construction season; wetland mitigation construction will start the first year of construction and be complete during the third year of construction.
6. Prepare and implement a fisheries mitigation plan pursuant to the SAMP.	Approval of the SAMP plan by the Department of Community Development Director prior to the start of site mass grading during the first construction season; mitigation construction will start the first year of construction and be complete during the third year of construction.

7. Construct a temporary North Facility and the South Facility as part of the permanent stormwater management system.	Approval of the temporary North and permanent South Facilities plans shall occur prior to the start of site grading during the first construction season.
8. Prepare a Master Stormwater Infrastructure Plan.	Approval shall be obtained prior to start of utility work.

5.4.3.2 City Obligations: During construction of the Southcenter Parkway Project, the City shall install stormwater conveyance infrastructure, including the Trunk Storm Drain, within Southcenter Parkway to connect to the North Facility and the South Facility.

5.4.4 Master Stormwater Infrastructure Plan. Master Stormwater Infrastructure Plan. La Piñata shall prepare and submit as part of the Tukwila South Project's application for a Clearing and Grading Permit, a Master Stormwater Infrastructure Plan for Tukwila South. The plan shall substantially comply with all the criteria of Section 5.4 of this Agreement including this Section 5.4.4, and be consistent with the Stormwater Standards of this Agreement and shall address the Tukwila South Project's compliance with the eight core requirements and five special requirements specified in Section 1.1.2.4 of the 1998 King County Surface Water Design Manual - Large Site Drainage Review. The City shall review the Stormwater Infrastructure Plan and may require changes if necessary to ensure overall compliance. Issuance of the Clearing and Grading Permit shall be governed by Section 4.9 herein, and approval of a final Master Stormwater Infrastructure Plan shall not be required prior to issuance of the Clearing and Grading Permit.

5.4.5 Monitoring. Monitoring shall be performed as required under the 401 Certification and the NPDES permit for construction discharge issued and administered by the Washington Department of Ecology, and for Total Suspended Solids ("TSS") as shown in Table 2.

**TABLE 2
NORTH AND SOUTH FACILITIES
TOTAL SUSPENDED SOLIDS (TSS) MONITORING PLAN**

Plan Element	Implementation	Comments
Objective	Report Facility water quality performance to the City as estimated by TSS monitoring (used as performance measure in the 1998 SWDM).	
Monitoring Start for Each Facility	Upon 70% buildout in the catchment served by each Facility.	Begin monitoring when there is sufficient buildout to generate TSS, but not while active construction influence persists (construction discharge to be monitored under NPDES permit requirements).

Plan Element	Implementation	Comments
Monitoring Frequency	<ul style="list-style-type: none"> o Five times per year o During storms exceeding ¼ inch of rain in 24 hours o Four times during Oct 1 through March 30 (wetter season) o One time during May 1 through Sept 30 (drier season) 	Collect samples under a range of conditions through the year, but concentrating on the wetter season when the majority of discharge volume will occur.
Monitoring Duration	Three consecutive years per Facility	
Monitoring Method	Grab samples at Facility outlet during active rainfall	Samples analyzed at a Washington Certified analytical laboratory
Criterion	TSS (cumulative average during the monitoring for each Facility) shall be lower than 20 mg/L	The 1998 King County SWDM's treatment goal is to remove 80% of TSS for flows or volumes up to and including the WW design flow or volume. Flows and volumes in excess of the WQ design flow or volume can be routed around the WQ facility or can be passed through untreated. The monitoring plan assumes that the inflow WQ will be between 30 to 100 mg/L TSS and therefore proposes a criterion of 20 mg/L (80% removal of the upper estimate).
Reporting	Once annually to the City	Within 60 days of last wet season result from the analytical laboratory.
Response to Data	The water quality performance data shall be provided to the City for its use in making future decisions on stormwater management. If the data indicates that the North and South Facilities are not functioning properly due to improper construction or lack of required maintenance by La Pianta, then La Pianta shall remedy such condition promptly at its expense.	

6. SEPA Compliance.

6.1 Prior SEPA Documents. Development within the Project areas as contemplated in this Agreement has been addressed and analyzed in prior environmental documents, including but not limited to environmental impact documents prepared for Tukwila's Comprehensive Plan and the Tukwila South environmental impact statement (collectively, the "SEPA Documents"). The SEPA documents shall constitute compliance to the fullest extent possible under SEPA for all Implementing Approvals. For purposes of this Agreement, an "Implementing Approval" means a land use approval or permit subsequent to the execution of this Agreement which implements or otherwise is consistent with this Agreement, including but not limited to plats, short plats, binding site plans, site development permits, grading and building permits and utility permits. Subject to the provisions of this Section, no further SEPA review is required, and no additional substantive SEPA mitigation measures are required beyond those set forth in this Agreement.

6.2 Further SEPA Review Limited. Except as set forth herein, no further SEPA review shall be required for the Project. The City may require additional SEPA review based only the following conditions:

- (a) An Implementing Approval or requested modification materially exceeds the Project Envelope (hereinafter defined) and governing Development Regulations; or
- (b) The City concludes (pursuant to SEPA, SEPA Rules, and City SEPA regulations) that substantial changes have been made to the Tukwila South Project so that, as mitigated, it is likely to have significant adverse impacts not previously analyzed in a SEPA environmental document, and which impacts cannot be mitigated below a level of significance by applicable local, state or federal regulations; or
- (c) The City concludes (pursuant to SEPA, SEPA Rules, and City SEPA regulations) that there is new information indicating probable significant adverse environmental impacts of the Tukwila South Project not previously analyzed in a SEPA environmental document which cannot be mitigated below a level of significance by applicable local, state or federal regulations.

For purposes of this Agreement, "Project Envelope" means the level and range of development (including maximum structure height, floor area, bulk and use) analyzed within one of the alternatives reviewed in the Tukwila South EIS and any subsequent addenda or SEPA Documents which may be issued by the City. The Project Envelope includes all of the physical aspects of a general development plan, individual project, or other on-site or off-site physical improvements as disclosed and analyzed in

the Tukwila South EIS. As used herein, "materially exceeds" means the proposal, as mitigated, is likely to have significant adverse impacts not previously analyzed in the SEPA Documents or any other SEPA environmental document prepared for property within the Tukwila South Project area and which impacts cannot be mitigated below a level of significance by applicable local, state or federal regulations.

6.3 Written Notice. If the City determines at any time during the Term that it intends to require additional SEPA review for any Implementing Approval, the City shall give La Pianta written notice thereof and provide La Pianta an opportunity to modify the Implementing Approval application so as to render such additional SEPA review unnecessary.

7. Dispute Resolution Process.

7.1 The parties shall use their best efforts to resolve disputes arising out of or related to this Agreement using good faith negotiations by engaging in the following dispute escalation process should any such disputes arise:

- (a) Level One -- La Pianta's project manager and a City staff member appropriate to the nature of the dispute (selected from among the City's Deputy Director of DCD, Building Official, Fire Marshall or City Engineer, or a designee of any of the foregoing identified by the Administration)) shall meet to discuss and attempt to resolve the dispute in a timely manner. If they cannot resolve the dispute within fourteen (14) calendar days after referral of that dispute to Level One, either party may refer the dispute to Level Two.
- (b) Level Two -- La Pianta's principal and the City's Community Development Director or Public Works Director (or a designee of either of the foregoing identified by the Administration) shall meet to discuss and attempt to resolve the dispute, in a timely manner. If they cannot resolve the dispute within fourteen (14) business days after referral of that dispute to Level Two, either party may refer the dispute to Level Three.
- (c) Level Three -- La Pianta's principal (or designee) and the Mayor and the City Administrator (or the City Administrator's designee) shall meet to discuss and attempt to resolve the dispute in a timely manner. Counsel for the parties shall be permitted to attend Level Three meetings.

7.2 Except as otherwise specified in this Agreement, in the event the dispute is not resolved at Level Three within fourteen (14) calendar days after referral of that dispute to Level Three, either party may refer the dispute to binding arbitration, as set

forth herein. At all times prior to resolution of the dispute, the parties shall continue to perform and make any required payments under this Agreement in the same manner and under the same terms as existed prior to the dispute.

7.3 In the event that a dispute is referred to binding arbitration, the parties agree to the following procedure:

- (a) Binding arbitration between the parties pursuant to this Section shall be governed by the rules and procedures set forth in this Section.
- (b) Within seven (7) calendar days of the date the dispute is referred to binding arbitration, each party shall provide the other party with the names of three neutral arbitrators having significant experience in the subject matter of the dispute and in arbitrating disputes. The parties will thereafter attempt in good faith to select an arbitrator from this panel of six candidates.
- (c) If the parties to the dispute are unable to agree upon a single arbitrator within twenty-eight (28) calendar days of the date the dispute is referred to binding arbitration, then each party shall designate one arbitrator from its panel of three, the two arbitrators selected in that manner will choose a third arbitrator from among the remaining panel members, and this third arbitrator so selected would act as the single arbitrator for the dispute.
- (d) Upon selection of the arbitrator, said arbitrator shall determine the question(s) raised within fourteen (14) calendar days, unless a different period of time is otherwise agreed upon by the parties in writing, provided that issues of arbitrability may not be decided by the arbitrator. Said arbitrator shall then give both parties reasonable notice of the time (which time shall be within thirty (30) calendar days of the arbitrator's determination of the questions raised, unless a different period of time is otherwise agreed upon by the parties), and place of hearing evidence and argument; take such evidence as the arbitrator deems relevant, with witnesses required to be sworn; and hear arguments of counsel or others.
- (e) After consideration of all evidence, testimony and arguments, said single arbitrator shall, within thirty (30) days of completion of the hearing, promptly state such decision or award in writing. Said decision or award shall be final, binding, and conclusive on all parties to the arbitration when delivered to them, except as provided in Subsection 7.3(h). Until the arbitrator issues the first decision or award upon any question submitted for the arbitration, performance

under the Agreement shall continue in the manner and form existing prior to the rise of such question. After delivery of said first decision or award, each party shall forthwith comply with said first decision or award immediately after receiving it.

- (f) La Pianta and the City shall share equally the compensation, costs, and expenses of the arbitrators, but each shall be responsible for their own fees and expenses of its own witnesses, exhibits, and counsel. La Pianta and the City shall pay the compensation, costs and expenses of the single arbitrator or the additional arbitrator in the board of arbitrators in equal shares.
- (g) The arbitrator shall have the authority to enter awards of equitable remedies consistent with the obligations of the City and La Pianta under this Agreement.
- (h) The arbitrator shall not have the authority to enter any award, the satisfaction of which by the party to be bound, would be impermissible under any law, regulation, or funding agreement to which the bound party is subject. The determination of any such impermissibility shall be made by a court of competent jurisdiction within the State of Washington and under the laws of the State of Washington. Any such determination shall be appealable.

7.4 This dispute resolution process will not apply to the following disputes: (i) disputes regarding the accounting of Project revenues and City expenditures; and (ii) disputes concerning the letters of credit. Any disputes regarding revenues/expenditures must utilize the dispute resolution process outlined in Section 4.8.3. Issues of arbitrability of a dispute shall be determined by the Presiding Judge, King County Superior Court.

7.5 Nothing in this Section 7 shall preclude either party from seeking injunctive or equitable relief prior to the initiation or completion of this dispute resolution process.

8. **Modifications to Agreement.** This Agreement contains all terms, conditions and provisions agreed upon by the parties hereto, and shall not be modified except by written amendment executed by both parties. Amendments to this Agreement that materially modify the intent and policy of the Agreement must be approved by the City Council. Other amendments may be approved by the City Mayor.

9. **General Provisions.**

9.1 **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Washington.

9.2 Recording. This Agreement or a memorandum thereof shall be recorded against the Tukwila South Property as a covenant running with the land and shall be binding on La Pianta, its heirs, successors and assigns until this Agreement expires on its own terms pursuant to Section 5.2.3.

9.3 Agreement Binding on Successors; Respective Obligations of La Pianta and Parcel Builders. This Agreement shall be binding upon and shall inure to the benefit of the heirs, successors and assigns of La Pianta, and upon the City, except as limited and conditioned in this Agreement. La Pianta's general duties and obligations under this Agreement for the Tukwila South Project are not intended to be delegated to Parcel Builders unless a particular duty or obligation, specifically and directly related to the Development Parcel in question, is expressly imposed by the City as a term or condition of an Implementing Approval for that Parcel.

9.4 Parcel Builders' Obligations; Notice to City re Parcel Builder; Declaration of Covenants for Tukwila South Project. The parties acknowledge that development of the Tukwila South Project may involve transfer of undeveloped or partially-developed development parcels in the Tukwila South Property or the Expansion Areas, each a "Development Parcel," to one or more Parcel Builders. These Parcel Builders will in turn own, develop and/or occupy portions of the Tukwila South Property and buildings thereon as part of the Tukwila South Project. Parcel Builders shall be obligated with respect to all conditions of Implementing Approvals applicable to their respective Development Parcels, unless such an obligation is specifically identified in this Agreement or in the Implementing Approval as that of La Pianta. For purposes of this Agreement, a "Parcel Builder" shall mean an owner or lessee of all or a portion of the Development Area authorized for development pursuant to this Agreement, or a successor or assign of an owner or lessee, who develops and/or occupies portions of the Tukwila South Property or an Expansion Area, or develops and/or occupies buildings thereon as part of the Tukwila South Project, provided however, that building tenants shall be excluded from this definition.

9.5 Interpretation; Severability.

9.5.1 Interpretation. The parties intend this Agreement to be interpreted to the full extent authorized by law as an exercise of the City's authority to enter into development agreements pursuant to RCW 36.70B.170 et seq., and this Agreement shall be construed to exclude from the scope of this Agreement and to reserve to the City, only that police power authority which is prohibited by law from being subject to a mutual agreement with consideration. If a Tukwila South Development Standard conflicts with an otherwise applicable provision of the Tukwila Municipal Code, the Tukwila South Development Standard shall control.

9.5.2 Severability. If any provisions of this Agreement are determined to be unenforceable or invalid in a final decree or judgment by a court of law, then the remainder of this Agreement not decreed or adjudged unenforceable or invalid shall remain unaffected and in full force and effect. In that event, this Agreement shall thereafter be modified, as provided immediately hereafter, to implement the intent of the parties to the maximum extent allowable under law. The parties shall diligently seek to agree to modify the Agreement consistent with the final court determination, and no party shall undertake any actions inconsistent with the intent of this Agreement until the modification to this Agreement has been completed. If the parties do not mutually agree to modifications within forty-five (45) days after the final court determination, then either party may initiate the arbitration process under Section 7 for determination of the modifications that will implement the intent of this Agreement and the final court decision.

9.6 Authority. Each party respectively represents and warrants that it has the power and authority, and is duly authorized, to enter into this Agreement on the terms and conditions herein stated, and to deliver and perform its obligations under this Agreement.

9.7 Exhibits and Appendices Incorporated. Exhibits 1 through 11 are incorporated herein by this reference as if fully set forth.

9.8 Headings. The headings in this Agreement are inserted for reference only and shall not be construed to expand, limit or otherwise modify the terms and conditions of this Agreement.

9.9 Time of the Essence. Time is of the essence of this Agreement and of every provision hereof. Unless otherwise set forth in this Agreement, the reference to "days" shall mean calendar days. If any time for action occurs on a weekend or legal holiday in the State of Washington, then the time period shall be extended automatically to the next business day.

9.10 Entire Agreement. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof. There are no other agreements, oral or written, except as expressly set forth herein and this Agreement supersedes all previous agreements, oral or written.

9.11 Default and Remedies.

9.11.1 Cures Taking More Than Thirty Days. Except as expressly provided otherwise in this Agreement, no party shall be in default under this Agreement unless it has failed to perform as required under this Agreement for a period of thirty (30) days after written notice of default from any other party. Each notice of default shall specify the nature of the alleged default and the manner in which the default may be cured satisfactorily. If the nature of the alleged default is such that it cannot be

reasonably cured within the thirty (30) day period, then commencement of the cure within such time period and the diligent prosecution to completion of the cure shall be deemed a cure.

9.11.2 Rights of Non-Defaulting Party. A party not in default under this Agreement shall have all rights and remedies provided by law or equity, including without limitation damages, specific performance, or writs to compel performance or require action consistent with this Agreement.

9.11.3 Attorneys' Fees. In any action to enforce or determine a party's rights under this Agreement, the prevailing party shall be entitled to attorney's fees and costs.

9.12 Relief Against Defaulting Party or Portion of Tukwila South Property. In recognition of the anticipated transfers by La Pianta of parcels of the Tukwila South Property to Parcel Builders, remedies under this Agreement shall be tailored to the Tukwila South Property or parties as provided below.

9.12.1 Relief Limited to Affected Development Parcel. Any claimed default shall relate as specifically as possible to the portion or Development Parcel of the Tukwila South Property involved, and any remedy against any party shall be limited to the extent possible to the owners of such portion or Development Parcel of the Tukwila South Property.

9.12.2 Relief Limited to Affected Owner. To the extent possible, the City shall seek only those remedies that do not adversely affect the rights, duties or obligations of any other nondefaulting owner of portions of the Tukwila South Property under this Agreement, and shall seek to utilize the severability provisions set forth in this Agreement.

9.13 Term. The Term of this Agreement shall be as set forth in Section 5.2.3 above. Until such time as the City revises the comprehensive plan or development regulations which apply to Tukwila South during the Term of this Agreement, the goals of the comprehensive plan and the development regulations to which the project vests will continue to apply to the Tukwila South Property following the expiration of this Agreement.

9.14 No Third-Party Beneficiary. This Agreement is made and entered into for the sole protection and benefit of the parties hereto and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement. Parcel Builders in Tukwila South shall be deemed to be successors under this provision.

9.15 Interpretation. This Agreement has been reviewed and revised by legal counsel for both parties, and no presumption or rule construing ambiguity against the drafter of the document shall apply to the interpretation or enforcement of this Agreement.

9.16 Notice. All communications, notices, and demands of any kind that a party under this Agreement requires or desires to give to any other party shall be in writing and either (i) delivered personally, (ii) sent by facsimile transmission with an additional copy mailed first class, or (iii) deposited in the U.S. mail, certified mail postage prepaid, return receipt requested, and addressed as follows:

If to the City: City of Tukwila
6200 Southcenter Boulevard
Tukwila, Washington 98188
Attn: Mayor's Office and
Director of Public Works and
Director of Community Development

If to La Pianta: La Pianta LLC
P.O. Box 88028
Tukwila, Washington 98138-2028
Attn: Mr. Mark A. Segale

Notice by hand delivery or facsimile shall be effective upon receipt, provided that notice by facsimile shall be accompanied by mailed notice as set forth herein and shall be evidenced by a machine-printed confirmation of successful transmission. If deposited in the mail, certified mail, return receipt requested, notice shall be deemed delivered forty-eight (48) hours after deposited. Any party at any time by notice to the other party may designate a different address or person to which such notice or communication shall be given.

9.17 Delays. If either party is delayed in the performance of its obligations under this Agreement due to Force Majeure, then performance of those obligations shall be excused for the period of delay. For purposes of this Agreement, economic downturns, loss in value of La Pianta assets, inability to obtain or retain financing, do not constitute a force majeure event.

9.18 Payments. Any payments made pursuant to the terms of this Agreement shall be made within thirty days of invoice, unless otherwise specified in the Agreement. Any late payments shall be subject to interest charges at the rate of 12% per annum.

9.19 Indemnification. Except as otherwise specifically provided elsewhere in this Agreement and any exhibits hereto, each party shall protect, defend, indemnify and hold harmless the other party and their officers, agents, and employees, or any of them,

from and against any and all claims, actions, suits liability, loss, costs, expenses, and damages of any nature whatsoever, which are caused by or result from any negligent act or omission of the party's own officers, agents, and employees in performing services pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damage is brought against a party, the party whose negligent action or omissions gave rise to the claim shall defend the other party at the indemnifying party's sole cost and expense; and if final judgment be rendered against the other party and its officers, agents, and employees or jointly the parties and their respective officers, agents, and employees, the parties whose actions or omissions gave rise to the claim shall satisfy the same; provided that, in the event of concurrent negligence, each party shall indemnify and hold the other parties harmless only to the extent of that party's negligence. The indemnification to the City hereunder shall be for the benefit of the City as an entity, and not for members of the general public.

9.20 Tukwila South Project is a Private Undertaking. The Tukwila South Project is a private development and the City has no interest therein except as authorized in the exercise of its governmental functions.

In Witness Whereof, the parties have caused this Agreement to be executed, effective on the day and year set forth on the first page hereof.

CITY OF TUKWILA, a Washington municipal corporation

By: *Jim Haggerton*
Jim Haggerton, Mayor

Date: 6-10-09

ATTEST:

Christy O'Flaherty
Christy O'Flaherty, City Clerk



APPROVED AS TO FORM:

[Signature]
City Attorney

La Pianta LLC, a Washington limited liability corporation

By: Metro Land Development, Inc.,
Its: Manager

By: *M.A. Segale*
M.A. Segale, President

Date: 6-10-09

EXHIBIT F

NWPT

1603 116th Ave NE
Bellevue, WA 98004

March 20, 2013

Diane Decker
506 Blackhawk
Las Cruces, NM 88001

Dear Diane,

I write this letter in reply to your request that I analyze the credibility of the LID Assessment Study as it pertains to your land which is governed by the Tukwila South Overlay (TSO). My analysis indicates that the LID Assessment Study cannot be relied upon to estimate the special benefit of your parcels. I detail my reasons below but the primary fault is a failure to properly identify the use to which land in the TSO may be put. In addition, I am unable to understand how improving traffic circulation in the vicinity of Southcenter Mall is able to somehow improve aesthetic perception and increase the value of your land which will ultimately be devoted to office-leasing employment.

The LID Assessment Study identifies itself as a mass appraisal report under the provisions of Standard 6 of the Uniform Standards of Appraisal Practice. It is important to realize that USPAP Standard 6: Mass Appraisal, Development and Reporting, covers both the development and reporting of a mass appraisal. It appears to me that if one follows the Standards one will be hard put to see where these rules have been applied in the Assessment Study. The comment to Standard Rule 6-1 indicates "Mass appraisal provides for a systematic approach and unification application of appraisal methods and techniques to obtain estimates of value that allow for statistical review and analysis of results."

In addition, the comment to Standard 6 states, "...mass appraisal includes: ...

- (4) developing a model structure that reflects the relationship among the characteristics affecting value in the market area;
- (5) calibrating the model structure to determine the contribution of the individual characteristics affecting value;

- (6) applying the conclusions reflected in the model to the characteristics of the property(ies) being appraised; and
- (7) reviewing the mass appraisal results.”

It is hard to see where in the study these steps have been followed. A good example of an appropriate mass appraisal assessment study is observed in the King County Assessor's 2009 Area Report for Des Moines/SeaTac/Kent (Area 88).¹ Therein, a model is established, calibrated, and reviewed as suggested by the standard.

The most critical deficiency of the Assessment Study as it applies to TSO property is the failure to perceive the significant difference between permitted use in TVS zone and the TSO. Standards Rule 6-3 (a) states “in appraising real property, identify and analyze the effect on use and value of the following factors: existing land use regulations . . .” We may consult the zoning regulations attached to the Assessment Study to verify the permitted uses in each of the two zones. The Assessment Study appears to misread the existing land use regulations; they would identify differences between the two zoning regimes. The TSO uses clearly exclude major retail and warehouse but do allow—among others—office uses. Nevertheless, the Assessment Study indicates the TVS and TSO have a similar range of permitted uses. The entire point of the TSO was to bring a world-class research and office employment center to Tukwila and the zoning sets the stage for this. Within the Assessment Study the discussion of market conditions as they relate to different land uses (retail, office, warehouse) clearly suggest that the land use with the least reasonable expectation of early development is office. It is, however, office which is favored by the TSO.

The point is that the real difference of the TVS zone and the TSO is that the latter is premised upon the exclusion of major retail (such as is vibrant in the Tukwila Urban Center) and warehousing (which dominates in the area and for which there is reasonable expectation of near- to mid-term demand) in exchange for the creation of a major regional employment center. The basic idea of the TSO is the creation of a large-scale research-and-development style campus-like employment center. One thinks of biotech around Lake Union and in the Northend or of the Microsoft campuses in Bellevue and Redmond. In other words, the TSO is designed to accommodate a world-class (hence, by definition, rare) development which has no early expectation of initiation.

¹Report accessible via <http://www.kingcounty.gov/Assessor/Reports/AreaReports/2009/ResSW.aspx>; 2009 being the last physical inspection year and, therefore, the last fully developed model.

To: Diane Decker

March 20, 2013

Page 3

Given that for an individual property, the special benefit is the change in market value as a result of the project, I suggest that the project only makes possible office development in the TSO parcels. Special benefit is measured as the difference, accruing by reason of the LID project, between the market value of each parcel studied without the project and market value of the same parcel with the project assumed completed as of the date of the study. I suggest the TSO has only changed the legal permissibility of development. This change has pushed any estimate of the commencement of such development into the more distant in the future than it would have been otherwise and the effect on value at the present time is—in my opinion—minimal.

The analysis of highest and best use requires analysis of the four elements: physical possibility, legal permissibility, financial feasibility and maximal productivity. I believe the Assessment Study has failed to properly analyze legal permissibility and has not addressed financial feasibility of the permitted use in TSO at all. By failing to realize that the reasonable expectation of office development in the TSO is so far off in the future the Assessment Study appears to over-estimate the special benefit of the parcel.

Sincerely,

Randall C. Scott

rsc/bbs

Randall C. Scott

Northwest Property Tax Consultants
1603 – 116th Ave NE, Suite 118
Bellevue, WA 98004
Phone 206-383-6978 (Randy Scott, personal) randy.scott@nwpropertytax.com
Bellevue office phone 425-502-9068
Fax 425-502-9353

Born: Oakland, California
Age: 62
Married with two grown children

Educated at University of California, Berkeley. Bachelor's degree in Economics and Master's degree in Geography.

Employed as an appraiser for many years. Most recently as Assistant Chief Appraiser with King County Assessor, emphasized quality control of appraisal work and dispute resolution in complex cases.

1983-1987 Santa Clara County Assessor's Office
Appraiser I and Appraiser II

1988-2002 King County Department of Assessments
Real Property Appraiser I
Commercial Appraiser I
Commercial Appraiser II
Senior Commercial Appraiser
Assistant Chief Appraiser

2002- Northwest Property Tax Consultants. Proprietor.

Instructor for IAAO courses Income Approach to Value and Advanced Income Approach to Value. Taught these classes in Ellensburg, Lacey, Tacoma and Seattle, Washington, and Anchorage, Alaska.

Member IAAO and candidate for professional designation as Certified Assessment Evaluator (CAE).

Holder of IAAO Presidential Citation for service while member of the IAAO Technical Standards Committee.

Published:

Option Pricing and Real Estate Appraisal (Proceedings, IAAO Conference, Seattle, 1994)

Discounted Cash Flow and the Assessor's Office: A Practical Approach (Proceedings, IAAO Conference, Houston, 1996)

Cutting the Gordian Knot: Shopping Center Appraisal with Trade Areas Delimited with Multiplicatively-Weighted Voronoi Polygons (GIS-CAMA Integration Conference, IAAO and URISA, New Orleans, 1999)

EXHIBIT G



Transportation Engineering NorthWest

March 21, 2013

Segale Properties
Attn: Jami Balint
5811 Segale Park C Drive
Tukwila, WA 98188

Subject: Segale Business Park – Site Egress of Truck Traffic from Existing Business Park

Dear Jamie:

Per your request, TENW has reviewed the truck distribution patterns of the existing Segale Business Park and their potential for utilization of the future Klickitat Access project planned by the City of Tukwila. Given the recent roadway expansion and extension of the Southcenter Parkway between the Segale Business Park and the I-5/Orillia Road Interchange to the south, this new route provides a quicker and less congested route to the north/south freeway interstate system in contrast to congested and circuitous interchange system provided in the Klickitate Drive interchange vicinity. The Orillia Road interchange also offers a connection to northbound I-5 with ease of access onto the SR 509 and additional interchanges along I-5 to the north that serve the Port of Seattle and vicinity manufacturing and industrial centers in Duwamish. In addition, for truck egress onto I-405, travel via S 180th Street east to the West Valley Highway (SR 181) north provides a more direct and less congested route than traversing the arterial streets that serve the Southcenter Mall to the north. Please let me know if you have any questions regarding our review at (206) 361-7333 ext. 101.

Sincerely,
Transportation Engineering NorthWest (TENW), LLC

A handwritten signature in black ink that reads "Michael J Read".

Michael J Read, P.E.
Principal
mikeread@tenw.com

EXHIBIT H

SEGALE BUSINESS PARK

BLDG. TENANT # TENANT	TOTAL SQ.FT.	LEASE COMMENCE DATE	TERMINA- TION DATE
101 CONTINENTAL MILLS 18100 Andover Park West	57,568	5/1/2011 15 years	4/30/2026
591-001 TALMADGE LAW GROUP, PLLC 18010 Southcenter Parkway	5,297	4/1/2001	M-T-M
721-001 ENTERPRISE LEASING COMPANY 18500 Southcenter Parkway	5,237	11/1/2001	M-T-M
722-001 ENTERPRISE LEASING COMPANY 18400 Southcenter Parkway	209,148 sf of paved yard 1776 sf bldg	1/1/2004	M-T-M
731-001 GRIMCO, Inc. 18205 Andover Park West	10,368	4/1/2011	3/31/2016
731-003 HBC DISTRIBUTORS 18221 Andover Park West	38,016	1/9/2010	1/31/2015
733-002 SURFACE ART 18285 Andover Park West Tukwila, WA 98188	21,600	6/1/2005	4/30/2014
733-003 KEYSTON BROTHERS 18303 Andover Park West	10,800	12/15/1993	11/14/2013
733-002 YAMATO TRANSPORT USA, INC. 18271 Andover Park West	34,560	7/1/2012	11/30/2017
733-004 VACANT - SEGALE STORAGE 18301 Andover Park West	7,200		
734-002 ACE TANK & FUELING EQUIPMENT 18340 Andover Park West	12,891	5/1/2011	7/31/2016
734-001 WESCO DISTRIBUTION, INC. 18338 Andover Park West	12,450	9/1/2000	3/31/2014
741-001 UNIVERSAL FREIGHT FORWARDER 18290A Andover Park West Tukwila, WA 98188	11,019	1/1/2004	12/31/2016
741-002 CARGO SCREENING SOLUTIONS, I 18290B Andover Park West Tukwila, WA 98188	12,693	3/1/2013	2/28/2015
741-003 SABIC POLYMERSHAPES 18292 & 18294 Andover Park West	32,173	10/1/1987	9/30/2017
741-004 INTERNATIONAL COPIERS CENTE 18296 Andover Park West	8,640	6/25/2012	6/30/2015
741-005 SUMMIT PACKAGING, INC. 18298 Andover Park West	9,936	3/1/1990	2/28/2014
752-001 SURFACE ART, INC. 18323 Andover Park West	54,871	4/10/2004	4/30/2014
761-001 VACANT 18125 Andover Park West	25,962		5/15/2012
763-001 VACANT (old HIGH FIVE) 18200 Segale Park Drive B	93,008 (incl mezz)		

BLDG. TENANT #	TENANT	TOTAL SQ.FT.	LEASE COMMENCE DATE	TERMINA- TION DATE
763-002	CROWN CORK & SEAL 18340 Segale Park Drive B.	104,043 (incl mezz)	11/15/1976	3/31/2014
763-003	PARAGON INDUSTRIES, INC. 18270 Segale Park Drive B	75,100	2/1/2006	1/31/2018
763-005	COMMERCIAL OFFICE INTERIORS 18260 Segale Park Dr B	26,984	4/21/2000	12/31/2014
	COMMERCIAL OFFICE OVERFLOW	12,240		
771-001	GLOBAL FOODS, INC 18161 Segale Park Drive B	19,447	12/1/2011	11/30/2017
771-002	A AMERICA 18255 Segale Park Drive B	115,102	2/15/1996	3/31/2015
771-006	EMERALD CITY MOVING & STORA 18325 Segale Park Drive B	67,362	2/1/2011	6/30/2016
771-005	DANIEL SMITH, INC. 18191 Segale Park Drive B	38,880	6/16/1993	6/30/2014
781-001	PROFESSIONAL PLASTICS 6233 Segale Park Dr. D	28,699	7/1/2011	9/30/2016
781-003	UNITED STATIONERS SUPPLY CO. 18264 Southcenter Parkway	81,455	11/15/1992	11/30/2014
781-005	RTS PACKAGING, LLC 18340 Southcenter Parkway	44,430	12/1/1984	2/28/2016
862	CONTINENTAL MILLS 18000 Andover Park West	26,682	5/1/2011	4/30/2026
931-001	QWEST COMMUNICATIONS COMPANY LLC 6101 South 180th Street	218,003	12/18/1998	8/31/2016
981-001	SEGALE PROPERTIES 5811 Segale Park Drive C	25,159	7/1/2002	6/30/2017
981-003	CONTINENTAL MILLS, INC. 6155 Segale Park Drive C	219,096	1/1/2000	1/31/2020
981-002	INDUSTRIAL REVOLUTION 5835 Segale Park Drive C	67,763	5/15/2012	5/14/2019

EXHIBIT I



City of Tukwila
 Department of Community Development
 8380 Southcenter Boulevard, Tukwila, WA 98188
 Telephone: (206) 431-3876 FAX: (206) 431-3885
 E-mail: tukplan@tukwila.wa.us

295 | 183
 VOLUME PAGE

BOUNDARY LINE ADJUSTMENT NUMBER L 13-005

SEE SHEETS 2,3, 4 and 5 FOR
 LEGAL DESCRIPTIONS

SHEET SHEET 6 FOR
 SURVEY MAP

DECLARATION

Know all men by these presents that we, the undersigned, careful in the spirit of the law herein described do hereby make a boundary line adjustment. The undersigned further declare the boundary line adjustment to be the graphic representation of said boundary line adjustment and the same is made with the free consent and in accordance with the desire of the owner(s).

In witness whereof we have set our hands and seals.

Name: Mark Segale
 M.A. SEGALE

STATE OF WASHINGTON) S.S.
 COUNTY OF KING)

ON THIS 26th DAY OF FEBRUARY 2013, BEFORE ME, THE UNDERSIGNED A NOTARY PUBLIC IN AND FOR THE STATE OF WASHINGTON, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED MARIO A. SEGALE to me known to be the person who signed as VICE PRESIDENT OF METRO LAND DEVELOPMENT, INC. THE CORPORATION ACTING AS MANAGER OF SEGALE PROPERTIES LLC, THE LIMITED LIABILITY COMPANY THAT EXECUTED THE WITHIN AND FOREGOING INSTRUMENT, AND AROUND COUNSEL SAID INSTRUMENT TO BE THE FREE AND VOLUNTARY ACT AND DEED OF METRO LAND DEVELOPMENT, INC. AS MANAGER OF SEGALE PROPERTIES LLC FOR THE USES AND PURPOSES SPECIFIED HEREIN, AND ON QUINITY THAT HE WAS DULY ELECTED TO EXECUTE THE SAID INSTRUMENT ON BEHALF OF METRO LAND DEVELOPMENT, INC. AND THAT THE CORPORATION WAS AUTHORIZED TO EXECUTE THE SAID INSTRUMENT ON BEHALF OF SEGALE PROPERTIES LLC.

IN WITNESS WHEREOF I HAVE SET MY HAND AND OFFICIAL SEAL THE DAY AND YEAR FIRST ABOVE WRITTEN.

Mark Segale Mario A. Segale
 NOTARY PUBLIC FIRST NAME
 IN AND FOR THE STATE OF WASHINGTON
 RESIDING AT 1234 5th Ave S, Seattle, WA 98148
 MY APPOINTMENT EXPIRES 12/31/13



NOTES

1. FEE, PARK, AND TRAFFIC IMPACT FEES MAY BE DUE AT THE TIME OF ISSUANCE OF A BUILDING PERMIT ON ANY OF THE PROPOSED LOTS.
2. ALL NEW UTILITIES SHALL COMPLY WITH THE CITY'S UNDERGROUND ORDINANCE.
3. ALL DEVELOPMENTS ON THE PROPOSED LOTS SHALL BE CONSISTENT WITH THE DEVELOPMENT AGREEMENT, AND AMENDMENTS IN PLACE BETWEEN THE CITY OF TUKWILA AND SEGALE PROPERTIES LLC.
4. AT THE TIME OF DEVELOPMENT ON ANY OF THE PARCELS SUBJECT TO THIS B.L.A. A GEOTECHNICAL REPORT MAY BE REQUIRED.

APPROVALS

KING COUNTY FINANCE CHECK

I certify that all property taxes are paid and that a deposit has been made in sufficient amount to pay the taxes for the following year that there are no delinquent special assessments certified to this office for collection and that all special assessments on any of the property herein dedicated as streets, alleys, or for other public use are paid in full.

The _____ day of _____, 2013.
 King County Treasurer Deputy King County Treasurer

KING COUNTY ASSESSOR'S APPROVAL

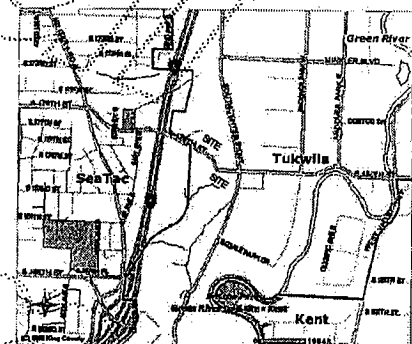
Examined and approved by the Department of Assessments this TUCUWA-SEGALFA

day of February, 2013
Mark Segale
 King County Assessor Deputy Assessor
 Parcel Numbers: 352304-9008, 9017, 9019, 9036, 9-9040

TUKWILA SHORT SUBDIVISION COMMITTEE APPROVAL

Reviewed and approved by the Short Subdivision Committee as hereby certified for filing

the _____ day of _____, 2013.
Mark Segale
 Chairman, Short Subdivision Committee



VICINITY MAP

LAND SURVEYOR'S CERTIFICATE

I, JAY D BABCOCK, registered as a land surveyor by the State of Washington, certify that this plat is based on an actual survey of the land described herein, conducted by me or under my supervision that the distance, courses and angles are shown hereon correctly.

Jay D. Babcock 2/26/13
 Jay D. Babcock, P.L.S. No. 30429

A SURVEY IN THE NE 1/4 OF THE NW 1/4 OF THE SE 1/4 OF THE NW 1/4 OF SEC. 35, TWP. 23 NORTH, RANGE 4 E 1/2 W CITY OF TUKWILA, KING COUNTY, WASHINGTON



OWNER: SEGALE PROPERTIES, LLC
 ADDRESS: 5811 SEGALE PARK DR., C
 PHONE: 206-575-2000
 CITY/STATE/ZIP: TUKWILA, WA 98188



SP SEGALE PROPERTIES
 A LIMITED LIABILITY COMPANY
 P.O. Box 89628, Tukwila, WA 98188
 5811 Segale Park Dr. C, Tukwila, WA 98188
 www.segaleproperties.com Phone: 206-575-2000 Fax: 206-575-1837

DRAWN BY	JAY B.	DATE	02/16/2013	JOB NUMBER	N/A
CHECKED BY	MARK B.	SCALE	N/A	SHEET	1 OF 6

King Surveyor Manager
 Norm Abney



City of Tukwila
Department of Community Development
6300 Southcenter Boulevard, Tukwila, WA 98188
Telephone (206) 431-3870 FAX (206) 431-3885
E-mail: tukplan@tukwila.wa.us

LEGAL DESCRIPTIONS - OLD

BOUNDARY LINE ADJUSTMENT NUMBER L 13-005

ORIGINAL PARCEL : A (TAX LOT # 352304-9013)

THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHERLY LINE OF SAID SUBDIVISION AT A POINT 827.02 FEET WESTERLY OF THE INTERSECTION OF SAID SOUTHERLY LINE WITH THE WESTERLY LINE OF COUNTY ROAD NO. 840 (8TH AVENUE SOUTH) NOW VACATED PER CITY OF TUKWILA ORDINANCE NO. 2287, SAID POINT BEING THE SOUTHWESTERLY CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN INSTRUMENT RECORDED UNDER RECORDING NO. 4744487;
THENCE NORTH 18°21'00" EAST 353.36 FEET TO THE NORTHWESTERLY CORNER OF SAID CERTAIN TRACT OF LAND;
THENCE SOUTH 87°53'30" EAST 604.30 FEET;
THENCE NORTH 89°47'00" EAST 208.43 FEET TO THE WESTERLY LINE OF SAID COUNTY ROAD, (NOW VACATED);
THENCE NORTHERLY ALONG SAID WESTERLY LINE TO THE NORTHERLY LINE OF SAID SUBDIVISION;
THENCE WESTERLY ALONG SAID NORTHERLY LINE TO THE NORTHWEST CORNER OF SAID SUBDIVISION;
THENCE SOUTHERLY ALONG THE WESTERLY LINE THEREOF TO THE SOUTHWEST CORNER OF SAID SUBDIVISION;
THENCE EASTERLY ALONG THE SOUTHERLY LINE THEREOF TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION THEREOF DESCRIBED AS FOLLOWS:
BEGINNING AT THE NORTHWEST CORNER OF SAID SUBDIVISION;
THENCE SOUTH 87°41'01" EAST, ALONG THE NORTH LINE OF SAID SUBDIVISION 800 FEET TO THE TRUE POINT OF BEGINNING;
THENCE SOUTH PERPENDICULAR TO THE SAID NORTH LINE OF SAID SUBDIVISION 250.00 FEET;
THENCE EAST PARALLEL WITH THE SAID NORTH LINE OF SAID SUBDIVISION TO THE WEST LINE OF COUNTY ROAD NO. 840 (NOW VACATED);
THENCE NORTHERLY ALONG THE SAID WESTERLY LINE OF SAID COUNTY ROAD TO THE INTERSECTION WITH THE SAID NORTH LINE OF SAID SUBDIVISION;
THENCE NORTH 87°51'01" WEST ALONG SAID NORTH LINE OF SAID SUBDIVISION 335 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

AND EXCEPT THAT PORTION THEREOF DESCRIBED AS FOLLOWS:
BEGINNING AT THE SOUTHWEST CORNER OF SAID SUBDIVISION;
THENCE NORTH 01°48'48" EAST ALONG THE WEST LINE OF SAID SUBDIVISION 568.20 FEET;
THENCE NORTH 43°26'45" EAST 426.46 FEET TO AN IRON PIPE AT THE NORTHWESTERLY CORNER OF SAID CERTAIN TRACT OF LAND DESCRIBED IN INSTRUMENT RECORDED UNDER RECORDING NO. 4744487;
THENCE SOUTH 19°32'00" WEST ALONG THE WESTERLY LINE OF SAID TRACT 346.95 FEET TO THE SOUTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION;
THENCE NORTH 87°56'03" WEST ALONG SAID SOUTH LINE 156.03 FEET TO THE POINT OF BEGINNING.

AND EXCEPT ANY PORTION THEREOF LYING EAST OF THE WESTERLY MARGIN OF SOUTHCENTER PARKWAY EXTENSION AS DESCRIBED IN DEED RECORDED UNDER KING COUNTY RECORDER'S NO. 2012113002219.

ALSO EXCEPT COUNTY ROADS.
SITUATE IN THE CITY OF TUKWILA, COUNTY OF KING, STATE OF WASHINGTON.

NOTE: BEARINGS REFERENCED IN THIS LEGAL DESCRIPTION WILL NOT MATCH THE SURVEY MAP DUE TO ROTATION TO THE WASHINGTON STATE PLANE COORDINATE SYSTEM AND / OR CALCULATED SURVEY DIFFERENCES.

ORIGINAL PARCEL : B (TAX LOT # 352304-9040)

THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SUBDIVISION;
THENCE SOUTH 87°41'01" EAST ALONG THE NORTH LINE OF SAID SUBDIVISION 800.00 FEET TO THE TRUE POINT OF BEGINNING;
THENCE SOUTH PERPENDICULAR TO THE SAID NORTH LINE OF SAID SUBDIVISION 250.00 FEET;
THENCE EAST PARALLEL WITH SAID NORTH LINE OF SAID SUBDIVISION TO THE WEST LINE OF COUNTY ROAD NO. 840 (NOW VACATED);
THENCE NORTHERLY ALONG THE SAID WESTERLY LINE OF SAID COUNTY ROAD TO THE INTERSECTION WITH THE SAID NORTH LINE OF SAID SUBDIVISION;
THENCE NORTH 87°51'01" WEST ALONG SAID NORTH LINE OF SAID SUBDIVISION 335.00 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

EXCEPT ANY PORTION THEREOF LYING EAST OF THE WESTERLY MARGIN OF SOUTHCENTER PARKWAY EXTENSION AS DESCRIBED IN DEED RECORDED UNDER KING COUNTY RECORDER'S NO. 2012113002219.

EXCEPT THAT PORTION CONTAINED IN KING COUNTY CAUSE NO. 68892 BY THE CITY OF TUKWILA FOR ROADS.

AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF TUKWILA IN CONCOMITANT ZONING AGREEMENT RECORDED UNDER RECORDING NO. 87827081.

SITUATE IN THE CITY OF TUKWILA, COUNTY OF KING, STATE OF WASHINGTON.
NOTE: BEARINGS REFERENCED IN THIS LEGAL DESCRIPTION WILL NOT MATCH THE SURVEY MAP DUE TO ROTATION TO THE WASHINGTON STATE PLANE COORDINATE SYSTEM AND / OR CALCULATED SURVEY DIFFERENCES.

ORIGINAL PARCEL : C (TAX LOT # 352304-9008)

THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., LYING SOUTHERLY OF MUSEL ROAD;

EXCEPT THAT PORTION THEREOF, PURSUANT TO THE CITY OF TUKWILA ORDINANCE 828, RECORDED UNDER RECORDING NO. 8871631, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 35, NORTH 87°50'57" WEST, 318.21 FEET FROM THE SOUTHEAST CORNER THEREOF;
THENCE NORTH 20°03'27" EAST, 31.43 FEET;
THENCE SOUTH 87°50'57" EAST, 86.47 FEET;
THENCE ALONG THE ARC AT THE CURVE TO THE LEFT, HAVING A RADIUS OF 60.00 FEET THROUGH A CENTRAL ANGLE OF 161°19'16" AN ARC DISTANCE OF 13.33 FEET;
THENCE SOUTH 24°56'33" EAST, 36.88 FEET TO THE SOUTH LINE OF SAID SUBDIVISION;
THENCE NORTH 87°50'57" WEST, 135.88 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THAT VACATED PORTION OF MUSEL ROAD ADJOINING, PURSUANT TO THE CITY OF TUKWILA ORDINANCE 828, RECORDED UNDER RECORDING NO. 8871631, WHICH, UPON VACATION, ATTACHED TO SAID PROPERTY BY OPERATION OF LAW, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 35;
THENCE NORTH 87°50'57" WEST, ALONG THE SOUTH LINE THEREOF, 319.21 FEET;
THENCE NORTH 20°03'27" EAST, 31.20 FEET TO THE TRUE POINT OF BEGINNING;
THENCE NORTH 87°50'57" WEST, 35.53 FEET;
THENCE NORTH 20°03'27" EAST, 241.29 FEET;
THENCE SOUTH 24°56'33" EAST, 216.19 FEET;
THENCE WESTERLY, ALONG AN ARC OF CURVE TO THE RIGHT, HAVING A RADIUS OF 60.00 FEET, THE RADIAL POINT OF WHICH BEARS NORTH 48°12'58" WEST, THROUGH A CENTRAL ANGLE OF 38°28'48" AN ARC DISTANCE OF 30.83 FEET;
THENCE NORTH 24°56'33" WEST, 145.77 FEET;
THENCE SOUTH 20°03'27" WEST, 234.18 FEET TO THE TRUE POINT OF BEGINNING.

SITUATE IN THE CITY OF TUKWILA, COUNTY OF KING, STATE OF WASHINGTON.
NOTE: BEARINGS REFERENCED IN THIS LEGAL DESCRIPTION WILL NOT MATCH THE SURVEY MAP DUE TO ROTATION TO THE WASHINGTON STATE PLANE COORDINATE SYSTEM AND / OR CALCULATED SURVEY DIFFERENCES.

SEE SHEETS 3 AND 4 FOR ADDITIONAL LEGAL DESCRIPTIONS

A SURVEY IN THE NE 1/4 OF THE N.W. 1/4 AND OF THE E.E. 1/4 OF THE N.W. 1/4 OF SEC. 05, TWP. 23 NORTH, RANGE 4 E WA. CITY OF TUKWILA, KING COUNTY, WASHINGTON.



OWNERS: SEGALE PROPERTIES LLC

ADDRESS: 581 SEGALE PARK DR. C'

PHONE: 206-575-2000

CITY/STATE/ZIP: TUKWILA, WASH 98188



SP SEGALE PROPERTIES
A LIMITED LIABILITY COMPANY
P.O. Box 86028, Tukwila, WA 98188
581 Segale Park Dr. C, Tukwila, WA 98188

www.segaleproperties.com Phone 206-575-2000 Fax 206-575-9337

DRAWN BY	JAY B.	DATE	02/19/2010	JOB NUMBER	N/A
CHECKED BY	MARK S.	SCALE	N/A	SHEET	2 OF 8



City of Tukwila
Department of Community Development
8300 Southern Boulevard, Tukwila, WA 98188
Telephone: (206) 421-3070 FAX (206) 431-3988
E-mail: tukwila@tukwila.wa.us

LEGAL DESCRIPTIONS - OLD CONTINUED FROM SHEET 2 OF 2

BOUNDARY LINE ADJUSTMENT NUMBER L 13-005

ORIGINAL PARCEL : D (TAX LOT # 352304-9038)

PARCEL A:
THAT PORTION OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST W.M., DESCRIBED AS FOLLOWS:
BEGINNING AT THE NORTHEAST CORNER OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4;
THENCE NORTH 87°46'57" WEST, ALONG THE NORTH LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4, A DISTANCE OF 481.08 FEET, TO THE WESTERLY MARGIN OF THE SOUTHCENTER PARKWAY;
THENCE SOUTH 11°58'33" EAST, ALONG SAID WESTERLY MARGIN, A DISTANCE OF 1,007.07 FEET;
THENCE CONTINUING SOUTH 11°58'33" EAST, ALONG SAID MARGIN, A DISTANCE OF 84.03 FEET;
THENCE SOUTH 78°00'27" WEST A DISTANCE OF 88.93 FEET TO AN ANGLE POINT ON THE OLD ALIGNMENT OF SOUTH 178th STREET (FORMERLY KNOWN AS P.J. MUSIEL COUNTY ROAD);
THENCE SOUTH 20°03'27" WEST, ALONG THE OLD CENTERLINE OF SAID STREET, A DISTANCE OF 221.28 FEET TO A LINE 30 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4, BEING THE NORTHERLY MARGIN OF THE NEW ALIGNMENT OF SAID SOUTH 178th STREET;
THENCE NORTH 87°56'57" WEST, ALONG SAID NORTHERLY MARGIN, A DISTANCE OF 233.08 FEET TO A POINT OF CURVE;
THENCE ALONG SAID NORTHERLY MARGIN ON A CURVE TO THE RIGHT, HAVING A RADIUS OF 1132.4 FEET, AN ARC DISTANCE OF 188.17 FEET, THROUGH A CENTRAL ANGLE OF 85°35'34", TO A POINT OF REVERSE CURVE;
THENCE ALONG SAID NORTHERLY MARGIN ON A CURVE TO THE LEFT HAVING A RADIUS OF 288.74 FEET, AN ARC DISTANCE OF 28.43 FEET, THROUGH A CENTRAL ANGLE OF 85°16'32", TO THE OLD CENTERLINE OF SAID SOUTH 178th STREET;
THENCE NORTH 22°42'27" EAST, ALONG SAID OLD CENTERLINE, A DISTANCE OF 62.88 FEET TO AN ANGLE POINT;
THENCE NORTH 85°08'33" WEST, ALONG SAID OLD CENTERLINE, A DISTANCE OF 84.04 FEET TO THE NORTHERLY MARGIN OF THE NEW ALIGNMENT OF SAID SOUTH 178th STREET TO THE TRUE POINT OF BEGINNING, AND FROM WHICH SAID TRUE POINT OF BEGINNING, POINT "A" WHICH IS TO BE USED FOR LATER REFERENCE HEREIN, LIES NORTH 37°56'57" EAST, A DISTANCE OF 575.05 FEET;
THENCE ALONG SAID NORTHERLY MARGIN ON A CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 82°58'38" WEST, HAVING A RADIUS OF 288.74 FEET, AN ARC DISTANCE OF 187.88 FEET, THROUGH A CENTRAL ANGLE OF 33°54'48";
THENCE NORTH 89°38'01" WEST, ALONG SAID NORTHERLY MARGIN, A DISTANCE OF 204.08 FEET;
THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 688.59 FEET, AN ARC DISTANCE OF 28.32 FEET, THROUGH A CENTRAL ANGLE OF 02°32'29";
THENCE NORTH 83°30'38" WEST, ALONG SAID NORTHERLY MARGIN, A DISTANCE OF 280.59 FEET TO THE WEST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4;
THENCE NORTH 91°40'41" EAST, ALONG SAID WEST LINE, TO THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 35; THENCE EASTERLY, ALONG SAID SOUTH LINE, TO INTERSECT A LINE WHICH BEARS NORTH 52°44'03" WEST FROM THE AFOREMENTIONED POINT "A";
THENCE SOUTH 82°44'03" EAST TO SAID POINT "A", WHICH POINT IS THE MOST SOUTHERLY CORNER OF A TRACT OF LAND CONVEYED TO AMERICAN NATIONAL INSURANCE BY DEED RECORDED OCTOBER 16, 1970 UNDER RECORDING NO. 87944630;
THENCE SOUTH 37°56'56" WEST 173.09 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT THE NORTH 28.32 FEET THEREOF.
NOTE: BEARINGS REFERENCED IN THIS LEGAL DESCRIPTION WILL NOT MATCH THE SURVEY MAP DUE TO ROTATION TO THE WASHINGTON STATE PLANE COORDINATE SYSTEM AND / OR CALCULATED SURVEY DIFFERENCES.

ORIGINAL PARCEL : D (CONTINUED)

PARCEL B:
THAT PORTION OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST W.M., DESCRIBED AS FOLLOWS:
BEGINNING AT THE NORTHEAST CORNER OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4;
THENCE NORTH 87°46'57" WEST, ALONG THE NORTH LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4, A DISTANCE OF 481.08 FEET, TO THE WESTERLY MARGIN OF SOUTHCENTER PARKWAY;
THENCE SOUTH 11°58'33" EAST, ALONG SAID WESTERLY MARGIN, A DISTANCE OF 1,007.07 FEET TO THE TRUE POINT OF BEGINNING;
THENCE CONTINUING SOUTH 11°58'33" EAST, ALONG SAID MARGIN, A DISTANCE OF 84.03 FEET;
THENCE SOUTH 78°00'27" WEST, A DISTANCE OF 88.93 FEET TO AN ANGLE POINT OF THE OLD ALIGNMENT OF SOUTH 178th STREET (FORMERLY KNOWN AS P.J. MUSIEL COUNTY ROAD);
THENCE SOUTH 20°03'27" WEST, ALONG THE OLD CENTERLINE OF SAID STREET, A DISTANCE OF 221.28 FEET TO A LINE 30 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4, BEING THE NORTHERLY MARGIN OF THE NEW ALIGNMENT OF SAID SOUTH 178th STREET;
THENCE NORTH 87°56'57" WEST, ALONG SAID NORTHERLY MARGIN, A DISTANCE OF 233.08 FEET TO A POINT OF CURVE;
THENCE ALONG SAID NORTHERLY MARGIN ON A CURVE TO THE RIGHT, HAVING A RADIUS OF 1132.4 FEET, AN ARC DISTANCE OF 188.17 FEET, THROUGH A CENTRAL ANGLE OF 85°35'34", TO A POINT OF REVERSE CURVE;
THENCE ALONG SAID NORTHERLY MARGIN ON A CURVE TO THE LEFT, HAVING A RADIUS OF 288.74 FEET, AN ARC DISTANCE OF 28.43 FEET, THROUGH A CENTRAL ANGLE OF 85°16'32", TO THE OLD CENTERLINE OF SAID SOUTH 178th STREET;
THENCE NORTH 22°42'27" EAST, ALONG SAID OLD CENTERLINE, A DISTANCE OF 62.88 FEET TO AN ANGLE POINT;
THENCE NORTH 85°08'33" WEST, ALONG SAID OLD CENTERLINE, A DISTANCE OF 84.04 FEET TO THE NORTHERLY MARGIN OF THE NEW ALIGNMENT OF SAID SOUTH 178th STREET;
THENCE NORTH 37°56'56" WEST, ALONG SAID OLD CENTERLINE OF SAID STREET, A DISTANCE OF 113.24 FEET TO THE MOST SOUTHERLY CORNER OF A TRACT OF LAND CONVEYED TO AMERICAN NATIONAL INSURANCE BY DEED RECORDED OCTOBER 16, 1970 UNDER RECORDING NO. 87944630;
THENCE ALONG THE SOUTHEASTERLY LINE OF SAID CONVEYED TRACT, NORTH 42°30'27" EAST, A DISTANCE OF 108.34 FEET, ALONG THE SOUTHEASTERLY LINE OF AMERICAN NATIONAL INSURANCE TRACT TO THE INTERSECTION OF THE SOUTHWESTERLY LINE OF A TRACT CONVEYED TO LAUREL DEVELOPMENT CO., A WASHINGTON CORPORATION, BY DEED RECORDED UNDER KING COUNTY RECORDING NO. 781100086;
THENCE ALONG THE SOUTHERLY LINE OF SAID LAUREL DEVELOPMENT CO. TRACT, SOUTH 11°28'11" EAST, A DISTANCE OF 57.27 FEET;
THENCE SOUTH 48°56'18" EAST A DISTANCE OF 82.16 FEET;
THENCE SOUTH 87°35'48" EAST A DISTANCE OF 47.25 FEET;
THENCE SOUTH 18°11'22" EAST A DISTANCE OF 72.20 FEET;
THENCE SOUTH 87°48'57" EAST A DISTANCE OF 120.00 FEET TO THE TRUE POINT OF BEGINNING.

SITUATE IN THE CITY OF TUKWILA, COUNTY OF KING, STATE OF WASHINGTON.
NOTE: BEARINGS REFERENCED IN THIS LEGAL DESCRIPTION WILL NOT MATCH THE SURVEY MAP DUE TO ROTATION TO THE WASHINGTON STATE PLANE COORDINATE SYSTEM AND / OR CALCULATED SURVEY DIFFERENCES.

ORIGINAL PARCEL : E (TAX LOT # 352304-9019)

THAT PORTION OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST W.M., LYING SOUTH AND WEST OF P.J. MUSIEL ROAD (SOUTH 178th STREET), DESCRIBED AS FOLLOWS:
BEGINNING AT THE SOUTHWEST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION;
THENCE SOUTH 87°56'57" EAST 286.71 FEET TO THE TRUE POINT OF BEGINNING;
THENCE NORTH 33°27'57" EAST 147.13 FEET;
THENCE SOUTH 87°56'57" EAST 28 FEET;
THENCE NORTH 23°27'87" EAST 180 FEET, MORE OR LESS, TO A POINT ON THE SOUTHERLY MARGIN OF SAID P.J. MUSIEL ROAD;
THENCE SOUTH 33°13'00" EAST ALONG SAID SOUTHERLY MARGIN 196.78 FEET;
THENCE ALONG THE WESTERLY MARGIN OF SAID MUSIEL ROAD SOUTH 29°37'57" WEST 224.87 FEET TO THE SOUTH LINE OF SAID SUBDIVISION;
THENCE NORTH 87°48'57" WEST ALONG SAID SOUTH LINE TO THE TRUE POINT OF BEGINNING.
EXCEPT THAT PORTION OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., DESCRIBED AS FOLLOWS:
BEGINNING AT THE SOUTHWEST CORNER OF SAID SUBDIVISION;
THENCE ALONG THE SOUTH LINE THEREOF, SOUTH 87°56'57" EAST 365.16 FEET;
THENCE NORTH 02°00'03" EAST 137.09 FEET;
THENCE NORTH 87°22'57" EAST 119.32 FEET TO THE SOUTHWESTERLY MARGIN OF SOUTH 178th STREET;
THENCE ALONG SAID MARGIN SOUTH 80°58'09" EAST 10.11 FEET;
THENCE ALONG SAID MARGIN SOUTHEASTERLY ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 288.74 FEET, A DISTANCE OF 10.02 FEET TO THE TRUE POINT OF BEGINNING;
THENCE CONTINUING ALONG SAID MARGIN AND SAID CURVE A DISTANCE OF 70.00 FEET; THENCE SOUTH 22°54'27" WEST 120.38 FEET;
THENCE NORTH 80°52'08" WEST 76.00 FEET;
THENCE NORTH 22°22'57" EAST 143.00 FEET TO THE TRUE POINT OF BEGINNING.

AND EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF TUKWILA BY DEED RECORDED UNDER RECORDING NO. 8408861.

TOGETHER WITH THOSE PORTIONS OF MUSIEL ROAD (SOUTH 178th STREET) VACATED BY THE CITY OF TUKWILA BY ORDINANCE NO. 656 WHICH ATTACHED THERETO BY OPERATION OF LAW.

SITUATE IN THE CITY OF TUKWILA, COUNTY OF KING, STATE OF WASHINGTON.

NOTE: BEARINGS REFERENCED IN THIS LEGAL DESCRIPTION WILL NOT MATCH THE SURVEY MAP DUE TO ROTATION TO THE WASHINGTON STATE PLANE COORDINATE SYSTEM AND / OR CALCULATED SURVEY DIFFERENCES.

SEE SHEETS 4 AND 5 FOR NEW LEGAL DESCRIPTIONS

A SURVEY IN THE NE 1/4 OF THE NW 1/4 AND OF THE SE 1/4, OF THE NW 1/4 OF SEC. 35, TWP. 23 NORTH, RANGE 4 EAST, CITY OF TUKWILA, KING COUNTY, WASHINGTON.



OWNER(S): SEGALE PROPERTIES L.L.C.
ADDRESS: 5811 SEGALE PARK DR. W
PHONE: 206-576-2000
CITY/STATE/ZIP: TUKWILA, WASH 98181



SP SEGALE PROPERTIES
A LIMITED LIABILITY COMPANY
P.O. Box 88028, Tukwila, WA 98188
5811 Segale Park Dr. C, Tukwila, WA 98188

www.segaleproperties.com Phone 206-576-2000 Fax 206-576-1837

DRAWN BY	DATE	JOB NUMBER	N/A
JAY B.	02/09/2003		
CHECKED BY	SCALE	SHEET	3 OF 3
MARK S.	N/A		



City of Tukwila
 Department of Community Development
 8908 Southcenter Boulevard, Tukwila, WA 98188
 Telephone (206) 431-3670 FAX (206) 431-3685
 E-mail: jrb@plan@tukwila.wa.us

BOUNDARY LINE ADJUSTMENT NUMBER L 13-005

NEW PARCEL 1A (TAX LOT # 352304-9013)

THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHERLY LINE OF SAID SUBDIVISION AT A POINT 657.02 FEET WESTERLY OF THE INTERSECTION OF SAID SOUTHERLY LINE WITH THE WESTERLY LINE OF COUNTY ROAD 1807, 197th AVENUE SOUTH (NOW VACATED) PER CITY OF TUKWILA ORDINANCE NO. 2347, SAID POINT BEING THE SOUTHWESTERLY CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN INSTRUMENT RECORDED UNDER RECORDING NO. 474488;
 THENCE NORTH 16°21'00" EAST 831.35 FEET TO THE NORTHWESTERLY CORNER OF SAID CERTAIN TRACT OF LAND;
 THENCE SOUTH 87°33'30" EAST 504.80 FEET;
 THENCE NORTH 60°47'30" EAST 298.43 FEET TO THE WESTERLY LINE OF SAID COUNTY ROAD, (NOW VACATED);
 THENCE NORTHERLY ALONG SAID WESTERLY LINE TO THE NORTHERLY LINE OF SAID SUBDIVISION;
 THENCE WESTERLY ALONG SAID NORTHERLY LINE TO THE NORTHWEST CORNER OF SAID SUBDIVISION;
 THENCE SOUTHERLY ALONG THE WESTERLY LINE THEREOF TO THE SOUTHWEST CORNER OF SAID SUBDIVISION;
 THENCE EASTERLY ALONG THE SOUTHERLY LINE THEREOF TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SUBDIVISION;
 THENCE NORTH 01°48'45" EAST ALONG THE WESTERLY LINE OF SAID SUBDIVISION 668.20 FEET;
 THENCE NORTH 63°08'46" EAST 488.46 FEET TO AN IRON PIPE AT THE NORTHWESTERLY CORNER OF SAID CERTAIN TRACT OF LAND DESCRIBED IN INSTRUMENT RECORDED UNDER RECORDING NO. 474488;
 THENCE SOUTH 19°33'20" WEST ALONG THE WESTERLY LINE OF SAID TRACT 838.35 FEET TO THE SOUTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION;
 THENCE NORTH 87°36'03" WEST ALONG SAID SOUTH LINE 188.93 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT ANY PORTION THEREOF LYING EAST OF THE WESTERLY MARGIN OF SOUTHCENTER PARKWAY EXTENSION AS PER DEED RECORDED UNDER KING COUNTY RECORDER'S NO. 20121130002219.

ALSO EXCEPT A PORTION OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST OF THE W. M., CITY OF TUKWILA, KING COUNTY, WASHINGTON, BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 35; THENCE SOUTH 02° 24'41" WEST ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, A DISTANCE OF 1323.83 FEET TO THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID NORTHWEST QUARTER, ALSO BEING A POINT ON THE CENTERLINE OF SOUTH 180" STREET; THENCE NORTH 87° 59'41" WEST ALONG SAID CENTERLINE 158.72 FEET TO THE INTERSECTION OF THIS LINE WITH THE WESTERLY RIGHT OF WAY MARGINS OF SOUTHCENTER PARKWAY AND SOUTHCENTER PARKWAY EXTENSION AS PER DEED RECORDED UNDER KING COUNTY RECORDERS NO. 20121130002219, BOTH RIGHTS OF WAY ARE TO BE EXTENDED SOUTHERLY AND NORTHERLY TO THEIR INTERSECTION, ALSO BEING THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE NORTH 09° 50'27" EAST ALONG SAID WESTERLY RIGHT OF WAY MARGINS 36.81 FEET TO THE AFOREMENTIONED RIGHTS OF WAY INTERSECTION; THENCE NORTH 11° 58'53" WEST ALONG THE WESTERLY RIGHT OF WAY MARGIN OF SAID SOUTHCENTER PARKWAY 321.39 FEET TO THE SOUTHERLY LINE OF THAT CERTAIN PARCEL AS DESCRIBED IN DOCUMENT RECORDED UNDER KING COUNTY RECORDING NO. 20040224002083;
 THENCE NORTH 87° 42'12" WEST ALONG SAID SOUTH LINE 120.00 FEET; THENCE CONTINUING ALONG SAID SOUTH LINE NORTH 76° 27'42" WEST 72.20 FEET; THENCE NORTH 81° 28'38" WEST 47.28 FEET; THENCE SOUTH 38° 42'41" WEST 76.80 FEET; THENCE SOUTH 81° 09'11" WEST 138.44 FEET; THENCE NORTH 64° 12'09" WEST 24.27 FEET; THENCE NORTH 81° 43'09" WEST 17.43 FEET; THENCE NORTH 64° 04'01" WEST 16.04 FEET; THENCE SOUTH 39° 02'38" WEST 388.33 FEET; THENCE SOUTH 42° 30'57" EAST 100.83 FEET; THENCE SOUTH 89° 50'41" EAST 274.20 FEET; THENCE SOUTH 89° 51'33" EAST 103.04 FEET; THENCE SOUTH 78° 59'13" EAST 97.25 FEET; THENCE SOUTH 83° 47'24" EAST 182.81 FEET TO THE WESTERLY RIGHT OF WAY MARGIN OF THE AFOREMENTIONED SOUTHCENTER PARKWAY EXTENSION; THENCE NORTH 09° 50'27" EAST ALONG SAID MARGIN 116.18 FEET TO THE POINT OF BEGINNING.

SITUATE IN THE CITY OF TUKWILA, COUNTY OF KING, STATE OF WASHINGTON.

NOTE: BEARINGS REFERENCED IN THIS LEGAL DESCRIPTION WILL NOT MATCH THE SURVEY MAP DUE TO INADAPTY TO THE WASHINGTON STATE PLANE COORDINATE SYSTEM AND / OR CALCULATED SURVEY DIFFERENCES.

NEW PARCEL - B (TAX LOT # 352304-9040)

A PORTION OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST OF THE W. M., CITY OF TUKWILA, KING COUNTY, WASHINGTON, BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 35; THENCE SOUTH 02° 24'41" WEST ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, A DISTANCE OF 1323.83 FEET TO THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID NORTHWEST QUARTER, ALSO BEING A POINT ON THE CENTERLINE OF SOUTH 180" STREET; THENCE NORTH 87° 59'41" WEST ALONG SAID CENTERLINE 158.72 FEET TO THE INTERSECTION OF THIS LINE WITH THE WESTERLY RIGHT OF WAY MARGINS OF SOUTHCENTER PARKWAY AND SOUTHCENTER PARKWAY EXTENSION AS PER DEED RECORDED UNDER KING COUNTY RECORDERS NO. 20121130002219, BOTH RIGHTS OF WAY ARE TO BE EXTENDED SOUTHERLY AND NORTHERLY TO THEIR INTERSECTION, ALSO BEING THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE NORTH 09° 50'27" EAST ALONG SAID WESTERLY RIGHT OF WAY MARGINS 36.81 FEET TO THE AFOREMENTIONED RIGHTS OF WAY INTERSECTION; THENCE NORTH 11° 58'53" WEST ALONG THE WESTERLY RIGHT OF WAY MARGIN OF SAID SOUTHCENTER PARKWAY 321.39 FEET TO THE SOUTHERLY LINE OF THAT CERTAIN PARCEL AS DESCRIBED IN DOCUMENT RECORDED UNDER KING COUNTY RECORDING NO. 20040224002083;
 THENCE NORTH 87° 42'12" WEST ALONG SAID SOUTH LINE 120.00 FEET; THENCE CONTINUING ALONG SAID SOUTH LINE NORTH 76° 27'42" WEST 72.20 FEET; THENCE NORTH 81° 28'38" WEST 47.28 FEET; THENCE SOUTH 38° 42'41" WEST 76.80 FEET; THENCE SOUTH 81° 09'11" WEST 138.44 FEET; THENCE NORTH 64° 12'09" WEST 24.27 FEET; THENCE NORTH 81° 43'09" WEST 17.43 FEET; THENCE NORTH 64° 04'01" WEST 16.04 FEET; THENCE SOUTH 39° 02'38" WEST 388.33 FEET; THENCE SOUTH 42° 30'57" EAST 100.83 FEET; THENCE SOUTH 89° 50'41" EAST 274.20 FEET; THENCE SOUTH 89° 51'33" EAST 103.04 FEET; THENCE SOUTH 78° 59'13" EAST 97.25 FEET; THENCE SOUTH 83° 47'24" EAST 182.81 FEET TO THE WESTERLY RIGHT OF WAY MARGIN OF THE AFOREMENTIONED SOUTHCENTER PARKWAY EXTENSION; THENCE NORTH 09° 50'27" EAST ALONG SAID MARGIN 116.18 FEET TO THE POINT OF BEGINNING.

EXCEPT ANY PORTION THEREOF LYING NORTHERLY OF THE SOUTHERLY RIGHT OF WAY MARGIN OF SOUTH 178" STREET.

ALSO EXCEPT SOUTHCENTER PARKWAY EXTENSION AS PER DEED RECORDED UNDER KING COUNTY RECORDING NO. 20121130002219.

NEW PARCEL - C (TAX LOT # 352304-9008)

A PORTION OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST OF THE W. M., CITY OF TUKWILA, KING COUNTY, WASHINGTON, BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 35; THENCE SOUTH 02° 24'41" WEST ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, A DISTANCE OF 1323.83 FEET TO THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID NORTHWEST QUARTER, ALSO BEING A POINT ON THE CENTERLINE OF SOUTH 180" STREET; THENCE NORTH 87° 59'41" WEST ALONG SAID CENTERLINE 158.72 FEET TO THE INTERSECTION OF THIS LINE WITH THE WESTERLY RIGHT OF WAY MARGINS OF SOUTHCENTER PARKWAY AND SOUTHCENTER PARKWAY EXTENSION AS PER DEED RECORDED UNDER KING COUNTY RECORDERS NO. 20121130002219, BOTH RIGHTS OF WAY ARE TO BE EXTENDED SOUTHERLY AND NORTHERLY TO THEIR INTERSECTION, ALSO BEING THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE NORTH 09° 50'27" EAST ALONG SAID WESTERLY RIGHT OF WAY MARGINS 36.81 FEET TO THE AFOREMENTIONED RIGHTS OF WAY INTERSECTION; THENCE NORTH 11° 58'53" WEST ALONG THE WESTERLY RIGHT OF WAY MARGIN OF SAID SOUTHCENTER PARKWAY 321.39 FEET TO THE SOUTHERLY LINE OF THAT CERTAIN PARCEL AS DESCRIBED IN DOCUMENT RECORDED UNDER KING COUNTY RECORDING NO. 20040224002083;
 THENCE NORTH 87° 42'12" WEST ALONG SAID SOUTH LINE 120.00 FEET; THENCE CONTINUING ALONG SAID SOUTH LINE NORTH 76° 27'42" WEST 72.20 FEET; THENCE NORTH 81° 28'38" WEST 47.28 FEET; THENCE SOUTH 38° 42'41" WEST 76.80 FEET; THENCE SOUTH 81° 09'11" WEST 138.44 FEET; THENCE NORTH 64° 12'09" WEST 24.27 FEET; THENCE NORTH 81° 43'09" WEST 17.43 FEET; THENCE NORTH 64° 04'01" WEST 16.04 FEET; THENCE SOUTH 39° 02'38" WEST 388.33 FEET; THENCE SOUTH 42° 30'57" EAST 100.83 FEET; THENCE SOUTH 89° 50'41" EAST 274.20 FEET; THENCE SOUTH 89° 51'33" EAST 103.04 FEET; THENCE SOUTH 78° 59'13" EAST 97.25 FEET; THENCE SOUTH 83° 47'24" EAST 182.81 FEET TO THE WESTERLY RIGHT OF WAY MARGIN OF THE AFOREMENTIONED SOUTHCENTER PARKWAY EXTENSION; THENCE NORTH 09° 50'27" EAST ALONG SAID MARGIN 116.18 FEET TO THE POINT OF BEGINNING.

EXCEPT ANY PORTION THEREOF LYING SOUTHERLY OF THE NORTHERLY RIGHT OF WAY MARGIN OF SOUTH 178" STREET.

ALSO EXCEPT SOUTHCENTER PARKWAY.

20130227 000005
 2013 FEB 27 10:52 AM '13
 KING COUNTY RECORDS & CLERK
 1100 4TH AVENUE SOUTH
 TUKWILA, WA 98188



SP SEGALE PROPERTIES
 A LIMITED LIABILITY COMPANY
 P.O. Box 88028, Tukwila, WA 98188
 5811 Segale Park Dr. C, Tukwila, WA 98188

www.segaleproperties.com Phone 206-576-2000 Fax 206-576-1837

DRAWN BY	JAT B.	DATE	12/14/2011	JOB NUMBER	N/A
CHECKED BY	MARK B.	SCALE	N/A	SHEET	4 OF 4



City of Tukwila
 Department of Community Development
 6300 Southcenter Boulevard, Tukwila, WA 98166
 Telephone (206) 431-3670 FAX (206) 431-3665
 E-mail: jshplan@tukwila.wa.us

2015192
 VOLUME PAGE

BOUNDARY LINE ADJUSTMENT NUMBER L 13-005

NEW PARCEL : D (TAX LOT # 352304-9038)

A PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST OF THE W.M., CITY OF TUKWILA, KING COUNTY WASHINGTON, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT X POINT ON THE WEST LINE OF SAID SUBDIVISION 23.00 FEET SOUTH OF THE NORTH LINE OF SAID SOUTH HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER; THENCE SOUTH 88° 37'44" EAST PARALLEL WITH SAID NORTH LINE 293.88 FEET; THENCE SOUTH 87° 40'23" EAST 476.97 FEET; THENCE NORTH 42° 34'07" EAST 106.24 FEET; THENCE SOUTH 81° 21'31" EAST 988.77 FEET; THENCE SOUTH 45° 52'38" EAST 82.18 FEET; THENCE SOUTH 38° 42'41" WEST 78.90 FEET; THENCE SOUTH 88° 59'11" WEST 136.44 FEET; THENCE NORTH 84° 13'28" WEST 24.27 FEET; THENCE NORTH 81° 43'09" WEST 17.43 FEET; THENCE NORTH 54° 04'01" WEST 18.02 FEET; THENCE SOUTH 30° 02'38" WEST 31.09 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY MARGIN OF SOUTH 178th STREET, ALSO BEING A POINT ON A CURVE TO THE LEFT, THE RADIUS POINT OF WHICH BEARS SOUTH 57° 54'44" WEST 208.74 FEET; THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 28° 32'37", AN ARC LENGTH OF 133.88 FEET; THENCE CONTINUING ALONG SAID RIGHT OF WAY MARGIN NORTH 80° 37'54" WEST 208.02 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 508.59 FEET; THENCE ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 02° 52'30", AN ARC LENGTH OF 22.52 FEET; THENCE NORTH 83° 50'24" WEST 290.13 FEET TO THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 35; THENCE NORTH 01° 50'03" EAST ALONG SAID WEST LINE 88.70 FEET TO THE POINT OF BEGINNING.

NEW PARCEL : E (TAX LOT # 352304-9019)

THAT PORTION OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST W.M., LYING SOUTH AND WEST OF P.J. MUSIEL ROAD (SOUTH 178th STREET), DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION;
 THENCE SOUTH 87° 50'57" EAST 285.71 FEET TO THE TRUE POINT OF BEGINNING;
 THENCE NORTH 23° 27'57" EAST 147.11 FEET;
 THENCE SOUTH 87° 50'57" EAST 26 FEET;
 THENCE NORTH 22° 27'57" EAST 393 FEET MORE OR LESS, TO A POINT ON THE SOUTHERLY MARGIN OF SAID P.J. MUSIEL ROAD;
 THENCE SOUTH 88° 59'11" WEST ALONG SAID SOUTHERLY MARGIN 188.78 FEET;
 THENCE ALONG THE WESTERLY MARGIN OF SAID MUSIEL ROAD SOUTH 25° 37'57" WEST 228.37 FEET TO THE SOUTH LINE OF SAID SUBDIVISION;
 THENCE NORTH 87° 50'57" WEST ALONG SAID SOUTH LINE TO THE TRUE POINT OF BEGINNING.

EXCEPT THAT PORTION OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SUBDIVISION;
 THENCE ALONG THE SOUTH LINE THEREOF, SOUTH 87° 50'57" EAST 385.16 FEET;
 THENCE NORTH 02° 09'03" EAST 137.06 FEET;
 THENCE NORTH 22° 27'57" EAST 178.32 FEET TO THE SOUTHWESTERLY MARGIN OF SOUTH 178th STREET;
 THENCE ALONG SAID MARGIN SOUTH 60° 39'09" EAST 10.11 FEET;
 THENCE ALONG SAID MARGIN SOUTHEASTERLY ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 208.74 FEET, A DISTANCE OF 16.02 FEET TO THE TRUE POINT OF BEGINNING;
 THENCE CONTINUING ALONG SAID MARGIN AND SAID CURVE A DISTANCE OF 70.00 FEET; THENCE SOUTH 21° 38'27" WEST 120.14 FEET;
 THENCE NORTH 88° 52'03" WEST 70.06 FEET;
 THENCE NORTH 23° 27'57" EAST 145.00 FEET TO THE TRUE POINT OF BEGINNING.

AND EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF TUKWILA BY DEED RECORDED UNDER RECORDING NO. 8405881.

TOGETHER WITH THOSE PORTIONS OF MUSIEL ROAD (SOUTH 178th STREET) VACATED BY THE CITY OF TUKWILA BY ORDINANCE NO. 556 WHICH ATTACHED THERETO BY OPERATION OF LAW.

ALSO EXCEPT ANY PORTION THEREOF LYING WITHIN THE FOLLOWING DESCRIBED PROPERTY:

A PORTION OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 23 NORTH, RANGE 4 EAST OF THE W. M. CITY OF TUKWILA, KING COUNTY, WASHINGTON, BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 35; THENCE SOUTH 02° 24'41" WEST ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, A DISTANCE OF 1323.83 FEET TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF SAID NORTHWEST QUARTER, ALSO BEING A POINT ON THE CENTERLINE OF SOUTH 180th STREET; THENCE NORTH 87° 50'41" WEST ALONG SAID CENTERLINE 188.72 FEET TO THE INTERSECTION OF THIS LINE WITH THE WESTERLY RIGHT OF WAY MARGINS OF SOUTH CENTER PARKWAY AND

NEW PARCEL : E CONTINUED

SOUTH CENTER PARKWAY EXTENSION AS PER DEED RECORDED UNDER KING COUNTY RECORDERS NO. 2012113002216, BOTH RIGHTS OF WAYS ARE TO BE EXTENDED SOUTHERLY AND NORTHERLY TO THEIR INTERSECTION, ALSO BEING THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE NORTH 09° 50'27" EAST ALONG SAID WESTERLY RIGHT OF WAY MARGINS 38.81 FEET TO THE AFOREMENTIONED RIGHTS OF WAY INTERSECTION; THENCE NORTH 11° 58'53" WEST ALONG THE WESTERLY RIGHT OF WAY MARGIN OF SAID SOUTH CENTER PARKWAY 391.39 FEET TO THE SOUTHERLY LINE OF THAT CERTAIN PARCEL AS DESCRIBED IN DOCUMENT RECORDED UNDER KING COUNTY RECORDING NO. 2004622400206;
 THENCE NORTH 87° 42'12" WEST ALONG SAID SOUTH LINE 120.00 FEET; THENCE CONTINUING ALONG SAID SOUTH LINE NORTH 78° 27'42" WEST 72.20 FEET; THENCE NORTH 81° 28'38" WEST 47.25 FEET; THENCE SOUTH 88° 42'11" WEST 78.00 FEET; THENCE SOUTH 88° 59'11" WEST 136.44 FEET; THENCE NORTH 84° 13'28" WEST 24.27 FEET; THENCE NORTH 81° 43'09" WEST 17.43 FEET; THENCE NORTH 84° 04'01" WEST 18.02 FEET; THENCE SOUTH 30° 02'38" WEST 31.09 FEET; THENCE SOUTH 42° 30'57" EAST 100.83 FEET; THENCE SOUTH 87° 50'41" EAST 274.20 FEET; THENCE SOUTH 88° 51'33" EAST 103.04 FEET; THENCE SOUTH 78° 59'13" EAST 87.26 FEET; THENCE SOUTH 83° 47'24" EAST 152.81 FEET TO THE WESTERLY RIGHT OF WAY MARGIN OF THE AFOREMENTIONED SOUTH CENTER PARKWAY EXTENSION; THENCE NORTH 09° 50'27" EAST ALONG SAID MARGIN 116.16 FEET TO THE POINT OF BEGINNING.

EXCEPT ANY PORTION THEREOF LYING NORTHERLY OF THE SOUTHERLY RIGHT OF WAY MARGIN OF SOUTH 178th STREET.

ALSO EXCEPT THAT PORTION OF SOUTH CENTER PARKWAY EXTENSION AS PER DEED RECORDED UNDER KING COUNTY RECORDING NO. 2011411000210.

NOTE: BEARINGS REFERENCED IN THIS LEGAL DESCRIPTION WILL NOT MATCH THE SURVEY MAP DUE TO ROTATION TO THE WASHINGTON STATE PLANE COORDINATE SYSTEM AND / OR CALCULATED SURVEY DIFFERENCES.

20130221900005
 KING COUNTY, WA
 RECORDS & CLERK
 2005 2011



SP SEGALE PROPERTIES
 A LIMITED LIABILITY COMPANY
 P.O. Box 86028, Tukwila, WA 98138
 5811 Segale Park Dr. C, Tukwila, WA 98188

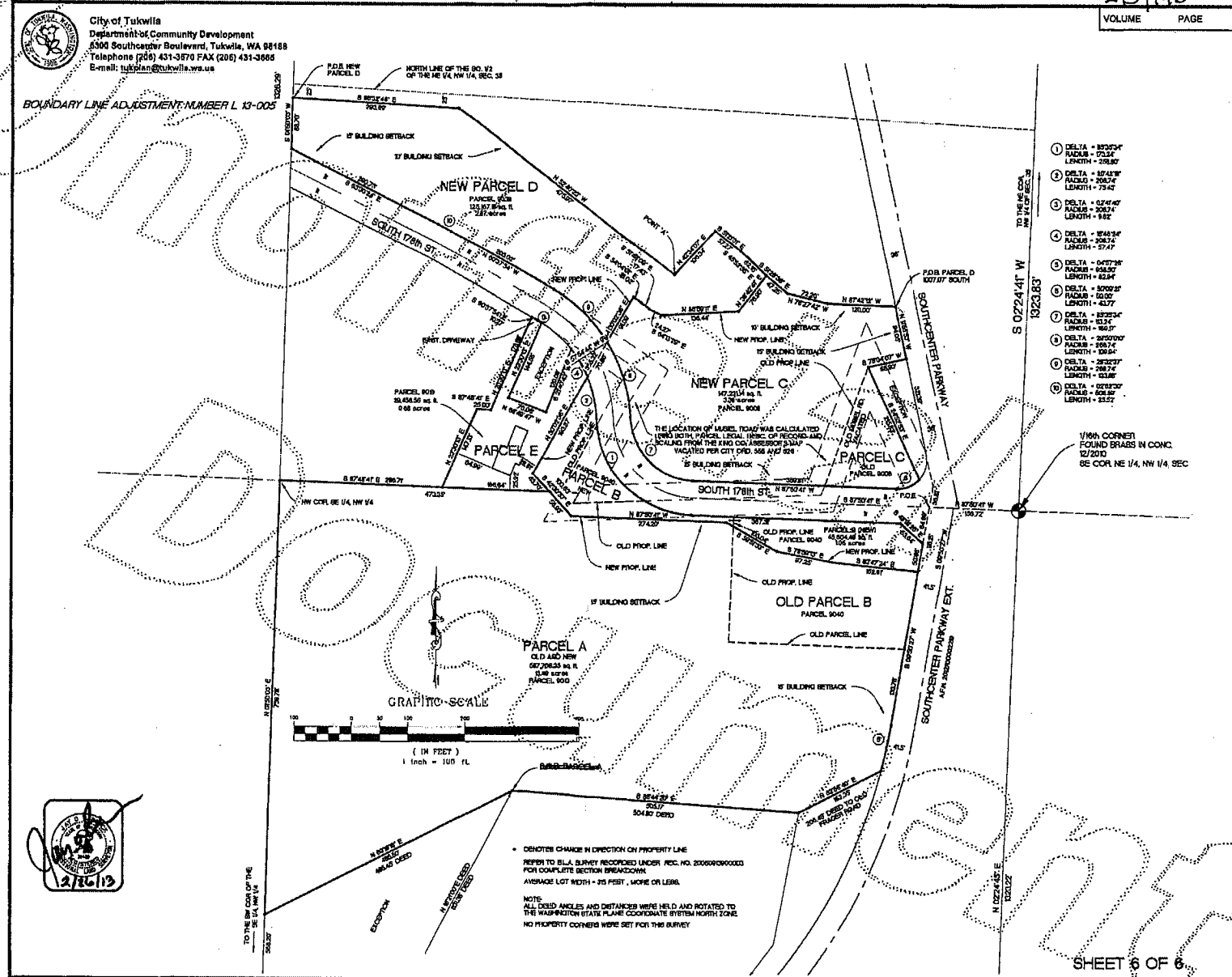
www.segaleproperties.com Phone 206-575-2000 Fax 206-575-1837

DRAWN BY	JAY B.	DATE	10/14/2011	JOB NUMBER	N/A
CHECKED BY	MARK B.	SCALE	N/A	SHEET	5 OF



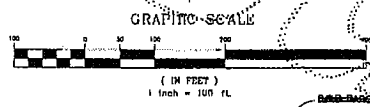
City of Tukwila
Department of Community Development
6300 Southcenter Boulevard, Tukwila, WA 98168
Telephone (206) 431-3870 FAX (206) 431-3865
E-mail: tukwila@tukwila.wa.us

BOUNDARY LINE ADJUSTMENT NUMBER L 13-005



- ① DELTA = 892024
RADIUS = 723.87
LENGTH = 298.87
- ② DELTA = 874218
RADIUS = 7067.4
LENGTH = 73.67
- ③ DELTA = 0274147
RADIUS = 3087.4
LENGTH = 932
- ④ DELTA = 844314
RADIUS = 208.14
LENGTH = 57.47
- ⑤ DELTA = 047728
RADIUS = 668.57
LENGTH = 83.84
- ⑥ DELTA = 800287
RADIUS = 50.87
LENGTH = 45.77
- ⑦ DELTA = 882234
RADIUS = 593.74
LENGTH = 160.07
- ⑧ DELTA = 285000
RADIUS = 593.74
LENGTH = 136.84
- ⑨ DELTA = 285000
RADIUS = 593.74
LENGTH = 136.84
- ⑩ DELTA = 802827
RADIUS = 608.87
LENGTH = 23.57

1/16th CORNER FOUND BRASS IN CONC. 12/2010
SE COR. NE 1/4, NW 1/4, SEC.



• CHANGES IN DIRECTION ON PROPERTY LINE REFER TO B.L.S. SURVEY RECORDED UNDER REC. NO. 20060900000 FOR COMPLETE SECTION BREAKDOWN. AVERAGE LOT WIDTH = 75 FEET, MORE OR LESS.

NOTE:
ALL DASH ANGLES AND DISTANCES WERE HELD AND ROTATED TO THE WASHINGTON STATE PLANE COORDINATE SYSTEM NORTH ZONE. NO PROPERTY CORNERS WERE SET FOR THIS SURVEY.

20130227 900005
PLAT COUNTY, WA





City of Tukwila

Washington

Cover page to Ordinance 2408

The full text of the ordinance follows this cover page.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, APPROVING AND CONFIRMING THE ASSESSMENT ROLL FOR KLUCKITAT LOCAL IMPROVEMENT DISTRICT NO. 33 FOR CONSTRUCTION OF IMPROVEMENTS TO URBAN ACCESS FOR THE SOUTHCENTER AREA; AND LEVYING AND ASSESSING A PART OF THE COSTS AND EXPENSES THEREOF AGAINST THE LOTS, TRACTS, PARCELS OF LAND AND OTHER PROPERTY AS SHOWN ON THE ASSESSMENT ROLL; PROVIDING FOR OTHER MATTERS RELATED THERETO; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2408 was amended or repealed by the following ordinances.

AMENDED	
Section(s) Amended	Amended by Ord #
Revised Final Assessment Roll adopted on 10/21/13 as an attachment to Ord #2412 is included in this Ord #2408	2412

REPEALED	
Section(s) Repealed	Repealed by Ord #



City of Tukwila

Washington

Ordinance No. 2408

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, APPROVING AND CONFIRMING THE ASSESSMENT ROLL FOR KCLICKITAT LOCAL IMPROVEMENT DISTRICT NO. 33 FOR CONSTRUCTION OF IMPROVEMENTS TO URBAN ACCESS FOR THE SOUTHCENTER AREA; AND LEVYING AND ASSESSING A PART OF THE COSTS AND EXPENSES THEREOF AGAINST THE LOTS, TRACTS, PARCELS OF LAND AND OTHER PROPERTY AS SHOWN ON THE ASSESSMENT ROLL; PROVIDING FOR OTHER MATTERS RELATED THERETO; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Final Assessment Roll proposing the assessment to be levied against the property located in the Klickitat Local Improvement District No. 33 (the "LID") in the City of Tukwila, Washington (the "City"), created by Ordinance No. 2260 for the construction of improvements to urban access for the Southcenter area, was filed with the City Clerk as provided by law; and

WHEREAS, on March 4, 2013, the City Council by Resolution No. 1789 directed that the hearing on the Final Assessment Roll should be conducted before Mr. Gary McLean, acting as Hearing Examiner, pursuant to RCW 35.44.070 and Tukwila Municipal Code Chapters 2.76 and 13.04, and that notice should be given as required by law, by both mailing and publication, of the time and place fixed for the hearing in such resolution; and

WHEREAS, notices of the time and place of the hearing and for making written objections and protests to proposed assessment on the Final Assessment Roll was published at the times and in the manner provided by law, fixing the time and place of commencement of the hearing thereon for March 27, 2013, beginning at 9:00 AM at the Tukwila Community Center, located at 12424 42nd Avenue South, Tukwila, Washington, and further notice thereof was mailed or caused to be mailed by the City Clerk to the property owners shown on the roll and other interested parties; and

WHEREAS, at the time and place fixed and designated in the notice, the hearing was convened and commenced before the Hearing Examiner, and evidence and testimony were received for the purpose of considering the assessment roll and the benefits to be received by each lot, tract and parcel of land or other property shown upon such roll; and

WHEREAS, on March 27, 2013, the LID property owners and/or their legal counsel or representatives completed their presentation of testimony and evidence in regard to their respective objections and protests; and

WHEREAS, on July 29, 2013, the Hearing Examiner delivered to the City a detailed written report for the LID consisting of Findings of Fact, Conclusions of Law, and Recommendation to the City Council, a true and complete copy of which is attached as Exhibit A and made a part hereof, true and complete copies of which are also on file with the City Clerk;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. Approval of Hearing Examiner's Findings, Conclusions and Recommendation. The City Council hereby accepts and adopts the Hearing Examiner's Findings, Conclusions and Recommendation as set forth in Exhibit A attached hereto and made a part hereof.

Section 2. Confirmation of Assessment. As recommended by the Hearing Examiner in Exhibit A, the parcels of land and other property shown upon the Final Assessment Roll, attached as Exhibit B to this ordinance and made a part hereof, are hereby determined, found and declared by the City Council to be specially benefited by the improvements constructed pursuant to LID No. 33 in at least the amount charged against the same. There is hereby levied, confirmed and assessed against the parcels of land and other property appearing upon the Final Assessment Roll the amount finally charged against the same, the aggregate amount of the assessments being \$9,475,893.89.

Section 3. Filing of Roll for Collection and Related Matters. The Final Assessment Roll as approved and confirmed shall be filed with the City Finance Director for collection and the Finance Director is authorized to mail and publish notice as required by RCW 35.49.010, and notwithstanding the provisions of TMC 13.04.140, stating that the roll is in the Finance Director's hands for collection and that payment of any assessment thereof or any portion of such assessment can be made at any time within 30 days from the date of first publication of such notice without penalty, interest or cost (the "Prepayment Period"). Thereafter, notwithstanding the provisions of TMC 13.04.150, the sum remaining unpaid on each assessment may be paid in 15 approximately equal installments of principal together with interest on the unpaid principal balance to the annual installment payment date. In accordance with RCW 35.49.020 and 35.49.030 and notwithstanding TMC 13.04.150, annual installment payments shall be due and payable on the anniversary of the start of the Prepayment

Period and unpaid assessments shall bear interest at a rate equal to 0.5 percent per annum above the all-in true interest cost on the local improvement bonds issued for LID No. 33, as determined pursuant to an ordinance authorizing the issuance of those bonds. Any installment not paid prior to 30 days after the due date shall be deemed delinquent. All delinquent installments shall be subject to a charge for interest at the above established rate per annum and an additional 12 percent penalty levied upon the principal due upon such installments will be enforced in the manner provided by law.

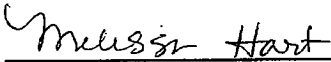
Section 4. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 5. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

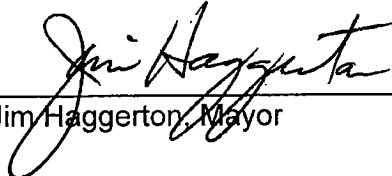
Section 6. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force five days after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this 3rd day of September, 2013.

ATTEST/AUTHENTICATED:




Melissa Hart, CMC, Deputy City Clerk



Jim Haggerton, Mayor

APPROVED AS TO FORM BY:



Office of the City Attorney

Filed with the City Clerk: 8-28-13
Passed by the City Council: 9-3-13
Published: in Entirety 9-9-13
Effective Date: 9-14-13
Ordinance Number: 2408

Attachments:

- Exhibit A – Hearing Examiner Findings of Fact, Conclusions of Law, and Recommendation
- Exhibit B – Final Assessment Roll

RECEIVED

JUL 29 2013

CITY OF TUKWILA
CITY CLERK

Before Hearing Examiner
Gary N. McLean

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

BEFORE THE HEARING EXAMINER
FOR THE CITY OF TUKWILA

In the Matter of the Final Assessment)
Roll for the)
)
KLICKITAT LOCAL)
IMPROVEMENT DISTRICT)
(LID NO. 33))
)
On delegation from the Tukwila City)
Council, by Resolution No. 1790,)
adopted on March 4, 2013.)

FINDINGS OF FACT,
CONCLUSIONS OF LAW AND
RECOMMENDATION

I. SUMMARY OF RECOMMENDATION.

The Assessment Roll should be confirmed with limited modifications as described below.

II. RECORD AND EXHIBITS.

Exhibits entered into evidence as part of the record, and an audio recording of the public hearing, are maintained by the City of Tukwila, and may be examined or reviewed by contacting the City Clerk's Office.

Hearing Testimony: The following individuals presented testimony under oath at the duly noticed open record public hearing¹ held on March 27, 2013:

1. Bob Giberson, Public Works Director, City of Tukwila;
2. Robert J. Macaulay, MAI, of Macaulay & Associates, Ltd., Real Estate Appraisers & Consultants, responsible for preparing the Final Special Benefit/Proportionate Assessment Study, included in the record as Exhibit

¹ The Notice of Assessment Roll Hearing was published in the Seattle Times on March 4th and 11th, 2013; copies of the Notice were also mailed to property owners with their individual Notice of Assessment. See Exhibit Nos. 10 and 11.

No. 4;

3. Jami Balint, an attorney representing Segale Properties, collectively addressed in written objections marked as "Appeal H";
4. Larry Schramm, Director of Property Tax unit for Macy's, appearing for Federated Department Stores (Macy's) four (4) properties addressed in written objections marked as "Appeal A";
5. Daniel Rosenfeld and George Rockwell, for Andover West, LLC, and Andover Company, regarding a parcel addressed in the written objection marked as "Appeal C"; and
6. Laura Toepfer, for the Seattle Archdiocese/Vietnamese Martyrs Parish, regarding a parcel addressed in the written objection marked as "Appeal F".

Exhibits:

Original written objections filed on behalf of eight (8) property owners or their representatives by the March 21, 2013 deadline are included in the record, labeled as "Appeal 'A' through 'H'".

A total of seven (7) exhibits were accepted into the record as numbered, identified and described on the City Clerk's "Exhibit Log", a copy of which is attached hereto and incorporated by this reference. (To avoid confusion, it should be noted that the hearing exhibits include two separate documents numbered 3 and 3A, meaning the initial list ended with number 6).

The Examiner takes judicial notice of the following public records that are relevant to this matter, and includes them as part of the hearing record, copies of which shall be marked and maintained as follows:

- Exhibit No. 7, City of Tukwila Ordinance No. 2260, adopted on November 16, 2009, establishing the Klickitat Local Improvement District (LID No. 33);
- Exhibit No. 8, City of Tukwila Resolution No. 1789, adopted on March 4, 2013, setting the date for the hearing before the designated hearing examiner regarding the assessment roll for LID No. 33;
- Exhibit No. 9, City of Tukwila Resolution No. 1790, adopted on March 4, 2013, designating the undersigned to act as the City's Hearing Examiner for the assessment roll hearing for LID No. 33;

- 1 • Exhibit No. 10, a true and correct copy of the City Clerk's Notice of Assessment
2 Roll Hearing, issued for publication in the Seattle Times on March 4th and 11th,
2013; and
- 3 • Exhibit No. 11, a true and correct copy of the Certificate of Mailing from Gail
4 Labanara, Public Works Analyst, with 11 pages of attachments, certifying that the
5 city sent the Notice of Assessment Roll Hearing for LID No. 33 to a list of owners
6 of parcels of land or other property to be specially benefitted by the Klickitat
Project. The Certificate confirms that the hearing notice was mailed on March 7,
2013.

7 Finally, the record was held open by request of City officials to provide additional time for
8 direct discussions to resolve some of the appeals. In early June of 2013, the Examiner
9 received two stipulations/joint recommendations through the City Clerk's Office, reflecting
10 suggested modifications to resolve two pending appeals/objections to the assessment roll,
11 one filed on behalf of the Segale Properties addressed in Appeal H, which shall be included
as part of the record and marked as Exhibit No. 12, and the other filed on behalf of the
Andover West Property, Parcel 91, addressed in Appeal C, a copy of which shall be
included as part of the record and marked as Exhibit No. 13.

12 Following such additions, the record for this matter is deemed closed, and a
13 Recommendation is now in order.

14 III. APPLICABLE LAW AND AUTHORITY.

15 Tukwila Municipal Code Sec. 13.04.095 authorizes the Hearing Examiner to
16 conduct a hearing regarding the assessment roll for an LID, at which time the Examiner
17 shall consider all objections that have been timely filed with the City Clerk in writing and
18 meeting the other requirements set forth in RCW 35.44.080. Following such hearing, the
19 Hearing Examiner shall make recommendations that the City Council correct, revise, raise,
20 lower, change, or modify the roll or any part thereof or set aside the roll and order the
21 assessment to be made de novo, or that the Council adopt or correct the roll or take other
22 action on the roll. *Id.* Following issuance of the Examiner's recommendation, the City
23 Council shall adopt or reject the recommendation of the Hearing Examiner at a public
meeting provided that any person who shall have challenged his or her assessment before
the Examiner may appeal the recommendation of the Hearing Examiner to the City Council
by filing written notice of such appeal with the City Clerk within 10 calendar days of the
date of mailing of the Hearing Examiner's recommendation. *Id.*

24 Under RCW 35.44.080, objections to an LID assessment must be made in writing,
25 and submitted by the date and time specified in the public Notice of Hearing regarding the
assessment roll. All objections to confirmation of the assessment roll shall state clearly the

26 FINDINGS OF FACT, CONCLUSIONS OF LAW AND
RECOMMENDATION - KLICKITAT LOCAL
IMPROVEMENT DISTRICT, LID NO. 33

Page 3 of 12

GARY N. MCLEAN
HEARING EXAMINER
CITY OF TUKWILA
6200 SOUTHCENTER BOULEVARD
TUKWILA, WASHINGTON 98168
MCLEANLAW@ME.COM

1 grounds of objections. Objections not made within the time and in the manner explained in
2 the Public Notice, which conformed to state law, shall be conclusively presumed to have
3 been waived. RCW 35.44.110.

4 Summarizing case law and long-standing interpretations and application of
5 Washington Local Improvement District statutes at issue in this matter:

- 6 • a property is benefited by a local improvement if the fair market value increases
7 after the improvement²;
- 8 • whether a property is specially benefited by an improvement is generally a question
9 of fact to be proved by expert testimony³;
- 10 • the city may use any method or methods to determine the special benefits to
11 properties within the LID and to calculate the assessments⁴;
- 12 • it is presumed that a local improvement benefits all property with an LID unless a
13 challenging property owner produces competent evidence to the contrary⁵;
- 14 • the burden of proof does not shift back to the city until after a challenging party
15 presents sufficient evidence, preferably expert appraisal evidence, showing that the
16 property would not be benefited by the improvement⁶;
- 17 • bare assertions, such as arguing that a property is on the periphery of the LID, does
18 not need the improvement to thrive, and the like, without expert testimony, are
19 inadequate to overcome the presumption in favor of the city⁷; and
- 20 • in any subsequent appeal to Superior Court of the City Council's action taken
21 following issuance of the Examiner's recommendation, only the record of the prior
22 proceedings is considered. This requires complaining parties to place all relevant
23 information and objections before the proper decision making body, i.e. the
24 Examiner, the council, prior to the municipality's decision, instead of permitting
25 later attack in the superior court based upon information which the municipality did
26 not have the opportunity to consider⁸.

21 ² *In re Indian Trail Trunk Sewer Sys.*, 35 Wash.App. 840, 842, 670 P.2d 675 (1983), *review denied*, 100
22 Wash.2d 1037 (1984).

23 ³ *Indian Trail*, 35 Wash.App. at 842, 670 P.2d 675.

24 ⁴ RCW 35.44.047.

25 ⁵ *Bellevue Associates v. City of Bellevue*, 108 Wash.2d 671 at 676-77, 741 P.2d 993 (1987); *Abbenhaus v.*
26 *City of Yakima*, 89 Wash.2d 855 at 860-61, 576 P.2d 888 (1978).

⁶ *Indian Trail*, 35 Wash.App. at 842-43, 670 P.2d 675.

⁷ *Hansen v. Local Imp. Dist. No. 335*, 54 Wash. App. 257, 263, 773 P.2d 436, 440 (1989).

⁸ *Abbenhaus v. City of Yakima*, 89 Wn.2d at 859-60.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

IV. FINDINGS OF FACT.

Based on the record established for this matter, the Examiner issues the following findings of fact:

1. The Klickitat Local Improvement District, LID No. 33, was formed by the Tukwila City Council in November of 2009 by Ordinance No. 2260.

2. The Klickitat Project (or "Project") is an approximately \$22 million road improvement project designed to improve severe congestion within Tukwila's urban center. The Project included a partial "lid" over Southcenter Parkway, removal of conflicting turning movements, traffic signal improvements, and widening of a significant portion of Southcenter Parkway, primarily in the area immediately west of Westfield-Southcenter Mall, south of the intersection of Interstates 5 and 405. Testimony of Mr. Giberson; Ex. No. 1, Staff Report; Ex. No. 4. The Project improves traffic flow throughout the designated Local Improvement District, relieving congestion at the Strander Boulevard/Southcenter Parkway and Klickitat Drive/Southcenter Parkway intersections. *Id.* With the removal of southbound and northbound interaction at Klickitat Drive/Southcenter Parkway, and by adding a bridge and lowering the southbound lanes, more northbound traffic can move through the intersection to access the southbound I-5 on-ramp. More efficient southbound traffic flow is possible because motorists do not have to wait before making northbound turns onto Klickitat Drive. *Id.*

3. With the LID project completed, access and traffic flow are significantly improved along Southcenter Parkway, Strander Boulevard, and Klickitat Drive as well as the Interstate 5 off-ramps adjacent to Southcenter Mall. The negative stigma previously associated with the mall vicinity due to traffic congestion is reduced, creating a more desirable location for residential/commercial property owners and tenants, for both commercial and retail properties and light industrial uses. Ex. 4, Assessment Study, page 4.

4. Specific traffic benefits of the Klickitat Project are detailed in a January 4, 2013 memorandum from the Fehr and Peers traffic-engineering firm to Mr. Giberson, a copy of which is included at pages 154 through 156 of the Assessment Study, Ex. No. 4. Mr. Giberson testified that the area subject to the LID, the Tukwila Urban Center, is similar to an island, with limited ingress and egress points for traffic to enter and leave the area. The Assessment Study relies on the Fehr and Peers traffic study's conclusion that "the LID project relieves congestion at the main access points across I-405 and the Green River and increases pass-by trips along key retail corridors like Strander Boulevard and Southcenter Parkway." Ex. 4, page 4. All of these factors contributed to an increase in property values for properties located within the LID.

5. Zoning and intensity of use for properties located within the LID boundaries are affected by the Klickitat Project. Favorable zoning changes, and increases in options for

1 intensity of use of properties, that were not previously available but are, or may soon be
2 available after completion of the Klickitat Project, are factors that were reasonably and
3 credibly considered by Mr. Macaulay as he prepared the Assessment Study for the LID
4 area. See Ex. 4.

5 6. The cost of the improvements initially estimated for financing through LID
6 assessments was approximately \$10.5 million. Due to favorable bids received by the city,
7 an accelerated construction schedule, and other positive circumstances, the total project cost
8 came in below engineering estimates, reducing the amount to be financed through LID
9 assessments to approximately \$9.9 million. Testimony of Mr. Giberson; Ex. No. 1, Staff
10 Report; Ex. No. 4, Assessment Study; Ex. No. 2, Res. No. 1698 declaring intent to form
11 LID.

12 7. The well-established regional appraisal firm, Macaulay & Associates, Ltd. prepared
13 and filed with the City a copy of the Final Special Benefit/Proportionate Assessment Study
14 for the Klickitat LID, dated February 25, 2013. Ex. No. 4. The Assessment Study included
15 a proposed Assessment Roll addressing the approximately 270 parcels included within the
16 LID boundary. Upon receipt of the Assessment Study, on March 4, 2013, the Tukwila City
17 Council designated the undersigned Examiner to consider the final assessment roll and any
18 objections thereto for LID No. 33 and set the date for such hearing. See Resolution Nos.
19 1789 and 1790, Ex. Nos. 8 and 9.

20 8. Consistent with the City Council's direction given in Resolution No. 1789, the City
21 Clerk prepared and issued a Notice of Assessment Roll Hearing as provided in RCW
22 35.44.080, and mailed and published such Notice of Hearing as provided in RCW
23 35.44.090. The Notice was published in the Seattle Times on March 4th and 11th, 2013.
24 Copies of the Notice were mailed to each property owner-of-record included within the LID
25 boundary, along with an individual Notice(s) of Assessment(s) proposed for each parcel
26 held by such owner. Ex. Nos. 10 and 11.

9. As of January 15, 2013, the Macaulay Assessment Study found that the total
difference (in this case, substantial increase) in values for all properties located with the
LID boundary before and after completion of the Klickitat Project, known as the "Estimated
Special Benefit" conferred upon properties within the district, is \$50,985,000. Ex. 4,
Assessment Study, page 5, and final spreadsheet, page 9 of 9.

10. The portion of the total Project cost to be funded by the LID is only \$9,902,877. *Id.*

11. The cost/benefit analysis of the Project is very favorable to affected property
owners. Each parcel is estimated to receive one *dollar* in special benefit for each 19 *cents*
of LID assessment. *Id.*⁹

⁹ This figure is calculated by dividing the total cost to be funded by the LID (approximately \$9.9 million) by
the Estimated Special Benefit (approximately \$51 million).

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

12. In this matter, eight (8) property owners or their representatives submitted written materials with the City Clerk before the March 21, 2013 deadline, objecting to the amount of assessments reflected on the proposed assessment roll for their respective parcels.¹⁰

13. At the hearing, the Examiner placed all persons wishing to provide testimony on the record under oath. The Public Works Director, Mr. Giberson, summarized the Project, highlighting portions of the Staff Report, and the Assessment Study. The City's Appraiser, Mr. Macaulay was present, and provided a brief oral presentation regarding his Assessment Study and the proposed Assessment Roll. The City's attorney, Mr. Disend, requested additional time to conduct discussions with an owner of multiple parcels included in the LID, to determine if the owners' specific objections warranted modification of assessments to be applied to some or all of their parcels.¹¹

14. Several owners who submitted brief letters objecting to their assessment did not appear in person or through a representative at the hearing, and provided no testimony, reports, exhibits, or appraisals, or other written evidence to challenge portions of the assessment roll addressing their parcel(s). Other than an initial letter or other written document generally objecting to their notice of assessment, the following owners failed to come forward with any testimony or other evidence to supplement or support their appeal/objection before or during the Assessment Roll Hearing:

- o Appeal B, Ron Skarbo, Skarbo Holdings LLC, Parcel No. 69;
- o Appeal D, Matt Peterson, Houghton Harbor LLC, Parcel No. 141;
- o Appeal E, Patrick Lawless, Widewaters Group, Inc., Parcel No. 99; and
- o Appeal G, Harris Klein, Parcel No. 223.

15. Jami Balint, an attorney representing Segale Properties, provided comments during the hearing and sought clarification from City witnesses. Her testimony focused on the Segale Properties that were collectively addressed in written objections marked as "Appeal H", parcels generally located at the bottom, southwest portion of the LID area.¹²

¹⁰ The original written objections filed on behalf of the eight (8) property owners or their representatives by the March 21, 2013 deadline are maintained by the City Clerk's Office and included in the record for this hearing, labeled as "Appeal 'A' through 'H'".

¹¹ The request was made with respect to objections filed on behalf of the Segale properties, addressed in materials marked as Appeal H.

¹² See Ex. No. 3A, LID No. 33 Color Map with parcels covered by Appeals A-H marked and identified for illustration purposes at the hearing.

1 16. Larry Schramm, Director of Property Tax for Macy's, appeared and testified at the
2 hearing for Federated Department Stores (Macy's), which owns four (4) properties
3 addressed in written objections marked as "Appeal A". Mr. Schramm devoted most of his
4 attention to the two parcels where the Macy's warehouse/distribution center is located,
5 Parcel Nos. 73 and 74. He observed that the condition of the buildings on the site was not
6 optimal, and that estimated values were too high in his opinion. The Examiner finds that
7 the back parcel, number 74, does not front Southcenter Boulevard, as does Parcel No. 73.
8 But, because the land on both parcels is currently used for a unified, single purpose, i.e. the
9 Macy's distribution center, the assessments recommended for each parcel (the same for
10 each) are legally supportable. See *Doolittle v. Everett*, 114 Wash. 2d 88, 786 P.2d 253
11 (1990)(General rule is that each lot, piece, or parcel of land should be assessed separately,
12 for purposes of local improvement district special assessment, but different rule applies
13 where owner has actually combined several lots and put them to unified use, in which event
14 lots may be considered as one parcel).

15 17. Daniel Rosenfeld, Manager for Andover West, LLC, appeared at the hearing and
16 provided testimony regarding Parcel No. 91, which was addressed in the written objection
17 marked as "Appeal C". Mr. Rosenfeld's materials included specific examples of similar
18 parcels that he believed to have estimated values more in-line with where he felt Parcel 91
19 should be. He noted that redevelopment options might be negatively affected by the
20 presence of rail tracks on the north portion of the site, and immediately east of the existing
21 warehouse buildings on the parcel. He noted the presence of a drainage pond on the site,
22 not seen on neighboring parcels. Accordingly, he felt the proposed assessment amount was
23 too high, and should be reduced to conform with other, similar properties, weighing unique
24 conditions on Parcel 91 that were not part of the "mass appraisal" analysis in the
25 Assessment Study. He credibly explained that it was difficult to accept an assessment that
26 is almost 3 times as high as Parcel 93, a substantially-similar parcel located immediately
to the south of Parcel 91 fronting Andover Park West.

17 18. Laura Toepfer appeared at the hearing and provided testimony and questions on
18 behalf of the Archdiocese of Seattle/Vietnamese Martyrs Parish, regarding Parcel No. 242,
19 addressed in the written objection marked as "Appeal F". Essentially, Ms. Toepfer
20 explained that the Archdiocese helped acquire the parcel where the Vietnamese Martyrs
21 Parish will be operating. At the time of purchase, the seller did not disclose the pending
22 LID assessment. Her remarks questioned the fairness of the pending assessment, again
23 primarily based on the allegation that the seller failed to disclose the existence of the LID,
24 meaning the potential assessment was not a factor in the purchase negotiations. She did not
25 offer any expert testimony or other evidence to question the accuracy of the estimated
26 special benefit conferred on the parcel, as explained in the Assessment Study.

19. At the conclusion of the hearing, the Examiner directed City staff to provide regular
written updates, through the City Clerk's office, regarding progress in reaching mutually
agreed adjustments, recommendations, or other changes, to resolve specific objections
raised by parties who appeared at the hearing.

1 20. In early June of this year, the Examiner received two stipulations/joint
2 recommendations through the City Clerk's Office, reflecting suggested modifications to
3 resolve two pending appeals/objections to the assessment roll, one filed on behalf of the
4 Segale Properties addressed in Appeal H, which is included as part of the record and
5 marked as Exhibit No. 12, and the other filed on behalf of the Andover West Property,
6 Parcel 91, addressed in Appeal C, a copy of which is included as part of the record and
7 marked as Exhibit No. 13.

8 21. The stipulation/joint recommendation filed regarding the Segale Properties
9 addressed in Appeal H explains that some of the zoning assumptions included in the
10 Assessment Study were in error, and that the Assessment Study does not reflect a number
11 of right-of-way dedications, street vacations, property dedications and restrictions within
12 the Tukwila South area that changes the size and usable area of many of the Segale
13 Properties. Given these factors, the City and Segale agree that the Study overstated the
14 special benefits conferred on much of the Tukwila South area, and warrants adjustments to
15 assessments for parcels as reflected on a spreadsheet attached to Exhibit No. 12. The joint
16 recommendation did not reference or include any follow-up analysis by the City's
17 appraiser, Mr. Macaulay, or any other firm.

18 22. The stipulation/joint recommendation filed regarding the Andover West LLC Parcel
19 91, addressed in Appeal C, explains that the Parties agree that the special benefit to Parcel
20 91 is less than what is stated in the Assessment Study, and the special benefit should
21 properly result in an assessment of \$0.17 per square foot, instead of the initial estimate of
22 \$0.29 per square foot. The joint recommendation did not reference or include any follow-
23 up analysis by the City's appraiser, Mr. Macaulay, or any other firm.

24 23. The Examiner made several site visits to the study area, specifically including
25 publicly accessible portions of road improvements referenced in the Assessment Study, and
26 parcels addressed in written objections at issue in this Recommendation.

27 24. The Examiner finds that the City's appraiser, Robert J. Macaulay, MAI, of
28 Macaulay & Associates, Ltd., Real Estate Appraisers & Consultants, responsible for
29 preparing the Final Special Benefit/Proportionate Assessment Study, included in the record
30 as Exhibit No. 4, is well qualified as an expert on the subjects and topics addressed in the
31 Assessment Study. His qualifications and relevant experience, as well as that of his firm,
32 are summarized in Exhibit No. 4. No evidence was presented in any form to challenge his
33 qualifications.

34 25. Any Conclusion or provision found in any other section of this Recommendation
35 that is deemed to be a finding of fact is hereby incorporated by reference as such.

V. CONCLUSIONS OF LAW.

1. All procedures required prior to confirmation of the final assessment roll by RCW Chapters 35.43 and 35.44, the Tukwila Municipal Code and the Ordinances and Resolutions of the City relating to LID No. 33 have been followed.

2. All property in the assessment area is specially benefitted by the Klickitat Project in an amount at least equal to the assessment contained in the final assessment roll, or as modified in this Recommendation.

3. The assessments in the final assessment roll are imposed on each property equitably and in reasonable proportion to all other property in the assessment area.

4. For all parcels for which no protest or objection to the final assessment roll was received within the time specified in the notices provided to the property owners and the public, any and all objections to the final assessment roll as it applies to such parcels are deemed waived. See RCW 35.44.110.

5. The final assessment roll should be confirmed as modified in this Recommendation.

6. Any difference/reduction in total assessments available for collection caused by any adjustment recommended herein should be borne by the City, without reallocation to assessments imposed upon other parcels in the LID.

7. Any Finding of Fact or other provision of this Recommendation that may be considered a Conclusion of Law shall be deemed to be a Conclusion of Law. Any Conclusion of Law that should be denominated a Finding of Fact shall be deemed to be a Finding of Fact.

VI. RECOMMENDATION.

Based on the record, and for the reasons set forth above,

A. The appeals/objections raised by six of the property owners with standing in this hearing should be denied¹³, and their assessments should be confirmed as set forth in Mr. Macaulay's Assessment Study, Ex. No. 4.

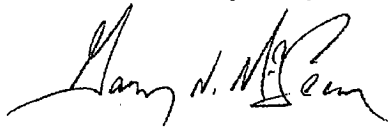
B. The assessment for the Segale Properties¹⁴ should be modified as reflected in Exhibit

¹³ Appeals/Objections Labeled as Appeals A, B, D, E, F, and G should be denied.

¹⁴ Segale Properties are addressed in the Appeal/Objection labeled as Appeal H.

- 1 No. 12, provided the City Council finds that the rezones referenced in the stipulated
2 recommendation were not approved subject to the property owner's participation in the
3 LID, or other reasons making the situation substantially similar to the Westfield
4 Southcenter Mall redevelopment and the Southcenter Square (Wig Properties)
5 construction/development project, both of which were approved subject to participation in
6 the LID. See Assessment Study, page 4, where it notes that the "pre-renovation
7 contributory improvement value is considered in the analysis" for the Westfield and Wig
8 properties. If participation in the LID was not a condition of approval for rezones approved
9 for the Segale properties before formation of the LID, then the stipulated recommendation
10 of the parties should be followed, and adjustments to the affected parcels should be made as
11 reflected in Exhibit No. 12. If it was, then additional evidence from the City's appraiser
12 should be considered before approving any adjustment.
- 13 C. The assessment for the Andover West Property, Parcel 91¹⁵, should be modified as
14 reflected in Exhibit No. 13.
- 15 D. Any difference/reduction in total assessments available for collection caused by any
16 adjustment recommended herein should be borne by the City, without reallocation to
17 assessments imposed upon other parcels in the LID.
- 18 E. All other assessments set forth on the proposed Assessment Roll should be confirmed
19 by the City Council.

20 ISSUED this 29th Day of July, 2013

21 

22 _____
23 Gary N. McLean
24 Hearing Examiner

25 ¹⁵ The Andover West Property, Parcel 91, is addressed in the Appeal/Objection labeled as Appeal C.

Appeal to City Council

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

As provided in Ordinance No. 2397, codified as Tukwila Municipal Code Sec. 13.04.095, any person who challenged his or her assessment before the Examiner may appeal the recommendation of the Hearing Examiner to the City Council by filing written notice of such appeal with the City Clerk within 10 calendar days of the date of mailing of the Hearing Examiner's recommendation. The appeal shall be upon the record made before the Hearing Examiner based on a preponderance of evidence standard and shall be considered by the Council at a public meeting in accordance with the City Council's rules of procedure.

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND
RECOMMENDATION – KLUCKITAT LOCAL
IMPROVEMENT DISTRICT, LID NO. 33**

Page 12 of 12

GARY N. MCLEAN
HEARING EXAMINER
CITY OF TUKWILA
6200 SOUTHCENTER BOULEVARD
TUKWILA, WASHINGTON 98188
MCLEANLAW@ME.COM

**LID 33 Assessment Roll Hearing
March 27, 2013
Exhibit Log**

Exhibit	Item Submitted		
1	City Report / Bob Giberson	3-15-13 Coversheet & 7 pages	Tukwila Urban Center Access Klickitat Project
2	City Resolution 1698	11 Pages	Adopted 10-26-09
3	LID #33 Color Map	11x17 1 page color	Revised 10-8-12
3A	LID #33 Color Map with Appeals A-H Identified	Provided by Public Works 4-2-13	Requested by Hearing Examiner at 3-27-13 Hearing
4	Final Special Benefit Study	Bound Document/Robert Macaulay	Report date 2-25-13
5	Macy's / Larry Schramm	2 page document	Parcels: 262304-9077 262304-9076
6	Andover West LLC / Mr. Rosenfeld	Aerial LID Boundary Photo 1 page map – pages 12-182	Red Locations of Area Properties

- Original Submittals Labeled “Appeal A through H” were entered into Evidence.

The following assessment roll was adopted on 9/3/2013
and was later replaced by an updated assessment roll
adopted by Ord #2412 on 10/21/13,
see page 29 below.

City of Tukwila L.I.D. No. 33 -Tukwila Urban Center Access (Klickitat) Project - Final Assessment Roll

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	Gross Land Area (SF)	Green Land Area (Acres)	Unbuildable Areas	Buildable Land Area (SF)	Building Area (SF)	Year Built	Zoning without LID	HABU without LID	With LID			With LID			Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF			
													Land Value	ECV Improvements	Probable Market Value	Land Value	ECV Improvements	Probable Market Value									
1	City of Seattle	000320-0021	500 Tukwila Parkway	PO BOX 34018 SEATTLE WA 98124	68,120	1.58	Yes	68,120	0	NA	TUC		\$2.00	\$136,240	\$0	\$138,240	\$0	\$138,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00			
2	City of Tukwila	000320-0022	510 Tukwila Parkway	6200 SOUTHCENTER BLVD TUKWILA WA 98168	44,874	1.03	Yes	44,874	0	NA	TUC		\$2.00	\$89,748	\$0	\$90,000	\$0	\$90,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00			
3	Westfield Corporation Inc	920247-0116	Southcenter Parkway	PO BOX 130940 CARLSBAD CA 92013	124,739	2.86	No	124,739	3,330	1975	TUC		\$35.00	\$4,565,865	\$0	\$4,566,000	\$0	\$4,566,000	\$439,000	\$4.00	\$58,921	\$0.78	\$96,321.35	\$0.78			
4	Westfield Corporation Inc	920247-0120	Southcenter Parkway	PO BOX 130940 CARLSBAD CA 92013	184,338	4.23	No	184,338	0	NA	TUC		\$35.00	\$6,451,790	\$0	\$6,452,000	\$0	\$7,188,000	\$737,000	\$4.00	\$143,148	\$0.78	\$143,148.33	\$0.78			
5	Westfield Corporation Inc	920247-0020	No site address	PO BOX 130940 CARLSBAD CA 92013	16,876	0.38	No	16,876	0	NA	TUC		\$35.00	\$583,690	\$0	\$584,000	\$0	\$650,000	\$66,000	\$3.96	\$12,816	\$0.77	\$12,819.28	\$0.77			
6	Prudential Retirement Insurance & Annuity	359700-0245	Southcenter Parkway	PO BOX 130940 CARLSBAD CA 92013	499,863	11.48	No	499,863	0	NA	TUC		\$35.00	\$17,495,205	\$0	\$17,495,000	\$0	\$19,495,000	\$2,000,000	\$4.00	\$38,462	\$0.78	\$38,462.37	\$0.78			
7	Westfield Corporation Inc	920247-0090	No site address	PO BOX 130940 CARLSBAD CA 92013	329,060	7.55	No	329,060	86,115	1989	TUC		\$35.00	\$11,517,100	\$4,961,000	\$16,478,000	\$0	\$12,833,540	\$4,951,000	\$17,784,000	\$1,316,000	\$4.00	\$255,608	\$0.78	\$255,608.24	\$0.78	
8	Westfield Corporation Inc	920247-0010	No site address	PO BOX 130940 CARLSBAD CA 92013	1,355,919	31.13	No	1,355,919	583,580	1989	TUC		\$35.00	\$47,457,165	\$45,000,000	\$92,457,000	\$0	\$52,820,841	\$345,000,000	\$97,891,000	\$5,424,000	\$4.00	\$1,053,510	\$0.78	\$1,053,509.95	\$0.78	
9	Westfield Corporation Inc	920247-0130	310 Strandor Blvd	PO BOX 130940 CARLSBAD CA 92013	221,571	5.06	No	221,571	275,113	1989	TUC		\$45.00	\$7,754,935	\$42,000,000	\$50,255,000	\$0	\$5,412,269	\$42,000,000	\$51,241,000	\$566,000	\$4.00	\$112,069	\$0.78	\$112,069.63	\$0.78	
10	Westfield Corporation Inc	920247-0150	Southcenter Parkway	PO BOX 130940 CARLSBAD CA 92013	289,293	6.64	No	289,293	0	NA	TUC		\$35.00	\$10,125,355	\$0	\$10,125,000	\$0	\$11,292,427	\$0	\$11,292,000	\$1,157,000	\$4.00	\$224,725	\$0.78	\$224,725.48	\$0.78	
11	Westfield Corporation Inc	920247-0160	210 Strandor Blvd	PO BOX 130940 CARLSBAD CA 92013	234,764	5.39	No	234,764	10,000	2008	TUC		\$35.00	\$6,216,740	\$0	\$6,217,000	\$0	\$9,155,796	\$0	\$9,156,000	\$939,000	\$4.00	\$182,383	\$0.78	\$182,383.08	\$0.78	
12	Westfield Corporation Inc	920247-0040	No site address	PO BOX 130940 CARLSBAD CA 92013	71,610	1.64	No	71,610	7,405	1990	TUC		\$35.00	\$2,506,350	\$305,000	\$2,811,000	\$0	\$2,792,790	\$305,000	\$3,098,000	\$287,000	\$4.01	\$53,744	\$0.78	\$53,744.35	\$0.78	
13	Westfield Corporation Inc	920247-0060	225 Andover Park W	PO BOX 130940 CARLSBAD CA 92013	25,000	0.57	No	25,000	4,860	1980	TUC		\$35.00	\$875,000	\$185,000	\$1,060,000	\$0	\$39,000	\$975,000	\$185,000	\$1,160,000	\$100,000	\$4.00	\$19,423	\$0.78	\$19,423.12	\$0.78
14	Federated Dept Stores Inc	359700-0248	% of Macy's	7 W 7TH ST CINCINNATI OH 45202	90,650	2.07	No	90,650	130,245	1988	TUC		\$35.00	\$3,151,750	\$21,750,000	\$24,902,000	\$0	\$3,511,950	\$21,750,000	\$25,262,000	\$380,000	\$4.00	\$69,923	\$0.78	\$69,923.23	\$0.78	
15	Federated Dept Stores Inc	282304-0686	% of Macy's	7 W 7TH ST CINCINNATI OH 45202	36,923	0.89	No	36,923	130,245	1988	TUC		\$35.00	\$1,362,305	\$21,750,000	\$23,112,000	\$0	\$1,517,997	\$21,750,000	\$23,268,000	\$156,000	\$4.01	\$30,300	\$0.78	\$30,300.06	\$0.78	
16	Westfield Corporation Inc	920247-0100	225 Tukwila Parkway	PO BOX 130940 CARLSBAD CA 92013	129,922	2.98	No	129,922	12,997	1989	TUC		\$35.00	\$4,547,270	\$2,200,000	\$6,747,000	\$0	\$5,066,958	\$2,200,000	\$7,267,000	\$520,000	\$4.00	\$101,000	\$0.78	\$101,000.22	\$0.78	
17	Bela Holdings LTD	022300-0010	301 Tukwila Parkway	18227 BOTHELL WAY NE BOTHELL WA 98011	141,136	3.24	No	141,136	43,832	1986, 2011	TUC		\$25.00	\$3,628,400	\$7,720,000	\$11,248,000	\$0	\$27,50	\$3,681,240	\$7,720,000	\$11,601,000	\$383,000	\$2.50	\$89,564	\$0.49	\$68,565.61	\$0.49
18	Open Frame LLC	022300-0020	100 Andover Park W	PO BOX 88198 TUKWILA WA 98188	145,200	3.33	No	145,200	60,896	1983	TUC		\$25.00	\$3,630,000	\$11,300,000	\$14,930,000	\$0	\$27,50	\$3,993,000	\$11,300,000	\$15,293,000	\$383,000	\$2.50	\$70,506	\$0.49	\$70,505.92	\$0.49
19	Open Frame LLC	022310-0020	No site address	PO BOX 88198 TUKWILA WA 98188	51,363	1.18	No	51,363	0	NA	TUC		\$25.00	\$1,284,075	\$0	\$1,284,000	\$0	\$1,412,483	\$0	\$1,412,000	\$128,000	\$2.49	\$2,652	\$0.48	\$2,651.59	\$0.48	
20	Open Frame LLC	022310-0010	350 Baker Blvd	PO BOX 88198 TUKWILA WA 98188	149,547	3.43	No	149,547	36,622	2008	TUC		\$25.00	\$1,738,875	\$6,850,000	\$10,589,000	\$0	\$27,50	\$4,112,543	\$6,850,000	\$10,963,000	\$374,000	\$2.50	\$72,642	\$0.49	\$72,642.46	\$0.49
21	Lowes's HTV INC	022330-0030	401 Tukwila Parkway	101 ANDOVER PARK E #200 TUKWILA WA 98168	397,053	9.12	No	397,053	181,343	1981	TUC		\$24.00	\$9,529,272	\$7,500,000	\$17,029,000	\$0	\$10,323,376	\$7,500,000	\$17,823,000	\$784,000	\$2.00	\$154,220	\$0.39	\$154,219.56	\$0.39	
23	Westfield Corporation Inc	920247-0060	No site address	PO BOX 130940 CARLSBAD CA 92013	92,524	2.12	No	92,524	255,534	1989	TUC		\$35.00	\$3,238,340	\$42,000,000	\$45,238,000	\$0	\$39,000	\$3,608,436	\$42,000,000	\$45,608,000	\$370,000	\$4.00	\$71,866	\$0.78	\$71,865.54	\$0.78
24	Westfield Corporation Inc	920247-0140	400 Southcenter Parkway	PO BOX 130940 CARLSBAD CA 92013	75,240	1.73	No	75,240	174,830	1989	TUC		\$35.00	\$2,633,400	\$30,500,000	\$33,133,000	\$0	\$39,000	\$2,934,360	\$30,500,000	\$33,434,000	\$301,000	\$4.00	\$53,464	\$0.78	\$53,465.59	\$0.78
25	Westfield Corporation Inc	920247-0070	No site address	PO BOX 130940 CARLSBAD CA 92013	44,894	1.03	No	44,894	11,850	1970	TUC		\$35.00	\$1,571,290	\$1,641,000	\$2,612,000	\$0	\$39,000	\$1,750,866	\$1,041,000	\$2,792,000	\$180,000	\$4.01	\$34,982	\$0.78	\$34,981.61	\$0.78
26	Rainbow Associates LTD	022310-0033	401 Evans Black Drive	22870 148TH SE KENT WA 98042	34,800	0.80	No	34,800	12,786	1986	TUC		\$18.00	\$626,400	\$750,000	\$1,376,000	\$0	\$19,50	\$678,600	\$750,000	\$1,429,000	\$53,000	\$1.52	\$10,284	\$0.30	\$10,284.25	\$0.30
27	Bank of America	022310-0036	406 Evans Black Drive	PO BOX 34023 LEEDE SEATTLE WA 98124	40,202	0.92	No	40,202	16,040	1987	TUC		\$18.00	\$725,636	\$785,000	\$1,479,000	\$0	\$19,50	\$783,939	\$785,000	\$1,539,000	\$60,000	\$1.49	\$11,654	\$0.29	\$11,655.87	\$0.29
28	McLaughlin & Buly LLP	022310-0035	131 Andover Park E	7430 7430 E MERCER WY MERCER ISLAND WA 98040	38,375	0.90	No	39,375	8,464	1986	TUC		\$20.00	\$87,500	\$540,000	\$1,328,000	\$0	\$21,50	\$646,583	\$540,000	\$1,387,000	\$89,000	\$1.50	\$11,480	\$0.28	\$11,459.64	\$0.28
29	US Bank Corporate Props	022310-0038	151 Andover Park E	2800 E LAKE ST MINNEAPOLIS MN 55406	32,537	0.75	No	32,537	4,560	1989	TUC		\$22.00	\$715,814	\$315,000	\$1,031,000	\$0	\$24,00	\$780,888	\$315,000	\$1,096,000	\$85,000	\$2.00	\$12,825	\$0.39	\$12,825.03	\$0.39
30	ICG Realty, LLC	022310-0037	406 Baker Blvd	1420 5TH AVE #2280 SEATTLE WA 98101	32,530	0.75	No	32,530	15,740	1987	TUC		\$20.00	\$650,600	\$2,640,000	\$3,291,000	\$0	\$22,00	\$715,880	\$2,640,000	\$3,356,000	\$85,000	\$2.00	\$12,825	\$0.39	\$12,825.03	\$0.39
31	Davidson, Donald E	022310-0032	404 Baker Blvd	1199 SUMMIT DR LAGUNA BEACH CA 92651	14,820	0.34	No	14,820	0	NA	TUC		\$20.00	\$286,400	\$0	\$286,000	\$0	\$22,25	\$429,745	\$0	\$330,000	\$34,000	\$2.29	\$6,804	\$0.45	\$6,803.86	\$0.45
32	Davidson, Donald E	022310-0031	402 Baker Blvd	1199 SUMMIT DR LAGUNA BEACH CA 92651	32,880	0.75	No	32,880	14,825	1983	TUC		\$20.00	\$655,800	\$400,000	\$1,055,000	\$0	\$22,25	\$727,150	\$400,000	\$1,127,000	\$73,000	\$2.23	\$14,172	\$0.43	\$14,178.88	\$0.43

City of Tukwila L.I.D. No. 33 -Tukwila Urban Center Access (Klickitat) Project - Final Assessment Roll

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address		Gross Land Area (SF)	Office Land Area (Acres)	Unbuildable Areas	Buildable Land Area (SF)	Building Size (SF)	Year Built	Zoning without LID	H&BU without LID	Without LID			With LID			Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF				
														Land Value	ECV Improvements	Probable Market Value	Land Value	ECV Improvements	Probable Market Value										
33	Davidson, Donald E	022310-0034	404 Baker Blvd	1169	SUMMIT DR LAGUNA BEACH CA 92651	6,000	0.14	No	6,000	0	NA	TUC		\$20.00	\$120,000	\$0	\$120,000	TUC-TOD		\$22.25	\$153,500	\$0	\$134,000	\$14,000	\$2.33	\$2,719	\$0.45	\$2,192.24	\$0.45
34	OB F&B Property II LLC	022310-0075	400 Baker Blvd		PO BOX 126 BELLEVUE WA 98009	212,237	4.87	No	212,237	81,756	1968	TUC		\$25.00	\$5,305,925	\$2,875,000	\$8,181,000	TUC-RC		\$27.50	\$5,856,518	\$2,875,000	\$8,712,000	\$531,000	\$2.50	\$103,137	\$0.49	\$103,136.76	\$0.49
35	Peaf, Alan S. and Carole R.	022310-0065	401 Baker Blvd	4364	HUNTS POINT RD BELLEVUE WA 98004	49,757	1.14	No	49,757	17,406	1963	TUC		\$20.00	\$995,140	\$375,000	\$1,370,000	TUC-TOD		\$22.00	\$1,094,654	\$375,000	\$1,470,000	\$100,000	\$2.01	\$19,423	\$0.39	\$19,423.12	\$0.39
36	Peaf, Alan S. and Carole R.	022310-0067	405 Baker Blvd	4364	HUNTS POINT RD BELLEVUE WA 98004	33,392	0.77	No	33,392	14,754	1965	TUC		\$20.00	\$667,840	\$1,470,000	\$2,138,000	TUC-TOD		\$22.00	\$754,624	\$1,470,000	\$2,235,000	\$67,000	\$2.01	\$13,013	\$0.39	\$15,013.49	\$0.39
37	Baker Square LLC	022310-0090	415 Baker Blvd	1501	N 200TH ST SHORELINE WA 98133	52,134	1.20	No	52,134	11,626	1971	TUC		\$21.00	\$1,094,814	\$1,135,000	\$2,230,000	TUC-TOD		\$23.00	\$1,196,062	\$1,135,000	\$2,334,000	\$104,000	\$1.99	\$20,200	\$0.39	\$20,200.04	\$0.39
38	South Center WA LLC	022310-0090	223 Andover Park E		PO BOX 42304 RICHMOND WA 98242	148,507	3.41	No	148,507	41,500	1955	TUC		\$18.00	\$2,673,126	\$1,465,000	\$4,158,000	TUC-TOD		\$19.50	\$2,895,687	\$1,465,000	\$4,381,000	\$223,000	\$1.50	\$43,314	\$0.29	\$43,315.55	\$0.29
39	Fidelity Northwest Assoc	022320-0010	402 Strandor Blvd	4211	HOLLY LN MERCER ISLAND WA 98040	74,469	1.71	No	74,469	44,616	1966	TUC		\$20.00	\$1,469,380	\$6,600,000	\$8,069,000	TUC-TOD		\$21.50	\$1,601,084	\$6,600,000	\$8,201,000	\$112,000	\$1.90	\$21,754	\$0.29	\$21,753.99	\$0.29
40	Lee Albert Appliance	022320-0020	404 Strandor Blvd	1476	ELLIOTT AVE W SEATTLE WA 98119	66,543	1.53	No	66,543	24,600	1967	TUC		\$21.00	\$1,297,403	\$1,230,000	\$3,227,000	TUC-TOD		\$22.50	\$1,497,218	\$1,830,000	\$3,327,000	\$109,000	\$1.50	\$19,423	\$0.29	\$19,423.12	\$0.29
41	Garfield-Southcenter LLC	022310-0070	240 Andover Park W	368	PEARL ST EUGENE OR 97401	196,973	4.52	No	196,973	64,762	1967	TUC		\$25.00	\$4,924,325	\$12,435,000	\$17,359,000	TUC-RC		\$27.25	\$5,267,514	\$12,435,000	\$17,803,000	\$441,000	\$2.25	\$95,239	\$0.44	\$95,238.65	\$0.44
42	Agus Group LTD	537920-0290	16425 Southcenter Parkway	225	102TH AVE NE #520 BELLEVUE WA 98004	35,030	0.67	No	38,000	6,102	1975, 1982	TUC		\$30.00	\$1,142,400	\$550,000	\$1,632,000	TUC-CC		\$32.50	\$1,237,600	\$950,000	\$1,738,000	\$56,000	\$2.32	\$18,846	\$0.49	\$18,846.19	\$0.49
43	McDonald's Corporation	537920-0262	16500 Southcenter Parkway		PO BOX 102871 COLUMBUS OH 43218	57,950	1.33	No	57,950	4,312	1978	TUC		\$30.00	\$1,738,500	\$170,000	\$1,909,000	TUC-CC		\$32.50	\$1,883,375	\$170,000	\$2,053,000	\$144,000	\$2.48	\$27,569	\$0.48	\$27,569.29	\$0.48
44	Stirling Platter of Wash	537920-0500	16615 Southcenter Parkway	348	EAST 6400 #200 MURRAY UT 84107	47,940	1.10	No	47,940	4,545	1978	TUC		\$30.00	\$1,436,200	\$200,000	\$1,636,000	TUC-CC		\$32.50	\$1,508,030	\$200,000	\$1,708,000	\$120,000	\$2.90	\$23,208	\$0.49	\$23,207.74	\$0.49
45	Legacy Partners I Tukwila	262304-0021	16400 Southcenter Parkway	4000	E 3RD AVE #600 FOSTER CITY CA 94304	84,975	1.95	No	84,975	66,955	1978	TUC		\$35.00	\$2,974,125	\$9,185,000	\$12,159,000	TUC-RC		\$37.50	\$3,186,563	\$9,185,000	\$12,372,000	\$213,000	\$2.51	\$41,371	\$0.49	\$41,371.24	\$0.49
46	Chaven Terrace	262304-0104	220 Strandor Blvd		PO BOX 1362 BAKERSFIELD CA 93302	30,000	0.69	No	30,000	2,044	1972	TUC		\$36.00	\$1,080,000	\$300,000	\$1,380,000	TUC-RC		\$38.50	\$1,155,000	\$300,000	\$1,455,000	\$75,000	\$2.50	\$14,567	\$0.49	\$14,567.34	\$0.49
47	A 4 LLC	262304-0102	235 Strandor Blvd	117	E LOUISA ST #230 SEATTLE WA 98102	40,000	0.92	No	40,000	11,100	1976	TUC		\$35.00	\$1,400,000	\$2,270,000	\$3,670,000	TUC-RC		\$37.50	\$1,500,000	\$2,270,000	\$3,770,000	\$100,000	\$2.50	\$19,423	\$0.49	\$19,423.12	\$0.49
48	CHA Southcenter LLC	643730-0026	16500 Southcenter Parkway	16500	SOUTHCENTER PKWY TUKWILA WA 98188	291,927	6.70	No	291,927	195,673	1978	TUC		\$25.00	\$1,298,175	\$16,000,000	\$23,295,000	TUC-P		\$27.50	\$8,027,963	\$16,000,000	\$24,028,000	\$730,000	\$2.50	\$141,789	\$0.49	\$141,788.77	\$0.49
49	CHA Southcenter LLC	643730-0016	16510 Southcenter Parkway	16500	SOUTHCENTER PKWY TUKWILA WA 98188	42,465	0.98	No	42,465	4,163	1977	TUC		\$27.00	\$1,147,365	\$580,000	\$1,727,000	TUC-P		\$29.50	\$1,253,603	\$580,000	\$1,834,000	\$107,000	\$2.52	\$20,793	\$0.49	\$20,792.74	\$0.49
50	Target Corporation T 0927	262304-0035	301 Strandor Blvd		PO BOX 9456 MINNEAPOLIS MN 55440	352,400	8.09	No	352,400	113,273	1960	TUC		\$22.00	\$7,752,800	\$4,930,000	\$12,703,000	TUC-P		\$24.50	\$8,633,800	\$4,930,000	\$13,504,000	\$661,000	\$2.50	\$171,118	\$0.49	\$171,117.67	\$0.49
51	Regency Centers LP	262304-0064	321 Strandor Blvd		PO BOX 79630 SAN ANTONIO TX 78279	260,410	5.96	No	260,410	59,665	1930	TUC		\$25.00	\$6,510,230	\$9,560,000	\$16,070,000	TUC-P		\$27.50	\$7,161,275	\$9,360,000	\$16,521,000	\$661,000	\$2.50	\$126,445	\$0.49	\$126,444.50	\$0.49
52	Seagle Properties LLC	262304-0001	505 Andover Park W		PO BOX 66028 TUKWILA WA 98138	384,563	8.83	No	384,563	122,315	1954	TUC		\$24.00	\$9,229,512	\$11,700,000	\$20,930,000	TUC-RC		\$26.25	\$10,024,779	\$11,700,000	\$21,765,000	\$865,000	\$2.23	\$168,010	\$0.44	\$168,009.38	\$0.44
53	Medical Centers Co LLC	022320-0032	411 Strandor Blvd	411	STRANDOR BLVD STE 107 TUKWILA WA 98188	73,834	1.69	No	73,834	33,750	1973	TUC		\$18.00	\$1,329,012	\$3,800,000	\$5,129,000	TUC-TOD		\$19.50	\$1,439,763	\$3,800,000	\$5,240,000	\$111,000	\$1.50	\$21,560	\$0.29	\$21,559.68	\$0.29
54	M & M Management LLC	022320-0051	531 Andover Park E	21651	SE 8TH ST SASTVANISH WA 98074	22,068	0.51	No	22,068	7,226	1968	TUC		\$20.00	\$441,360	\$734,000	\$1,175,000	TUC-TOD		\$21.50	\$474,462	\$734,000	\$1,208,000	\$33,600	\$1.50	\$9,410	\$0.29	\$9,409.63	\$0.29
57	Union Pacific Railroad	262304-0112	Various railroad rights-of-way	1418	DOOGS ST #325 OMAHA NE 68179	133,191	3.06	Yes	133,191	0	NA	TUC		\$5.00	\$666,955	\$0	\$666,000	TUC-TOD		\$5.00	\$666,955	\$0	\$666,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
58	Wells Fargo Bank	022340-0046	343 Andover Park E		PO BOX 2069 CARLSBAD CA 92018	54,895	1.26	No	54,895	5,793	1972	TUC		\$18.00	\$988,110	\$200,000	\$1,188,000	TUC-TOD		\$19.00	\$1,043,065	\$200,000	\$1,243,000	\$55,000	\$1.00	\$10,693	\$0.19	\$10,692.72	\$0.19
59	Pinkatz Holdings LLC	022340-0047	No site address		PO BOX 56368 TUKWILA WA 98188	20,837	0.48	No	20,837	0	NA	TUC		\$15.00	\$12,555	\$0	\$13,000	TUC-TOD		\$16.00	\$533,262	\$0	\$333,000	\$20,000	\$0.96	\$3,985	\$0.19	\$3,984.62	\$0.19
60	Pinkatz Forest Industries Inc	022340-0045	350 Trek Drive		PO BOX 56380 TUKWILA WA 98188	53,904	1.24	No	53,904	25,388	1975	TUC		\$15.00	\$608,550	\$1,100,000	\$1,908,000	TUC-TOD		\$16.00	\$882,464	\$1,100,000	\$1,982,000	\$53,000	\$0.96	\$10,294	\$0.19	\$10,294.25	\$0.19
61	SRO Properties Inc	022340-0040	345 Andover Park E	1411	4TH AVE #1315 SEATTLE WA 98101	49,972	1.15	No	49,972	16,828	1969	TUC		\$18.00	\$689,496	\$770,000	\$1,459,000	TUC-W		\$19.00	\$849,468	\$770,000	\$1,719,000	\$50,000	\$1.00	\$9,712	\$0.19	\$9,711.58	\$0.19
62	Jenkins Properties Inc	022340-0042	355 Trek Drive		PO BOX 52260 BELLEVUE WA 98015	68,027	1.56	No	68,027	36,756	1969	TUC		\$15.00	\$1,020,405	\$1,940,000	\$2,860,000	TUC-W		\$16.00	\$1,068,432	\$1,940,000	\$3,028,000	\$68,000	\$1.00	\$13,208	\$0.19	\$13,207.72	\$0.19
63	Hospitality Investments	262304-0006	400 Andover Park W	2650	CEDAR SPRINGS RD #50 DALLAS TX 75201	196,226	4.50	No	196,226	82,410	1968	TUC		\$21.00	\$4,120,746	\$6,100,000	\$13,221,000	TUC-P		\$22.75	\$4,484,142	\$6,100,000	\$15,564,000	\$343,000	\$1.75	\$66,621	\$0.34	\$66,621.33	\$0.34
64	Gibson Properties LLC	022340-0050	401 Andover Park E		PO BOX 66509 SEATTLE WA 98138	174,104	4.00	No	174,104	120,427	1959	TUC		\$15.00	\$2,611,580	\$7,100,000	\$9,712,000	TUC-W		\$16.00	\$2,705,664	\$7,100,000	\$9,896,000	\$174,000	\$1.00	\$33,716	\$0.19	\$33,716.23	\$0.19
65	City of Tukwila	262304-0062	Tukwila Pond Park	6200	SOUTHCENTER BLVD TUKWILA WA 98188	1,078,961	24.77	Yes	1,078,961	0	NA	TUC		\$1.75	\$1,688,217	\$0	\$1,688,000	TUC-P		\$1.75	\$1,688,217	\$0	\$1,688,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
66	Pathway Square	262304-0128	16700 Southcenter Parkway		PO BOX 33003 BELLEVUE WA 98009	136,216	3.10	No	136,216	50,667	1960	TUC		\$25.00	\$3,405,400	\$2,345,000	\$5,750,000	TUC-P		\$27.00	\$3,877,632	\$2,345,000	\$6,023,000	\$273,000	\$2.00	\$53,025	\$0.39	\$53,025.11	\$0.39

City of Tukwila L.I.D. No. 33 -Tukwila Urban Center Access (Klickitat) Project - Final Assessment Roll

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address		Gross Land Area (SF)	Gross Land Area (Acres)	Unbuildable Acres	Buildable Land Area (SF)	Building Size (SF)	Year Built	Zoning w/out LID	H&B/L without LID	2766th LID			2768 LID			Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF				
														Land Value	EDV Improvements	Probable Market Value	Land Value	EDV Improvements	Probable Market Value										
67	Parkey Square	262204-9137	16600 Southcenter Parkway	PO BOX 5003	BELLEVUE WA 98009	29,507	0.68	No	29,507	9,185	1930	TUC		\$27.00	\$796,689	\$1,615,000	\$2,412,000	TUC-P		\$29.00	\$655,703	\$1,815,000	\$2,471,000	\$59,000	\$2.00	\$11,460	\$0.39	\$11,459.64	\$0.39
68	Parkey Square	262204-9126	16900 Southcenter Parkway	PO BOX 5003	BELLEVUE WA 98009	144,347	3.31	No	144,347	37,003	1930	TUC		\$25.00	\$3,608,675	\$5,890,000	\$9,429,000	TUC-P		\$27.00	\$3,897,369	\$5,890,000	\$9,787,000	\$288,000	\$2.00	\$55,638	\$0.39	\$55,638.59	\$0.39
69	Starbo Holdings LLC	537220-0510	16705 Southcenter Parkway	PO BOX 6666	TUKWILA WA 98138	36,480	0.84	No	36,480	23,422	1978	TUC		\$30.00	\$1,094,400	\$1,785,000	\$2,873,000	TUC-CC		\$32.00	\$1,167,360	\$1,785,000	\$2,932,000	\$73,000	\$2.00	\$14,179	\$0.39	\$14,178.89	\$0.39
70	Puget Sound Energy/Elec	537220-0515	16715 Southcenter Parkway	PO BOX 6666	BELLEVUE WA 98009	72,745	1.67	Yes	72,745	0	N/A	TUC		\$11.00	\$800,135	\$0	\$800,000	TUC-CC		\$11.00	\$600,195	\$0	\$800,000	\$0	\$0.00	\$0.00	\$0.00	\$0.00	
71	Makumi LLC % Robert Schof	262204-9968	16813 Southcenter Parkway	4212 HUNTS POINT DR	BELLEVUE WA 98004	87,991	2.02	No	87,991	28,007	1990	TUC		\$28.00	\$2,463,748	\$3,715,000	\$6,175,000	TUC-CC		\$30.00	\$2,635,730	\$3,715,000	\$6,355,000	\$176,000	\$2.00	\$34,185	\$0.39	\$34,184.69	\$0.39
72	Schofield LLC	262204-9911	16901 Southcenter Parkway	911 MAIN STREET STE 1500	KANSAS CITY MO 64105	66,646	1.53	No	66,646	24,225	1999	TUC		\$28.00	\$1,866,036	\$3,475,000	\$5,341,000	TUC-CC		\$40.00	\$1,599,360	\$3,475,000	\$5,474,000	\$133,000	\$2.00	\$25,833	\$0.39	\$25,832.75	\$0.39
73	Federated Dept Stores Inc	262204-9077	17000 Southcenter Parkway	7 W 7TH ST	CINCINNATI OH 45202	405,543	9.31	No	405,543	527,118	1959	TUC		\$19.00	\$7,703,317	\$4,360,000	\$12,065,000	TUC-P		\$21.00	\$6,516,400	\$4,360,000	\$12,876,000	\$811,000	\$2.00	\$157,521	\$0.39	\$157,521.49	\$0.39
74	Federated Dept Stores Inc	262204-9076	17000 Southcenter Parkway	7 W 7TH ST	CINCINNATI OH 45202	445,183	10.22	No	445,183	0	N/A	TUC		\$19.00	\$6,013,234	\$0	\$8,013,000	TUC-P		\$20.00	\$8,000,660	\$0	\$8,034,000	\$891,000	\$2.00	\$173,060	\$0.39	\$173,059.99	\$0.39
75	Kohl's Property Tax Department	782229-0010	17200 Southcenter Parkway	PO BOX 2148	MILWAUKEE WI 53201	258,482	5.93	No	258,482	87,861	2007	TUC		\$19.00	\$4,911,159	\$13,970,000	\$18,881,000	TUC-CC		\$21.26	\$5,495,227	\$12,970,000	\$19,495,000	\$584,000	\$2.25	\$113,431	\$0.44	\$113,431.01	\$0.44
76	Wig Properties LLC-SS	782229-0020	17200 Southcenter Parkway	4811 134TH PL SE	BELLEVUE WA 98005	516,516	11.85	No	516,516	140,845	2007	TUC		\$20.00	\$10,340,320	\$33,440,000	\$43,770,000	TUC-CC		\$22.25	\$11,452,481	\$33,440,000	\$44,932,000	\$1,162,000	\$2.25	\$225,667	\$0.44	\$225,696.54	\$0.44
78	KTM Group LLC	262204-9671	17047 Southcenter Parkway	635 HIGH SCHOOL RD NE	BAINBRIDGE ISLAND WA 98110	161,607	3.71	Yes	161,607	44,680	1982	TUC		\$19.50	\$2,989,730	\$3,135,000	\$6,125,000	TUC-CC		\$19.85	\$3,207,899	\$3,135,000	\$6,343,000	\$218,000	\$1.35	\$42,342	\$0.26	\$42,342.40	\$0.26
79	KTM Group LLC	262204-9670	17047 Southcenter Parkway	635 HIGH SCHOOL RD NE	BAINBRIDGE ISLAND WA 98110	117,176	2.66	Yes	117,176	0	N/A	TUC		\$16.50	\$1,933,404	\$0	\$1,933,000	TUC-CC		\$17.70	\$2,074,015	\$0	\$2,074,000	\$141,000	\$1.20	\$27,387	\$0.23	\$27,386.69	\$0.23
80	Southcenter Corp. Square	262204-9134	No site address	CALIFORNIA ST	SAN FRANCISCO CA 94111	315,456	7.24	No	315,456	125,263	1972, 1979	TUC		\$15.00	\$4,751,840	\$10,500,000	\$15,292,000	TUC-P		\$16.50	\$5,205,024	\$10,500,000	\$15,705,000	\$473,000	\$1.50	\$91,871	\$0.29	\$91,871.35	\$0.29
81	Southcenter Corp. Square	262204-9143	573 Andover Park W	CALIFORNIA ST	SAN FRANCISCO CA 94111	300,218	6.89	No	300,218	109,043	1978	TUC		\$19.00	\$4,503,270	\$8,725,000	\$13,228,000	TUC-P		\$16.50	\$4,933,597	\$8,725,000	\$13,679,000	\$451,000	\$1.50	\$87,593	\$0.29	\$87,598.26	\$0.29
82	R2R Investments LLC	262204-9142	573 Andover Park W	7979 S 180TH ST	KENT WA 98032	81,535	1.87	No	81,535	30,512	1979	TUC		\$16.00	\$1,304,580	\$2,895,000	\$4,200,000	TUC-P		\$17.50	\$1,426,863	\$2,895,000	\$4,322,000	\$122,000	\$1.50	\$23,616	\$0.29	\$23,696.20	\$0.29
83	Tanaka Holding LLC	262204-9075	644 Strandor Blvd	1105 PORTER WAY	MILTON WA 98554	62,596	1.44	No	62,596	0	N/A	TUC		\$17.00	\$1,064,132	\$0	\$1,064,000	TUC-P		\$19.00	\$1,189,524	\$0	\$1,189,000	\$125,000	\$2.00	\$24,279	\$0.39	\$24,278.90	\$0.39
84	Rath & Associates	262204-9015	510 Andover Park W	415 BAKER BLVD #200	TUKWILA WA 98168	309,494	7.11	No	309,494	120,740	1976	TUC		\$15.00	\$4,642,410	\$2,920,000	\$7,562,000	TUC-W		\$16.50	\$5,106,651	\$2,920,000	\$8,027,000	\$465,000	\$1.50	\$90,318	\$0.29	\$90,317.50	\$0.29
85	Olsen Properties LLC	022348-0866	455 Andover Park E	PO BOX 8999	SEATTLE WA 98138	153,247	3.52	No	153,247	83,800	1973	TUC		\$15.00	\$2,298,705	\$2,050,000	\$4,329,000	TUC-W		\$16.00	\$2,451,952	\$2,030,000	\$4,482,000	\$155,000	\$1.00	\$29,717	\$0.19	\$29,717.37	\$0.19
86	Highland Park Properties LLC	262204-9094	495 Andover Park E	495 ANDOVER PARK BLVD E	TUKWILA WA 98168	255,413	5.86	No	255,413	155,920	1974	TUC		\$15.00	\$3,631,195	\$9,020,000	\$9,851,000	TUC-W		\$16.00	\$4,066,668	\$9,020,000	\$9,107,000	\$256,000	\$1.00	\$49,723	\$0.19	\$49,723.18	\$0.19
87	Red Dot Corporation	262204-9115	745 Andover Park E	495 ANDOVER PARK E	TUKWILA WA 98168	207,477	4.76	No	207,477	113,990	1974	TUC		\$16.00	\$3,319,832	\$4,530,000	\$7,850,000	TUC-W		\$17.00	\$3,527,109	\$4,530,000	\$8,057,000	\$207,000	\$1.00	\$40,206	\$0.19	\$40,205.86	\$0.19
88	King Co Housing Authority	262204-9123	603 Andover Park W	600 ANDOVER PARK W	TUKWILA WA 98168	54,000	1.24	No	54,000	19,280	1980	TUC		\$15.00	\$810,000	\$1,590,000	\$2,400,000	TUC-W		\$16.50	\$891,000	\$1,590,000	\$2,481,000	\$81,000	\$1.50	\$15,733	\$0.29	\$15,732.73	\$0.29
89	Elz Properties Washington Co Header Realty Advisors	262204-9124	769 Andover Park W	700 FIFTH AVE 6175	SEATTLE WA 98104	114,610	2.63	No	114,610	38,280	1978	TUC		\$17.00	\$1,343,370	\$1,755,000	\$3,703,000	TUC-W		\$16.50	\$2,120,285	\$1,755,000	\$3,875,000	\$172,000	\$1.50	\$33,408	\$0.29	\$33,407.76	\$0.29
90	MG Properties LLC	262204-9015	1001 Andover Park E	555 S RENTON VILLAGE PL #100	RENTON WA 98055	313,482	7.20	No	313,482	130,800	1972, 1950	TUC		\$15.00	\$4,702,230	\$5,000,000	\$9,702,000	TUC-W		\$16.00	\$5,015,712	\$5,000,000	\$10,016,000	\$314,000	\$1.00	\$80,989	\$0.19	\$80,988.59	\$0.19
91	Andover Was LLC % Powell, D	262204-9118	1000 Andover Park W	PO BOX 87070	KIRKLAND WA 98033	231,370	5.31	No	231,370	128,336	1978	TUC		\$16.00	\$3,701,820	\$4,250,000	\$7,952,000	TUC-W		\$17.50	\$4,048,975	\$4,250,000	\$8,299,000	\$347,000	\$1.50	\$67,308	\$0.29	\$67,333.00	\$0.17
92	Jenny Ringdo	262204-9106	1071 Andover Park E	4 EMBARCADERO CENTER 3RD FL	SAN FRANCISCO CA 94111	210,960	4.94	No	210,960	83,240	1978	TUC		\$15.00	\$3,164,400	\$2,875,000	\$5,839,000	TUC-W		\$15.50	\$3,266,880	\$2,875,000	\$5,945,000	\$106,000	\$0.50	\$20,589	\$0.10	\$20,588.51	\$0.10
93	Uncoch Center Holdings	152204-0053	1100 Andover Park W	2310 130TH AVE NE STE B-103	BELLEVUE WA 98005	244,816	5.62	No	244,816	134,500	1974	TUC		\$15.00	\$3,872,240	\$4,590,000	\$8,262,000	TUC-W		\$15.50	\$3,794,648	\$4,590,000	\$8,385,000	\$123,000	\$0.50	\$23,890	\$0.10	\$23,890.44	\$0.10
94	Hayata Properties LLC	683550-0020	1015 Andover Park W	1015 ANDOVER PARK W	TUKWILA WA 98168	53,865	1.24	No	53,865	5,245	1979	TUC		\$17.00	\$816,045	\$185,000	\$1,101,000	TUC-W		\$18.50	\$696,873	\$185,000	\$1,182,000	\$81,000	\$1.50	\$15,733	\$0.29	\$15,732.73	\$0.29
95	IPTN North America Inc's	683650-0010	1035 Andover Park W	1015 ANDOVER PARK W	TUKWILA WA 98168	61,340	1.41	No	61,340	18,845	1979	TUC		\$16.00	\$981,440	\$1,250,000	\$2,231,000	TUC-W		\$17.00	\$1,042,780	\$1,250,000	\$2,293,000	\$92,000	\$1.01	\$12,042	\$0.20	\$12,042.33	\$0.20
96	MW Tukwila 1 LLC	262204-9122	1051 Andover Park W	3007 WEBSTER POINT RD NE	SEATTLE WA 98105	76,221	1.75	No	76,221	29,620	1978	TUC		\$16.00	\$1,219,536	\$1,200,000	\$2,420,000	TUC-W		\$17.00	\$1,256,737	\$1,200,000	\$2,496,000	\$76,000	\$1.00	\$14,762	\$0.19	\$14,761.57	\$0.19
97	MW Tukwila 2 LLC	262204-9121	1071 Andover Park W	3007 WEBSTER POINT RD NE	SEATTLE WA 98105	125,000	2.87	No	125,000	38,879	1978	TUC		\$15.00	\$1,875,000	\$870,000	\$2,745,000	TUC-W		\$15.50	\$1,937,500	\$870,000	\$2,808,000	\$63,000	\$0.50	\$12,237	\$0.10	\$12,236.56	\$0.10
98	G-Form Associates LLC	883650-0110	1161 Andover Park W	5606 MONT BLANC PL NW	ISSAQUAH WA 98027	45,641	1.05	No	45,641	12,207	1956	TUC		\$16.00	\$730,256	\$950,000	\$1,680,000	TUC-W		\$16.50	\$753,077	\$950,000	\$1,703,000	\$23,000	\$0.50	\$4,467	\$0.10	\$4,467.32	\$0.10
99	Tukwila Hotel Ownership, LLC	883650-0030	300 Upland Drive	2731 77TH AVE SE #206	MERCER ISLAND WA 98040	119,157	2.74	No	119,157	0	N/A	TUC		\$15.50	\$1,846,334	\$0	\$1,847,000	TUC-W		\$17.50	\$2,085,248	\$0	\$2,095,000	\$238,000	\$2.00	\$46,227	\$0.39	\$46,227.02	\$0.39

City of Tukwila L.I.D. No. 33 - Tukwila Urban Center Access (Klickitat) Project - Final Assessment Roll

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	Gross Land Area (SF)	Gross Land Area (Acres)	Unbuildable Acres	Buildable Land Area (SF)	Building Size (SF)	Year Built	Zoning without LID	HBU without LID	Without LID			With LID			Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF				
													Land Value	EDV Improvements	Probable Market Value	Land Value	EDV Improvements	Probable Market Value										
100	Triple H Development	65350-0070	365 Upland Drive	1006 SPRAGUE ST EDMONDS WA 98020	105,162	2.41	No	105,162	55,005	1978	TUC		\$15.00	\$1,577,430	\$2,740,000	\$4,317,000	TUCW		\$15.50	\$1,630,011	\$2,740,000	\$4,310,000	\$53,000	\$0.50	\$10,224	\$0.10	\$10,284.25	\$0.10
101	AMB Property Corp.	65350-0100	360 Midland Drive	60 STATE ST STE 1200 CO RE TAX BOSTON MA 02109	144,473	3.32	No	144,473	75,524	1955	TUC		\$15.00	\$2,167,035	\$3,300,000	\$5,467,000	TUCW		\$15.50	\$2,239,332	\$3,300,000	\$5,539,000	\$72,000	\$0.50	\$13,885	\$0.10	\$13,884.65	\$0.10
102.01	Weymiller S A Trust	653510-0010	340 Upland Drive Unit A	10409 16409 SUNRISE BEACH DR NW GIG HARBOR WA 98332	14,839	0.34	No	14,839	4,340	1978	TUC		\$12.00	\$178,066	\$330,000	\$508,000	TUCW		\$13.00	\$192,907	\$330,000	\$523,000	\$15,000	\$1.01	\$2,913	\$0.19	\$2,913.47	\$0.20
102.02	D G I LLC	653510-0020	340 Upland Drive Unit B	364 UPLAND DR TUKWILA WA 98332	14,414	0.33	No	14,414	4,340	1978	TUC		\$12.00	\$172,866	\$330,000	\$503,000	TUCW		\$13.00	\$187,362	\$330,000	\$517,000	\$14,000	\$0.97	\$2,719	\$0.18	\$2,719.24	\$0.19
102.03	CF Properties LLC	653510-0030	340 Upland Drive Unit C	370 UPLAND DR TUKWILA WA 98332	14,414	0.33	No	14,414	4,340	1978	TUC		\$12.00	\$172,868	\$330,000	\$503,000	TUCW		\$13.00	\$187,362	\$330,000	\$517,000	\$14,000	\$0.97	\$2,719	\$0.18	\$2,719.24	\$0.19
102.04	Land Family Coml Props LLC	653510-0040	340 Upland Drive Unit D	13913 26TH AVE NE WOODINVILLE WA 98077	16,432	0.38	No	16,432	5,500	1978	TUC		\$12.00	\$197,184	\$390,000	\$597,000	TUCW		\$13.00	\$213,616	\$390,000	\$604,000	\$17,000	\$1.03	\$3,302	\$0.19	\$3,301.93	\$0.20
102.05	Land Family Coml Props LLC	653510-0050	340 Upland Drive Unit E	13913 26TH AVE NE WOODINVILLE WA 98077	16,432	0.38	No	16,432	5,760	1978	TUC		\$12.00	\$197,184	\$420,000	\$617,000	TUCW		\$13.00	\$213,616	\$420,000	\$634,000	\$17,000	\$1.03	\$3,302	\$0.19	\$3,301.93	\$0.20
102.06	Frisson Clarence W/Doris E	653510-0060	340 Upland Drive Unit F	11131 SE 57TH ST BELLEVUE WA 98006	18,398	0.42	No	18,398	6,130	1978	TUC		\$12.00	\$220,776	\$490,000	\$691,000	TUCW		\$13.00	\$235,174	\$490,000	\$699,000	\$18,000	\$0.88	\$3,456	\$0.16	\$3,456.16	\$0.15
102.07	Carol Joseph J Gayle M	653510-0070	340 Upland Drive Unit G	350 UPLAND DR TUKWILA WA 98332	17,872	0.41	No	17,872	6,140	1978	TUC		\$12.00	\$214,454	\$480,000	\$674,000	TUCW		\$13.00	\$232,336	\$480,000	\$692,000	\$16,000	\$1.01	\$3,456	\$0.16	\$3,456.16	\$0.20
102.08	Carol Joseph J	653510-0080	340 Upland Drive Unit H	350 UPLAND DR TUKWILA WA 98332	14,414	0.33	No	14,414	4,340	1978	TUC		\$12.00	\$172,868	\$330,000	\$503,000	TUCW		\$13.00	\$187,362	\$330,000	\$517,000	\$14,000	\$0.97	\$2,719	\$0.18	\$2,719.24	\$0.19
102.09	Riv Enta LLC	653510-0090	340 Upland Drive Unit I	PO BOX 1201 MAPLE VALLEY WA 98058	14,414	0.33	No	14,414	4,340	1978	TUC		\$12.00	\$172,868	\$330,000	\$503,000	TUCW		\$13.00	\$187,362	\$330,000	\$517,000	\$14,000	\$0.97	\$2,719	\$0.18	\$2,719.24	\$0.19
102.10	Frisson Clarence W/Doris E	653510-0100	340 Upland Drive Unit J	11131 SE 57TH ST BELLEVUE WA 98006	14,601	0.34	No	14,601	4,800	1978	TUC		\$12.00	\$175,212	\$310,000	\$465,000	TUCW		\$13.00	\$186,613	\$310,000	\$500,000	\$15,000	\$1.03	\$2,913	\$0.19	\$2,913.47	\$0.20
102.11	Kir Tukwila	653510-0110	340 Upland Drive Unit K	355 NEW HYDE PARK RD NEW HYDE PARK NY 11042	36,628	0.84	No	36,628	9,999	1978	TUC		\$12.00	\$439,536	\$750,000	\$1,190,000	TUCW		\$13.00	\$476,164	\$750,000	\$1,226,000	\$35,000	\$0.98	\$6,932	\$0.18	\$6,992.32	\$0.19
103	AMB Property Corp.	65350-0050	305 Upland Drive	60 STATE ST STE 1200 CO RE TAX BOSTON MA 02109	144,693	3.32	No	144,693	68,404	1978	TUC		\$14.00	\$2,025,702	\$1,600,000	\$3,626,000	TUCW		\$14.50	\$2,098,049	\$1,600,000	\$3,698,000	\$72,000	\$0.50	\$13,895	\$0.10	\$13,884.65	\$0.10
104	AMB Property Corp.	65350-0060	355 Upland Drive	60 STATE ST STE 1200 CO RE TAX BOSTON MA 02109	145,224	3.33	No	145,224	69,555	1978	TUC		\$14.50	\$2,106,748	\$1,500,000	\$3,606,000	TUCW		\$15.00	\$2,178,360	\$1,500,000	\$3,678,000	\$72,000	\$0.50	\$13,895	\$0.10	\$13,884.65	\$0.10
105	Kir Tukwila 050 LLC/KRICO	262304-9075	No site address	3333 NEW HYDE PK RD STE 102 NEW HYDE PARK NY 11042	314,915	7.23	No	314,915	0	N/A	TUC		\$12.00	\$3,779,390	\$0	\$3,779,000	TUC-CC		\$14.00	\$4,408,610	\$0	\$4,408,000	\$30,000	\$2.00	\$122,366	\$0.39	\$122,366.65	\$0.38
106	Kir Tukwila 050 LLC/KRICO	262304-9110	301 Hinder Blvd	3333 NEW HYDE PK RD STE 101 NEW HYDE PARK NY 11042	714,821	16.41	No	714,821	287,864	1972, 1959	TUC		\$18.00	\$15,377,799	\$35,000,000	\$48,578,000	TUC-CC		\$21.00	\$15,007,041	\$35,000,000	\$50,007,000	\$1,420,000	\$2.00	\$277,356	\$0.39	\$277,356.38	\$0.39
107	NTM Group LLC	262304-9066	17151 Southcenter Parkway	655 HIGH SCHOOL RD NE BAINBRIDGE ISLAND WA 98110	62,265	1.43	Yes	62,265	0	N/A	TUC		\$12.85	\$800,105	\$0	\$800,000	TUC-CC		\$13.75	\$856,144	\$0	\$856,000	\$56,000	\$0.90	\$10,877	\$0.17	\$10,876.95	\$0.17
108	Chen Ting-Yoi	812520-0360	Vacant land - Plat of Sunrise View (amenc.)	4894 BEACON AVE S SEATTLE WA 98108	7,717	0.18	Yes	7,717	0	N/A	LDR		\$1.50	\$11,576	\$0	\$12,000	LDR		\$1.50	\$11,576	\$0	\$12,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
109	Mock Catherine A	812520-0330	Vacant land - Plat of Sunrise View (amenc.)	8766 183RD AVE SW ROCHESTER WA 98579	7,600	0.17	Yes	7,600	0	N/A	LDR		\$1.50	\$11,400	\$0	\$11,000	LDR		\$1.50	\$11,400	\$0	\$11,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
110	Mock Catherine A	812520-0400	Vacant land - Plat of Sunrise View (amenc.)	8766 183RD AVE SW ROCHESTER WA 98579	10,200	0.23	Yes	10,200	0	N/A	LDR		\$1.50	\$15,300	\$0	\$15,000	LDR		\$1.50	\$15,300	\$0	\$15,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
111	Maseo co SCA LLC	262304-9053	17275 Southcenter Parkway	117 E LOUISA #230 SEATTLE WA 98102	86,444	2.21	Yes	86,444	16,133	2006	TUC		\$12.60	\$1,215,134	\$2,470,000	\$3,685,000	TUC-CC		\$13.50	\$1,301,994	\$2,470,000	\$5,772,000	\$87,000	\$0.90	\$18,888	\$0.18	\$18,896.11	\$0.18
112	Tukwila View Estates LLC	812520-0410	Vacant land - Plat of Sunrise View (amenc.)	117 E LOUISA #230 SEATTLE WA 98102	44,500	1.02	Yes	44,500	0	N/A	LDR		\$1.50	\$66,450	\$0	\$66,000	LDR		\$1.50	\$66,450	\$0	\$66,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
113	Tukwila View Estates LLC	262304-9135	17301 Southcenter Parkway	117 E LOUISA #230 SEATTLE WA 98102	143,829	3.30	Yes	143,829	0	N/A	LDR		\$1.85	\$265,714	\$0	\$265,000	LDR		\$2.15	\$1,068,802	\$0	\$309,000	\$43,000	\$0.30	\$8,352	\$0.08	\$8,351.91	\$0.08
114	TRB LLC	262304-9024	17305 Southcenter Parkway	117 E LOUISA #230 SEATTLE WA 98102	61,509	1.41	No	61,509	25,514	2008	TUC		\$10.00	\$1,845,270	\$3,265,000	\$7,130,000	TUC-CC		\$22.25	\$1,893,665	\$3,265,000	\$7,289,000	\$139,000	\$2.26	\$26,998	\$0.44	\$26,998.13	\$0.44
115	Ethan Alvin Hama Builders	262304-9066	17333 Southcenter Parkway	20120 72ND AVE S KENT WA 98032	45,100	1.04	No	45,100	19,992	1977	TUC		\$28.00	\$1,262,800	\$2,700,000	\$3,963,000	TUC-CC		\$30.00	\$1,353,000	\$2,700,000	\$4,053,000	\$90,000	\$2.00	\$17,481	\$0.39	\$17,480.81	\$0.38
116	Winners LLC	262304-9120	17401 Southcenter Parkway	117 E LOUISA #230 SEATTLE WA 98102	47,043	1.08	No	47,043	18,757	2006	TUC		\$28.00	\$1,317,204	\$3,225,000	\$4,542,000	TUC-CC		\$30.25	\$1,423,051	\$3,225,000	\$4,848,000	\$106,000	\$2.25	\$20,589	\$0.44	\$20,588.51	\$0.44
117	CLPF-Tukwila LP	262304-9067	17405 Southcenter Parkway	10655 NE 4TH ST #300 BELLEVUE WA 98004	515,888	11.85	No	515,888	153,810	1990	TUC		\$23.00	\$11,867,724	\$23,300,000	\$35,168,000	TUC-CC		\$25.00	\$12,898,700	\$23,300,000	\$36,200,000	\$1,032,000	\$2.00	\$200,447	\$0.39	\$200,446.58	\$0.38
118	CLPF-Tukwila LP	262304-9136	17555 Southcenter Parkway	10655 NE 4TH ST #300 BELLEVUE WA 98004	188,875	4.28	Yes	188,875	0	N/A	LDR		\$0.85	\$158,844	\$0	\$159,000	LDR		\$1.00	\$166,875	\$0	\$187,000	\$28,000	\$0.15	\$5,438	\$0.03	\$5,438.47	\$0.03
119	Castle Land Co Inc	262304-9096	Vacant land between Southcenter Parkway & I-5	PO BOX 1966 MERCER ISLAND WA 98040	43,560	1.50	Yes	43,560	0	N/A	LDR		\$1.50	\$65,340	\$0	\$65,000	LDR-TSO		\$1.50	\$65,340	\$0	\$65,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
120	Sogale Properties LLC	262304-9065	17557 Southcenter Parkway	PO BOX 68028 TUKWILA WA 98138	23,087	0.53	Yes	23,087	0	N/A	LDR		\$1.50	\$34,531	\$0	\$35,000	LDR-TSO		\$1.50	\$34,631	\$0	\$35,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
121	Sogale Properties LLC	262304-9025	5351 S 178th Street	PO BOX 68028 TUKWILA WA 98138	297,902	6.84	Yes	297,902	0	N/A	LDR		\$2.45	\$729,860	\$0	\$730,000	LDR-TSO		\$2.95	\$846,021	\$0	\$349,000	\$149,000	\$0.40	\$23,114	\$0.08	\$13,156.52	\$0.04

City of Tukwila L.I.D. No. 33 -Tukwila Urban Center Access (Kiickital) Project - Final Assessment Roll

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	County	State	Zip	Gross Land Area (SF)	Gross Land Area (Acres)	Unbuildable Areas	Buildable Land Area (SF)	Building Size (SF)	Year Built	Without LID				With LID				Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF				
														Zoning	Year without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	Year with LID							Land Value Per SF	Land Value	ECV Improvements	Probable Market Value
122	Segale Properties LLC	352304-9009	5380 S 178th Street	PO BOX 66026	TUKWILA	WA	98138	121,400	2.79	Yes	121,400	0	NA	TUC		\$1.80	\$218,520	\$0	\$219,000	LDR-TSO		\$2.10	\$294,940	\$0	\$255,000	\$36,000	\$0.30	\$6,992	\$0.08	\$2,547.27	\$0.02
123	City of Tukwila	352304-9035	18000 Southerner Parkway	PO BOX 66026	TUKWILA	WA	98138	255,209	5.86	Yes	255,209	0	NA	MUO		\$7.40	\$1,888,517	\$0	\$1,892,000	MUO-TSO		\$8.10	\$2,087,193	\$0	\$2,087,000	\$178,000	\$0.70	\$34,573	\$0.14	\$3,573.15	\$0.14
124	Segale Properties LLC	352304-9027	S 178th Street	PO BOX 66026	TUKWILA	WA	98138	6,944	0.16	Yes	6,944	0	NA	LDR		\$1.00	\$6,944	\$0	\$7,000	LDR-TSO		\$1.00	\$6,944	\$0	\$7,000	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
125	Ramos Properties LLC	262304-9154	17555 Southerner Parkway	1533 SIW 15TH ST	BURIEN	WA	98148	42,681	0.99	No	42,281	3,782	1693	TUC		\$23.00	\$988,563	\$930,000	\$1,215,000	TUC-CC		\$25.00	\$1,074,525	\$930,000	\$2,005,000	\$89,000	\$2.00	\$16,704	\$0.39	\$16,703.88	\$0.39
126	Levitz Tukwila LLC	352304-9087	17601 Southerner Parkway	1511 MAMARONECK AVE STE 260	WHITE PLAINS	NY	10605	351,112	8.29	No	351,112	155,280	1970	TUC		\$16.00	\$6,500,016	\$1,425,000	\$7,525,000	TUC-CC		\$20.00	\$7,222,240	\$1,425,000	\$8,847,000	\$722,000	\$2.00	\$140,235	\$0.39	\$140,234.92	\$0.39
127	Levitz Tukwila LLC	352304-9088	17601 Southerner Parkway	1511 MAMARONECK AVE STE 260	WHITE PLAINS	NY	10605	72,615	1.67	No	72,615	0	see 126	TUC		\$16.00	\$1,307,070	\$0	\$1,307,000	TUC-CC		\$20.00	\$1,452,300	\$0	\$1,452,000	\$145,000	\$2.00	\$28,164	\$0.39	\$28,163.52	\$0.39
128	Andover Property Management	352304-9107	17855 Southerner Parkway	415 BAKER BLVD #200	TUKWILA	WA	98148	64,200	1.47	No	64,200	34,714	1978	TUC		\$18.00	\$1,155,600	\$2,900,000	\$4,056,000	TUC-CC		\$20.00	\$1,284,000	\$2,900,000	\$4,184,000	\$128,000	\$1.99	\$24,862	\$0.39	\$24,861.59	\$0.35
129	City of Tukwila	352304-6008	17800 Southerner Parkway	PO BOX 66026	TUKWILA	WA	98138	17,900	0.41	No	17,500	0	NA	MUO		\$11.00	\$196,900	\$0	\$197,000	MUO-TSO		\$12.00	\$214,800	\$0	\$215,000	\$18,000	\$1.01	\$3,456	\$0.20	\$3,496.16	\$0.20
130	Kir Tukwila 050 LLC/MCO	352304-9005	17600 Southerner Blvd	3333 NEW HYDE PK RD STE 100	NEW HYDE PARK	NY	11042	264,083	6.06	No	264,083	234,113	1974	TUC		\$22.00	\$5,869,826	\$25,000,000	\$30,810,000	TUC-CC		\$23.50	\$6,205,951	\$25,000,000	\$31,206,000	\$356,000	\$1.50	\$76,916	\$0.29	\$76,915.55	\$0.29
131	Madison Investments LLC	352304-9123	17850 Southerner Parkway	PO BOX 1922	BOZEMAN	MT	59711	96,682	2.27	No	93,682	16,350	1999	TUC		\$24.00	\$2,358,368	\$700,000	\$3,058,000	TUC-CC		\$26.00	\$2,665,732	\$700,000	\$3,286,000	\$158,000	\$2.01	\$38,459	\$0.39	\$38,457.77	\$0.39
132	Union Pacific Railroad	352304-9101	Railroad R/W S. 180th Street	1416 DOGGE ST #325	OMAHA	NE	68179	110,550	2.54	Yes	110,550	0	NA	TUC		\$5.00	\$552,750	\$0	\$553,000	TUC-W		\$5.00	\$552,750	\$0	\$553,000	\$0	\$0.00	\$0.00	\$0.00	\$0.00	
133	AMB Property Corp.	352304-9110	1105 Andover Park W	80 STATE ST STE 1200 CO RE TAX	BOSTON	MA	02109	191,427	4.39	No	191,427	100,200	1979	TUC		\$14.00	\$2,679,978	\$2,800,000	\$5,480,000	TUC-W		\$14.50	\$2,775,992	\$2,800,000	\$5,576,000	\$56,000	\$0.50	\$18,646	\$0.10	\$18,646.19	\$0.10
134	AMB Property Corp.	352304-9102	1121 Andover Park W	80 STATE ST STE 1200 CO RE TAX	BOSTON	MA	02109	175,960	4.04	No	175,960	88,440	1977	TUC		\$14.50	\$2,551,420	\$2,100,000	\$4,651,000	TUC-W		\$15.00	\$2,639,400	\$2,100,000	\$4,739,000	\$88,000	\$0.50	\$17,092	\$0.10	\$17,092.34	\$0.10
135	Walton CWVA Southerner 4 L	352304-9066	1141 Andover Park W	4678 WORLD PARKWAY CIR	ST LOUIS	MO	63134	172,819	3.97	No	172,819	95,810	1973	TUC		\$14.50	\$2,507,761	\$4,215,000	\$6,723,000	TUC-W		\$15.00	\$2,594,235	\$4,215,000	\$6,809,000	\$86,000	\$0.50	\$16,704	\$0.10	\$16,703.89	\$0.10
136	Walton CWVA Southerner 4 L	352304-9067	1161 Andover Park W	4678 WORLD PARKWAY CIR	ST LOUIS	MO	63134	178,528	4.10	No	178,528	95,810	1975	TUC		\$14.50	\$2,588,656	\$4,215,000	\$6,804,000	TUC-W		\$15.00	\$2,677,920	\$4,215,000	\$6,893,000	\$89,000	\$0.50	\$17,287	\$0.10	\$17,286.58	\$0.10
137	Walton CWVA Southerner 4 L	352304-9069	1185 Andover Park W	4678 WORLD PARKWAY CIR	ST LOUIS	MO	63134	215,615	4.94	No	215,615	107,660	1972	TUC		\$15.00	\$3,225,235	\$4,735,000	\$7,960,000	TUC-W		\$15.50	\$3,332,733	\$4,735,000	\$8,068,000	\$108,000	\$0.50	\$20,977	\$0.10	\$20,976.97	\$0.10
138	Phillips James W MR and MRS	352304-9099	1120 Andover Park W	PO BOX 663	MEDINA	WA	98036	84,456	1.94	No	84,456	53,328	1973	TUC		\$15.00	\$1,266,840	\$2,915,000	\$4,182,000	TUC-W		\$15.50	\$1,309,068	\$2,915,000	\$4,224,000	\$42,000	\$0.50	\$8,153	\$0.10	\$8,157.71	\$0.10
139	Hil Investment Company	352304-9081	1201 Andover Park E	PO BOX 760	MERCER ISLAND	WA	98040	292,086	6.71	No	292,086	162,041	1972	TUC		\$16.00	\$4,381,290	\$3,900,000	\$8,281,000	TUC-W		\$15.50	\$4,527,333	\$3,900,000	\$8,427,000	\$146,000	\$0.50	\$28,358	\$0.10	\$28,357.75	\$0.10
140	National Beverage Corp.	352304-9072	1227 Andover Park E	8100 SIW 10TH ST STE 4000	PLANTATION	FL	33324	182,073	4.18	No	182,073	67,844	1988	TUC		\$15.00	\$2,751,095	\$2,600,000	\$4,731,000	TUC-W		\$15.50	\$2,822,152	\$2,600,000	\$4,822,000	\$91,000	\$0.50	\$17,875	\$0.10	\$17,875.04	\$0.10
141	Houghton Harbor LLC	352304-9084	1233 Andover Park E	1233 ANDOVER PARK E	TUKWILA	WA	98188	39,204	0.90	No	39,204	13,248	1983	TUC		\$18.00	\$705,872	\$1,200,000	\$1,306,000	TUC-W		\$18.50	\$725,274	\$1,200,000	\$1,325,000	\$19,000	\$0.48	\$3,690	\$0.09	\$3,690.39	\$0.09
142	Houghton Harbor LLC	352304-9122	No site address	1233 ANDOVER PARK E	TUKWILA	WA	98188	150	0.00	No	150	0	NA	TUC		\$15.00	\$2,250	\$0	\$2,000	TUC-W		\$15.50	\$2,325	\$0	\$2,000	\$0	\$0.00	\$0.00	\$0.00	\$0.00	
143	AMC Family LLC	352304-8095	8750 S 180th Street	PO BOX 2720	PORTLAND	OR	97208	88,111	2.02	No	88,111	50,268	1972	TUC		\$15.00	\$1,321,865	\$2,110,000	\$3,432,000	TUC-W		\$15.50	\$1,365,721	\$2,110,000	\$3,476,000	\$44,000	\$0.50	\$8,545	\$0.10	\$8,546.17	\$0.10
144	Danville LLC	352304-9055	1180 Andover Park W	4664 5TH AVENUE	YARROW POINT	WA	98004	187,241	3.84	No	187,241	61,895	1970	TUC		\$16.00	\$2,875,856	\$5,675,000	\$8,351,000	TUC-W		\$16.50	\$2,756,477	\$3,875,000	\$6,431,000	\$83,000	\$0.50	\$16,121	\$0.10	\$16,121.19	\$0.10
145	CVC Realty LLC	352304-9074	1232 Andover Park W	1232 ANDOVER PARK W	TUKWILA	WA	98188	109,754	2.52	No	109,754	60,400	1989	TUC		\$18.00	\$1,975,572	\$2,250,000	\$4,226,000	TUC-W		\$18.50	\$2,030,449	\$2,250,000	\$4,280,000	\$54,000	\$0.49	\$10,468	\$0.10	\$10,468.48	\$0.10
147	WACO Enterprise	352304-9092	1205 Andover Park W	PO BOX 66216	TUKWILA	WA	98188	73,575	1.69	No	73,575	40,320	1972	TUC		\$16.00	\$1,177,200	\$1,975,000	\$3,152,000	TUC-W		\$16.50	\$1,215,968	\$1,975,000	\$3,188,000	\$37,000	\$0.50	\$7,187	\$0.10	\$7,186.55	\$0.10
148	Tri-Land Corporation	352304-9103	1251 Andover Park W	1325 4TH AVE SUITE #1940	SEATTLE	WA	98101	183,899	4.22	No	183,899	100,036	1977	TUC		\$17.00	\$3,126,285	\$2,825,000	\$5,751,000	TUC-W		\$17.50	\$3,218,233	\$2,825,000	\$5,843,000	\$82,000	\$0.50	\$17,889	\$0.10	\$17,889.27	\$0.10
149	Bodig Oregon Masabi Trust	352304-9105	5920 S 190th Street	1325 4TH AVE SUITE #1940	SEATTLE	WA	98101	138,473	3.18	No	138,473	57,432	1978	TUC		\$18.00	\$2,215,588	\$2,585,000	\$4,801,000	TUC-W		\$18.50	\$2,284,805	\$2,585,000	\$4,870,000	\$68,000	\$0.50	\$13,402	\$0.10	\$13,401.95	\$0.10
150	Madison Investments LLC	352304-9061	17800 Southerner Parkway	PO BOX 1922	BOZEMAN	MT	59711	280,436	5.98	No	280,436	53,080	1999	TUC		\$15.50	\$4,036,758	\$2,815,000	\$6,852,000	TUC-W		\$16.00	\$4,166,876	\$2,815,000	\$6,982,000	\$130,000	\$0.50	\$25,250	\$0.10	\$25,250.05	\$0.10
151	John C Radwicz LLC	022300-0040	No site address	2835 62ND AVE STE 300	MERCER ISLAND	WA	98040	50,415	1.16	No	50,415	0	NA	TUC		\$21.00	\$1,058,715	\$0	\$1,059,000	TUC-TOD		\$23.50	\$1,084,753	\$0	\$1,185,000	\$128,000	\$2.50	\$24,473	\$0.49	\$24,473.13	\$0.49
152	Ecis Tukwila LLC	022300-0045	112 Andover Park E	18827 BOTHERELL WAY NE	BOTHERELL	WA	98011	49,435	1.14	No	49,535	17,588	1969	TUC		\$20.00	\$890,700	\$1,320,000	\$2,311,000	TUC-TOD		\$21.50	\$1,085,003	\$1,320,000	\$2,385,000	\$74,000	\$1.49	\$14,373	\$0.28	\$14,373.11	\$0.29
153	Pictremonaco PB LLC	022300-0050	100 Andover Park E	7900 SE 28TH ST STE #310	MERCER ISLAND	WA	98040	22,270	0.51	No	22,270	0	NA	TUC		\$20.00	\$445,400	\$0	\$445,000	TUC-TOD		\$21.50	\$476,805	\$0	\$479,000	\$34,000	\$1.53	\$8,604	\$0.30	\$8,603.86	\$0.30
154	Pictremonaco PB LLC	022300-0060	116 Andover Park E	7900 SE 28TH ST STE #310	MERCER ISLAND	WA	98040	31,380	0.72	No	31,380	23,550	1972	TUC		\$20.00	\$627,800	\$1,580,000	\$2,188,000	TUC-TOD		\$21.50	\$874,870	\$1,580,000	\$2,235,000	\$47,000	\$1.50	\$9,129	\$0.28	\$9,128.87	\$0.28

City of Tukwila L.I.D. No. 33 -Tukwila Urban Center Access (Klickitat) Project - Final Assessment Roll

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address				Gross Land Area (SF)	Gross Lot Area (Acres)	Unbuildable Acres	Buildable Land Area (SF)	Building Size (SF)	Year Built	Zoning without LID	HABU without LID	2011est LID				2011 LID				Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF		
																Land Value	Land Value Per SF	ECV Improvements	Probable Market Value	Land Value	Land Value Per SF	ECV Improvements	Probable Market Value								
155	Home Electric Company	022200-0052	120 Andover Park E	3414	NE 55TH	SEATTLE WA	98105	51,194	1.17	No	51,164	17,802	1963	TUC		\$20.00	\$1,025,230	\$1,865,000	\$2,888,000	TUC-TOD		\$21.50	\$1,100,026	\$1,865,000	\$2,985,000	\$77,000	\$1.50	\$19,355	\$0.29	\$14,855.80	\$0.22
156	City of Seattle	282204-0072	Between Andover Pk E & Christensen Rd.		PO BOX 34018	SEATTLE WA	98124	6,310	0.19	Yes	8,310	0	NA	TUC		\$5.00	\$41,550	\$0	\$42,000	TUC-TOD		\$5.00	\$41,650	\$0	\$42,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
157	City of Seattle	282204-0046	Between Christensen Rd and the river		PO BOX 34018	SEATTLE WA	98124	20,038	0.46	Yes	20,038	0	NA	TUC		\$5.00	\$100,130	\$0	\$100,000	TUC-TOD		\$5.00	\$100,150	\$0	\$100,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
158	Park East Real Estate	022210-0040	120 Andover Park E	921	TERRY AVE	SEATTLE WA	98104	80,500	1.85	No	80,500	44,824	1970	TUC		\$20.00	\$1,610,000	\$3,090,000	\$4,700,000	TUC-TOD		\$21.50	\$1,730,750	\$3,090,000	\$4,821,000	\$121,000	\$1.50	\$23,502	\$0.29	\$23,501.67	\$0.22
159	City of Tukwila	000220-0020	Between Christensen Rd and the river	6200	SOUTHCENTER BLVD	TUKWILA WA	98188	1,635	0.04	Yes	1,635	0	NA	TUC		\$2.00	\$3,270	\$0	\$3,000	TUC-TOD		\$2.00	\$3,270	\$0	\$3,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
160	City of Tukwila	252204-0080	Between Christensen Rd and the river	6200	SOUTHCENTER BLVD	TUKWILA WA	98188	63,598	1.48	Yes	63,598	0	NA	TUC		\$2.00	\$127,196	\$0	\$127,000	TUC-TOD		\$2.00	\$127,196	\$0	\$127,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
161	City of Tukwila	252204-0081	Rivetside trail	6200	SOUTHCENTER BLVD	TUKWILA WA	98188	20,700	0.48	Yes	20,700	0	NA	TUC		\$2.00	\$41,400	\$0	\$41,000	TUC-TOD		\$2.00	\$41,400	\$0	\$41,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
162	City of Tukwila	252204-0028	Between Christensen Rd and the river	6200	SOUTHCENTER BLVD	TUKWILA WA	98188	51,661	1.18	No	51,661	0	NA	TUC		\$2.00	\$103,322	\$0	\$103,000	TUC-TOD		\$2.00	\$103,322	\$0	\$103,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
163	City of Tukwila	252204-0031	Next to river	6200	SOUTHCENTER BLVD	TUKWILA WA	98188	55,816	1.28	Yes	55,816	0	NA	TUC		\$2.00	\$111,636	\$0	\$112,000	TUC-TOD		\$2.00	\$111,636	\$0	\$112,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
164	City of Tukwila	022210-0040	Next to river	6200	SOUTHCENTER BLVD	TUKWILA WA	98188	3,075	0.07	Yes	3,075	0	NA	TUC		\$2.00	\$6,150	\$0	\$6,000	TUC-TOD		\$2.00	\$6,150	\$0	\$6,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
165	City of Tukwila	252204-0074	Rivertank	6200	SOUTHCENTER BLVD	TUKWILA WA	98188	60,548	1.39	Yes	60,548	0	NA	TUC		\$2.00	\$121,096	\$0	\$121,000	TUC-W		\$2.00	\$121,096	\$0	\$121,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
168	BCRP Riverview Plaza LLC	252204-0077	16000 Christensen Road	248	HOMER AVE	PALO ALTO CA	94301	106,286	2.44	No	105,286	48,530	1992	TUC		\$15.00	\$1,584,230	\$5,605,000	\$7,195,000	TUC-TOD		\$16.00	\$1,700,576	\$5,605,000	\$7,306,000	\$107,000	\$1.01	\$20,753	\$0.20	\$20,752.74	\$0.20
169	BCRP Riverview Plaza LLC	252204-0038	16040 Christensen Road	248	HOMER AVE	PALO ALTO CA	94301	110,642	2.54	No	110,642	48,890	1991	TUC		\$15.00	\$1,659,630	\$5,520,000	\$7,180,000	TUC-TOD		\$16.00	\$1,770,272	\$5,520,000	\$7,290,000	\$110,000	\$0.99	\$21,365	\$0.19	\$21,365.43	\$0.19
170	BCRP Riverview Plaza LLC	252204-0078	16500 Christensen Road	248	HOMER AVE	PALO ALTO CA	94301	152,896	3.51	No	152,896	77,810	1992	TUC		\$15.00	\$2,295,440	\$9,225,000	\$11,518,000	TUC-TOD		\$16.00	\$2,446,336	\$9,225,000	\$11,671,000	\$153,000	\$1.00	\$29,717	\$0.19	\$29,717.37	\$0.19
172	Andover Plaza LLC	022210-0099	220 Andover Park E	1501	N 200TH ST	SHORELINE WA	98153	113,977	2.62	No	113,977	32,165	1996	TUC		\$20.00	\$2,279,540	\$4,170,000	\$6,450,000	TUC-TOD		\$21.50	\$2,450,506	\$4,170,000	\$6,621,000	\$171,000	\$1.50	\$33,214	\$0.29	\$33,215.53	\$0.29
173	Rzelelli Properties LLC	022210-0100	230 Andover Park E	340	ANDOVER PARK E	SEATTLE WA	98188	29,829	0.68	No	29,829	20,934	1968	TUC		\$20.00	\$596,580	\$1,100,000	\$1,697,000	TUC-TOD		\$21.50	\$641,324	\$1,100,000	\$1,741,000	\$44,000	\$1.48	\$9,546	\$0.22	\$8,546.17	\$0.22
174	Rzelelli Properties LLC	022220-0032	340 Andover Park E	340	ANDOVER PARK E	TUKWILA WA	98188	16,345	0.38	No	16,345	0	NA	TUC		\$20.00	\$330,900	\$0	\$331,000	TUC-TOD		\$21.50	\$355,718	\$0	\$356,000	\$25,000	\$1.51	\$4,856	\$0.29	\$4,855.78	\$0.29
175	RWP LLC	022220-0036	290 Andover Park E	7312	SE CURTIS DR	SNOQUALMIE WA	98065	67,668	1.55	No	67,668	25,380	1971	TUC		\$21.00	\$1,421,028	\$1,910,000	\$3,331,000	TUC-TOD		\$22.50	\$1,522,530	\$1,910,000	\$3,433,000	\$102,000	\$1.51	\$19,812	\$0.22	\$19,811.59	\$0.22
176	Strander Associates LLC	022220-0040	510 Strander Blvd	1650	S 244TH PL	DES MOINES WA	98188	49,344	1.13	No	49,344	23,800	1975	TUC		\$18.00	\$888,192	\$900,000	\$1,788,000	TUC-TOD		\$19.00	\$937,558	\$900,000	\$1,838,000	\$50,000	\$1.01	\$9,712	\$0.20	\$9,711.56	\$0.20
177	Chen, Bob	022220-0041	512 Strander Blvd	512	STRANDER BLVD	TUKWILA WA	98188	30,168	0.69	No	30,168	18,800	1969	TUC		\$18.00	\$543,024	\$1,450,000	\$1,993,000	TUC-TOD		\$19.00	\$575,192	\$1,450,000	\$2,023,000	\$30,000	\$0.99	\$9,827	\$0.19	\$9,826.94	\$0.19
178	Polek Family Trust	022220-0042	530 Strander Blvd	415	BAKER BLVD #200	TUKWILA WA	98188	20,114	0.46	No	20,114	4,500	1972	TUC		\$18.00	\$362,052	\$210,000	\$572,000	TUC-TOD		\$19.00	\$382,166	\$210,000	\$592,000	\$20,000	\$0.99	\$3,885	\$0.19	\$3,884.62	\$0.19
179	Walmino Properties LLC	022220-0051	505 Strander Blvd	415	BAKER BLVD #200	TUKWILA WA	98188	46,663	1.07	No	46,663	16,138	1969	TUC		\$20.00	\$963,890	\$595,000	\$1,528,000	TUC-TOD		\$21.50	\$1,060,683	\$595,000	\$1,599,000	\$70,000	\$1.50	\$13,526	\$0.23	\$13,596.18	\$0.23
180	WA Cities Insurance Authority	022220-0050	320 Andover Park E	14300	INTERURBAN AVE S #210	SEATTLE WA	98188	54,325	1.25	No	54,325	26,024	1975	TUC		\$16.00	\$977,850	\$2,550,000	\$3,528,000	TUC-TOD		\$16.00	\$1,032,175	\$2,550,000	\$3,582,000	\$54,000	\$0.99	\$10,488	\$0.19	\$10,488.48	\$0.19
183	Blue Dog Properties	022340-0010	506 Industry Drive	2235	CO THOMSON REUTERS PTS PO BOX 847	CARLSBAD CA	92018	162,122	3.72	No	162,122	65,634	1973	TUC		\$14.00	\$2,269,708	\$3,640,000	\$5,910,000	TUC-TOD		\$15.00	\$2,451,830	\$3,640,000	\$6,072,000	\$162,000	\$1.00	\$31,465	\$0.19	\$31,465.45	\$0.19
184	Blue Dog Properties	022340-0070	519 Industry Drive	2235	CO THOMSON REUTERS PTS PO BOX 847	CARLSBAD CA	92018	140,205	3.22	No	140,205	0	NA	TUC		\$14.50	\$2,032,373	\$1,930,000	\$3,963,000	TUC-W		\$16.00	\$2,243,280	\$1,930,000	\$4,173,000	\$210,000	\$1.50	\$43,789	\$0.29	\$40,788.55	\$0.29
185	Blue Dog Properties	252204-0008	630 Industry Drive	2235	CO THOMSON REUTERS PTS PO BOX 847	CARLSBAD CA	92018	335,547	7.70	No	335,547	112,975	1972	TUC		\$13.00	\$4,367,111	\$9,500,000	\$9,892,000	TUC-W		\$14.00	\$4,897,656	\$9,500,000	\$10,168,000	\$336,000	\$1.00	\$55,262	\$0.19	\$65,261.68	\$0.19
186	Realty Associates Fund VII	022340-0010	551 Strander Blvd	1301	DOVE ST #650	NEWPORT BEACH CA	92660	333,997	7.66	No	333,997	162,450	1966	TUC		\$14.00	\$4,670,358	\$3,830,000	\$8,300,000	TUC-TOD		\$15.00	\$5,003,855	\$3,830,000	\$8,834,000	\$334,000	\$1.00	\$84,873	\$0.19	\$84,873.22	\$0.19
187	Walton CWVA Tukwila 1 LLC	022230-0020	631 Strander Blvd	4678	WORLD PARKWAY CIR	ST LOUIS MO	63134	247,500	5.68	No	247,500	101,432	1974, 1959	TUC		\$14.00	\$3,465,000	\$7,145,000	\$10,610,000	TUC-TOD		\$15.00	\$3,712,500	\$7,145,000	\$10,858,000	\$248,000	\$1.00	\$48,189	\$0.19	\$48,169.33	\$0.19
188	King County	252204-0006	70th Ave	500	KC ADMIN BLDG	SEATTLE WA	98104	12,256	0.28	Yes	12,256	0	NA	TUC		\$2.00	\$24,516	\$0	\$25,000	TUC-W		\$2.00	\$24,516	\$0	\$25,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
189	Union Pacific Railroad	252204-0072	6830 Industry Drive	1416	DOODGE ST #325	OMAHA NE	68179	143,808	3.30	Yes	143,808	0	NA	TUC		\$5.00	\$719,040	\$0	\$719,000	TUC-TOD		\$5.00	\$719,040	\$0	\$719,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
190	Union Pacific Railroad	262204-0140	No site address	1400	DOUGLAS STOP #E40	OMAHA NE	68179	15,656	0.45	Yes	19,656	0	NA	TUC		\$5.00	\$98,280	\$0	\$99,000	TUC-W		\$5.00	\$98,280	\$0	\$99,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
192	RZR Investments LLC	022340-0071	410 Andover Park E	7579	S 180TH ST	KENT WA	98032	46,440	1.13	No	49,440	27,000	1969	TUC		\$15.50	\$766,320	\$825,000	\$1,591,000	TUC-W		\$16.50	\$815,760	\$825,000	\$1,641,000	\$50,000	\$1.01	\$9,712	\$0.20	\$9,711.56	\$0.20

City of Tukwila L.I.D. No. 33 -Tukwila Urban Center Access (Klickitat) Project - Final Assessment Roll

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	County	State	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Unbuildable Acres	Buildable Land Area (Sq Ft)	Building Size (Sq Ft)	Year Built	Zoning without LID	HABU without LID	Land Value	EDV Improvements	Probable Market Value	Zoning with LID	HABU with LID	Land Value	EDV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF	
																													Land Value
193	City of Tukwila	022304-0030	444 Andover Park E	6200 SOUTHCENTER BLVD	TUKWILA	WA	98188	81,000	1.88	No	81,000	15,519	1975	TUC	\$15.50	\$1,258,500	\$2,000,000	\$3,258,000	TUC-W	\$16.50	\$1,336,500	\$2,000,000	\$3,337,000	\$81,000	\$1.00	\$15,733	\$0.19	\$15,732.73	\$0.12
194	Conveco Inc Tax Dept	262304-0053	480 Andover Park E	PO BOX 426	STAMFORD	CT	06024	60,750	1.35	No	60,750	44,937	1970	TUC	\$15.50	\$941,625	\$2,425,000	\$3,367,000	TUC-W	\$16.50	\$1,002,375	\$2,425,000	\$3,427,000	\$60,000	\$0.99	\$11,854	\$0.19	\$11,563.87	\$0.15
195	Conveco Inc Tax Dept	262304-0097	500 Andover Park E	PO BOX 426	STAMFORD	CT	06054	45,900	1.05	No	45,900	27,784	1971	TUC	\$15.50	\$711,450	\$1,500,000	\$2,211,000	TUC-W	\$16.50	\$757,350	\$1,500,000	\$2,257,000	\$46,000	\$1.00	\$8,935	\$0.19	\$8,934.63	\$0.15
196	Union Pacific Railroad	262304-0113	Andover Park E	1416 DODGE ST #325	OMAHA	NE	68173	125,896	2.88	Yes	125,896	0	NA	TUC	\$2.00	\$251,992	\$0	\$252,000	TUC-W	\$2.00	\$251,992	\$0	\$252,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
197	Walton CWVA Tukwila 1 LLC	252304-0034	825 Industry Drive	467E WORLD PARKWAY CIR	ST LOUIS	MO	63134	251,238	5.77	No	251,238	52,300	1978	TUC	\$13.00	\$3,266,034	\$3,970,000	\$7,236,000	TUC-W	\$13.50	\$3,391,713	\$3,970,000	\$7,362,000	\$126,000	\$0.50	\$24,473	\$0.10	\$24,473.13	\$0.10
198	Walton CWVA Tukwila 1 LLC	252304-0015	800 Industry Drive	467E WORLD PARKWAY CIR	ST LOUIS	MO	63134	338,897	7.76	No	338,897	114,112	1976	TUC	\$13.00	\$4,405,651	\$4,900,000	\$9,305,000	TUC-W	\$13.50	\$4,575,110	\$4,900,000	\$9,475,000	\$189,000	\$0.50	\$32,825	\$0.10	\$32,825.07	\$0.10
199	Walton CWVA Tukwila 1 LLC	252304-0071	1000 Industry Drive	467E WORLD PARKWAY CIR	ST LOUIS	MO	63134	460,729	10.58	No	460,729	170,606	1978	TUC	\$13.00	\$5,589,477	\$5,720,000	\$11,705,000	TUC-W	\$13.50	\$6,219,842	\$5,720,000	\$11,940,000	\$231,000	\$0.50	\$44,867	\$0.10	\$44,867.40	\$0.10
200	Bonasky, Howard V	262304-0100	600 Andover Park E	600 ANDOVER PARK E	TUKWILA	WA	98188	40,500	0.93	No	40,500	24,000	1974	TUC	\$14.00	\$567,000	\$975,000	\$1,542,000	TUC-W	\$15.00	\$607,500	\$975,000	\$1,583,000	\$41,000	\$1.01	\$7,969	\$0.20	\$7,963.48	\$0.20
201	760 Andover LLC	262304-0095	770 Andover Park E	PO BOX 287	MEDINA	WA	98038	113,475	2.61	No	113,475	53,723	1974	TUC	\$15.00	\$1,702,125	\$2,660,000	\$5,562,000	TUC-W	\$16.00	\$1,815,600	\$3,860,000	\$8,676,000	\$114,000	\$1.00	\$22,142	\$0.20	\$22,142.38	\$0.20
202	City of Tukwila	262304-0070	600 Meniker Blvd	6200 SOUTHCENTER BLVD	TUKWILA	WA	98188	484,823	11.13	Yes	484,823	20,855	1974, 1975	TUC	\$3.25	\$1,575,575	\$225,000	\$1,801,000	TUC-W	\$3.35	\$1,624,157	\$225,000	\$1,849,000	\$48,000	\$0.10	\$9,323	\$0.02	\$9,323.10	\$0.02
203	City of Tukwila	252304-0016	70th Avenue S	6200 SOUTHCENTER BLVD	TUKWILA	WA	98188	37,461	0.86	Yes	37,461	0	NA	TUC	\$2.00	\$74,922	\$0	\$75,000	TUC-W	\$2.00	\$74,922	\$0	\$75,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
204	Green River Flood Control	252304-0069	700 Meniker Blvd	201 S JACKSON STE 600	SEATTLE	WA	98104	96,703	2.22	Yes	96,703	0	NA	TUC	\$2.00	\$193,406	\$0	\$193,000	TUC-W	\$2.00	\$193,406	\$0	\$193,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
205	East West Bank	262304-0105	950 Andover Park E	950 FLAIR DR 5TH FLR	EL MONTE	CA	91731	80,349	1.84	No	80,349	41,286	1975	TUC	\$15.00	\$1,205,235	\$1,745,000	\$2,950,000	TUC-W	\$16.00	\$1,285,564	\$1,745,000	\$3,031,000	\$81,000	\$1.01	\$15,733	\$0.20	\$15,732.73	\$0.20
206	1006 Andover Associates	262304-0101	1000 Andover Park E	9644 40TH AVE S	SEATTLE	WA	98118	97,215	2.23	No	97,215	51,899	1971	TUC	\$14.00	\$1,361,010	\$1,790,000	\$3,151,000	TUC-W	\$14.50	\$1,405,618	\$1,790,000	\$3,200,000	\$48,000	\$0.50	\$9,517	\$0.10	\$9,517.33	\$0.10
207	Costco Wholesale Corp	252304-0057	70th Avenue S	899 LAKE DRIVE	ISSAQUAH	WA	98027	111,919	2.57	No	111,919	0	NA	TUC	\$12.00	\$1,343,388	\$0	\$1,343,000	TUC-W	\$12.50	\$1,395,363	\$0	\$1,399,000	\$56,000	\$0.50	\$10,877	\$0.10	\$10,876.65	\$0.10
208	Costco Wholesale Corp	252304-0065	400 Costco Drive	565 POINT SAN PEDRO RD	SAN RAFAEL	CA	94901	471,755	10.83	No	471,755	222,966	1970	TUC	\$12.00	\$5,561,050	\$8,200,000	\$13,861,000	TUC-W	\$12.50	\$5,896,938	\$8,200,000	\$14,097,000	\$236,000	\$0.50	\$45,838	\$0.10	\$45,838.59	\$0.10
209	Costco Wholesale Corp	252304-0068	1200 Andover Park E	565 POINT SAN PEDRO RD	SAN RAFAEL	CA	94901	14,893	0.34	Yes	14,893	0	NA	TUC	\$6.00	\$69,358	\$0	\$69,000	TUC-W	\$6.00	\$69,358	\$0	\$69,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
210	Armedstar	262304-0063	1024 Andover Park E	565 POINT SAN PEDRO RD	SAN RAFAEL	CA	94901	48,478	1.14	No	48,478	10,258	1974	TUC	\$12.00	\$581,736	\$900,000	\$1,082,000	TUC-W	\$12.50	\$605,975	\$900,000	\$1,106,000	\$24,000	\$0.50	\$4,662	\$0.10	\$4,661.55	\$0.10
211	Louthold, Donald W	262304-0098	1120 Andover Park E	7275 W MERCER WAY	MERCER ISLAND	WA	98040	46,181	1.06	No	46,181	24,008	1971	TUC	\$13.00	\$600,983	\$1,200,000	\$1,800,000	TUC-W	\$13.50	\$623,174	\$1,200,000	\$1,823,000	\$23,000	\$0.50	\$4,487	\$0.10	\$4,487.32	\$0.10
212	Kahn Jara II and Lynn II	262304-0091	1130 Andover Park E	14915 23TH PL SE	ISSAQUAH	WA	98027	25,086	0.56	No	25,086	13,855	1970	TUC	\$16.00	\$401,376	\$700,000	\$1,101,000	TUC-W	\$16.50	\$413,919	\$700,000	\$1,114,000	\$13,000	\$0.52	\$2,525	\$0.10	\$2,525.01	\$0.10
213	Paschall, William J	262304-0068	1150 Andover Park E	1150 ANDOVER PARK E	TUKWILA	WA	98188	31,218	0.72	No	31,218	13,824	1970, 1975	TUC	\$16.00	\$499,488	\$700,000	\$1,199,000	TUC-W	\$16.50	\$515,097	\$700,000	\$1,215,000	\$16,000	\$0.51	\$3,108	\$0.10	\$3,107.70	\$0.10
215	Gray Cat Collective LLC	352304-0077	1200 Andover Park E	5430 45TH AVE W	SEATTLE	WA	98199	35,877	0.82	No	35,877	0	NA	TUC	\$14.00	\$502,273	\$0	\$502,000	TUC-W	\$14.50	\$520,217	\$0	\$520,000	\$16,000	\$0.50	\$3,456	\$0.10	\$3,456.16	\$0.10
216	Gray Cat Collective LLC	352304-0075	1210 Andover Park E	5430 45TH AVE W	SEATTLE	WA	98199	85,546	1.96	No	85,546	39,746	1983	TUC	\$14.00	\$1,197,644	\$1,190,000	\$2,388,000	TUC-W	\$14.50	\$1,240,417	\$1,190,000	\$2,400,000	\$42,000	\$0.49	\$8,158	\$0.10	\$8,157.71	\$0.10
217	Gray Cat Collective LLC	352304-0070	1228 Andover Park E	5430 45TH AVE W	SEATTLE	WA	98199	35,020	0.80	No	35,020	18,922	1967	TUC	\$14.00	\$480,280	\$500,000	\$980,000	TUC-W	\$14.50	\$507,790	\$500,000	\$1,008,000	\$16,000	\$0.51	\$3,496	\$0.10	\$3,496.16	\$0.10
218	Gray Cat Collective LLC	352304-0069	1230 Andover Park E	5430 45TH AVE W	SEATTLE	WA	98199	63,202	1.45	No	63,202	20,775	1967	TUC	\$15.00	\$948,030	\$540,000	\$1,488,000	TUC-W	\$15.50	\$978,631	\$540,000	\$1,520,000	\$32,000	\$0.51	\$6,215	\$0.10	\$6,215.40	\$0.10
219	Costco Wholesale Corp	362304-0107	441 Costco Drive	599 LAKE DRIVE	ISSAQUAH	WA	98027	194,105	4.46	No	194,105	37,823	1957	TUC	\$12.00	\$2,329,260	\$2,200,000	\$4,529,000	TUC-W	\$12.50	\$2,426,313	\$2,200,000	\$4,626,000	\$97,000	\$0.50	\$18,840	\$0.10	\$18,840.63	\$0.10
220	City of Tukwila	362304-0016	Christensen Greenbelt Park	6200 SOUTHCENTER BLVD	TUKWILA	WA	98188	69,298	2.05	Yes	69,298	0	NA	TUC	\$2.00	\$178,596	\$0	\$178,000	TUC-W	\$2.00	\$178,596	\$0	\$179,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
222	HD Development of Maryland Inc	362304-0074	6610 S 180th Street	PO BOX 105942	ATLANTA	GA	30339	602,743	13.84	No	602,743	149,824	1959	TUC	\$12.00	\$7,232,916	\$6,615,000	\$13,848,000	TUC-W	\$12.50	\$7,534,288	\$6,615,000	\$14,149,000	\$301,000	\$0.50	\$58,464	\$0.10	\$58,463.59	\$0.10
223	Kish Harris	352304-0071	1224 Andover Park E	5560 LANSLOWNE LN	MERCER ISLAND	WA	98040	44,283	1.02	No	44,283	26,674	1967	TUC	\$15.00	\$664,245	\$1,300,000	\$1,964,000	TUC-W	\$15.50	\$696,387	\$1,300,000	\$1,996,000	\$22,000	\$0.50	\$4,273	\$0.10	\$4,273.09	\$0.10
224	SFP B LP LTD PARTNERSHIP	362304-0106	6804 S 180th Street	PO BOX 3350	BEND	OR	97708	50,094	1.15	No	50,094	13,789	1956	TUC	\$15.00	\$751,410	\$1,000,000	\$1,751,000	TUC-W	\$15.50	\$778,457	\$1,000,000	\$1,776,000	\$25,000	\$0.50	\$4,956	\$0.10	\$4,955.78	\$0.10
225	Heartland Auto Services	343050-0020	6818 S 180th Street	11308 DAVENPORT ST	OMAHA	NE	68154	13,971	0.32	No	13,971	1,594	1999	TUC	\$16.00	\$223,536	\$400,000	\$624,000	TUC-W	\$16.50	\$230,522	\$400,000	\$631,000	\$7,000	\$0.50	\$1,360	\$0.10	\$1,359.62	\$0.10
225	Tukwila TT LLC	343050-0010	6620 S 180th Street	3300 MAPLE VALLEY HWY	RENTON	WA	98058	22,712	0.52	No	22,712	2,296	1993	TUC	\$16.00	\$363,392	\$450,000	\$813,000	TUC-W	\$16.50	\$374,748	\$450,000	\$825,000	\$12,000	\$0.53	\$2,331	\$0.10	\$2,330.77	\$0.10

City of Tukwila L.I.D. No. 33 -Tukwila Urban Center Access (Klickitat) Project - Final Assessment Roll

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	Gross Land Area (SF)	Green Land Area (Acres)	Unbuildable Acres	Buildable Land Area (SF)	Building Area (SF)	Year Built	Zoning without LID	H&BU without LID	2016 LID				2018 LID				Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF	
													Land Value	ECV Improvements	Probable Market Value	Zoning with LID	H&BU with LID	Land Value Per SF	Land Value	ECV Improvements							Probable Market Value
227	Wells Fargo Bank	362204-3076	6847 S 180th Street	PO BOX 2069	CARLSBAD CA 92016	65,862	1.51	No	65,862	15,580	1998	TUC	\$15.00	\$967,930	\$620,000	\$1,608,000	TUC-W	\$15.50	\$1,020,661	\$820,000	\$1,841,000	\$33,000	\$0.50	\$8.10	\$0.10	\$6,408.83	\$0.10
228	First Interstate Bank	362204-6095	6855 S 180th Street	PO BOX 2069	CARLSBAD CA 92016	55,500	1.27	No	55,500	16,653	2003	TUC	\$15.00	\$832,500	\$1,875,000	\$2,705,000	TUC-W	\$15.50	\$660,250	\$1,875,000	\$2,735,000	\$27,000	\$0.49	\$5.24	\$0.03	\$5,244.21	\$0.06
229	City of Tukwila	352304-6002	6801 S 180th Street	6200 SOUTHCENTER BLVD	TUKWILA WA 98148	17,424	0.40	Yes	17,424	0	N/A	TUC	\$5.00	\$87,120	\$0	\$87,000	TUC-W	\$5.00	\$87,120	\$0	\$87,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
230	City of Tukwila	352304-9005	6751 S 180th Street	6200 SOUTHCENTER BLVD	TUKWILA WA 98148	13,068	0.30	Yes	13,068	0	N/A	TUC	\$5.00	\$65,340	\$0	\$65,000	TUC-W	\$5.00	\$65,340	\$0	\$65,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
231	Segale Properties LLC	352304-6055	18000 Andover Park W	PO BOX 88028	TUKWILA WA 98138	70,594	1.62	No	70,594	26,670	1997	TUC	\$15.00	\$1,058,910	\$2,830,000	\$3,695,000	TUC-TSO	\$15.50	\$1,094,207	\$2,830,000	\$3,726,000	\$35,000	\$0.50	\$6.78	\$0.10	\$7,659.40	\$0.10
232	Segale Properties LLC	352304-9120	6101 S 180th Street	PO BOX 88028	TUKWILA WA 98138	329,742	7.57	No	329,742	216,848	1993, 2001	TUC	\$15.00	\$4,846,130	\$5,975,000	\$10,921,000	TUC-TSO	\$15.50	\$5,111,001	\$5,975,000	\$11,086,000	\$165,000	\$0.50	\$32.04	\$0.10	\$32,974.20	\$3.10
233	Segale Properties LLC	352304-9013	No site address	PO BOX 88028	TUKWILA WA 98138	534,800	12.28	Yes	534,800	0	N/A	LDR	\$5.50	\$2,941,400	\$0	\$2,941,000	LDR-TSO	\$6.20	\$3,315,760	\$0	\$3,316,000	\$375,000	\$0.70	\$72.837	\$0.14	\$41,450.73	\$0.08
235	Segale Properties LLC	352304-9018	5565 S 178th Street	PO BOX 88028	TUKWILA WA 98138	41,191	0.95	Yes	41,191	1,380	1985	LDR	\$4.80	\$197,717	\$280,000	\$478,000	LDR-TSO	\$5.60	\$250,670	\$280,000	\$531,000	\$33,000	\$0.80	\$6.410	\$0.16	\$3,192.59	\$0.08
236	Segale Properties LLC	352304-9090	5565 S 178th Street	PO BOX 88028	TUKWILA WA 98138	8,400	0.19	No	8,400	1,010	1923	LDR	\$6.00	\$50,400	\$190,000	\$200,000	LDR-TSO	\$7.00	\$58,600	\$150,000	\$209,000	\$9,000	\$1.07	\$1.748	\$0.21	\$561.06	\$0.08
237	Segale Properties LLC	352304-9106	No site address	PO BOX 88028	TUKWILA WA 98138	155,309	3.57	No	155,309	0	N/A	LDR	\$5.00	\$776,545	\$0	\$777,000	LDR-TSO	\$5.85	\$608,558	\$0	\$309,000	\$132,000	\$0.55	\$26.619	\$0.17	\$12,837.55	\$0.09
238	GRE Management Services Inc	352304-6031	5801 S 180th Street	4240 ROCKLIN RD #8	ROCKLIN CA 95671	208,652	4.70	No	208,652	61,652	1995, 2000	TUC	\$15.00	\$3,129,780	\$8,040,000	\$11,170,000	TUC-CC	\$16.00	\$3,336,432	\$8,040,000	\$11,378,000	\$205,000	\$1.00	\$40,400	\$0.19	\$40,400.09	\$0.19
239	City of Tukwila	352304-6046	No site address	PO BOX 88028	TUKWILA WA 98138	71,002	1.63	Yes	71,002	0	N/A	MJO	\$10.45	\$741,971	\$0	\$742,000	MJO-TSO	\$11.40	\$806,423	\$0	\$809,000	\$67,000	\$0.94	\$13.013	\$0.16	\$13,013.49	\$0.16
240	Wells Fargo Bank	362304-9017	6845 S 180th Street	PO BOX 2069	CARLSBAD CA 92016	35,902	0.82	No	35,902	0	N/A	TUC	\$10.00	\$359,020	\$0	\$359,000	TUC-W	\$10.25	\$367,996	\$0	\$368,000	\$9,000	\$0.25	\$1.748	\$0.05	\$1,748.08	\$0.05
241	Wells Fargo Bank	362304-9054	6835 S 180th Street	PO BOX 2069	CARLSBAD CA 92016	79,264	1.82	No	79,264	20,250	1977	TUC	\$11.00	\$871,501	\$1,220,000	\$2,092,000	TUC-W	\$11.25	\$891,720	\$1,220,000	\$2,112,000	\$20,000	\$0.25	\$3.865	\$0.05	\$3,864.62	\$0.05
242	Uly Points Investments	362304-3037	6801 S 180th Street	4128 WAVES LK DR NE	REDMOND WA 98053	251,200	5.77	No	251,200	62,250	1973, 2000	TUC	\$12.00	\$3,015,600	\$545,000	\$3,561,000	TUC-W	\$12.25	\$3,078,425	\$545,000	\$3,623,000	\$2,000	\$0.28	\$12.042	\$0.05	\$12,042.33	\$0.05
245	Segale Properties LLC	352304-9116	18500 Southcenter Parkway	PO BOX 88028	TUKWILA WA 98138	232,770	5.34	Yes	232,770	3,465	1972	HI	\$4.75	\$1,105,658	\$0	\$1,106,000	HI-TSO	\$5.30	\$1,233,681	\$0	\$1,234,000	\$128,000	\$0.55	\$24.882	\$0.11	\$18,041.32	\$0.08
246	Segale Properties LLC	352304-9121	18200 Andover Park W	PO BOX 88028	TUKWILA WA 98138	363,873	8.35	No	363,873	55,482	2010	HI	\$10.00	\$3,638,730	\$6,530,000	\$10,199,000	HI-TSO	\$11.00	\$4,002,605	\$6,530,000	\$10,533,000	\$364,000	\$1.00	\$70.700	\$0.19	\$56,405.47	\$0.16
247	Segale Properties LLC	352304-9115	18125 Andover Park W	PO BOX 88028	TUKWILA WA 98138	1,490,290	34.21	No	1,490,290	821,546	1975, 1979	HI	\$9.50	\$14,157,755	\$16,315,000	\$30,473,000	HI-TSO	\$10.00	\$14,902,900	\$16,315,000	\$31,218,000	\$745,000	\$0.50	\$144.702	\$0.10	\$115,508.02	\$0.02
248	Segale Properties LLC	352304-9104	18271 Andover Park W	PO BOX 88028	TUKWILA WA 98138	152,895	3.51	No	152,895	74,160	1974	HI	\$10.00	\$1,528,950	\$2,220,000	\$3,749,000	HI-TSO	\$10.50	\$1,605,388	\$2,220,000	\$3,825,000	\$76,000	\$0.50	\$14.762	\$0.10	\$14,761.00	\$0.10
249	Segale Properties LLC	352304-9112	18240 Andover Park W	PO BOX 88028	TUKWILA WA 98138	314,703	7.22	No	314,703	154,590	1978	HI	\$9.00	\$2,517,621	\$4,085,000	\$6,603,000	HI-TSO	\$9.50	\$2,674,976	\$4,085,000	\$6,760,000	\$157,000	\$0.50	\$30.494	\$0.10	\$24,391.71	\$0.08
250	Segale Properties LLC	352304-9118	18310 Southcenter Parkway	PO BOX 88028	TUKWILA WA 98138	332,321	7.83	No	332,321	10,554	1992, 1992	HI	\$10.00	\$3,323,210	\$320,000	\$3,643,000	HI-TSO	\$11.00	\$3,655,531	\$320,000	\$3,976,000	\$333,000	\$1.00	\$64.879	\$0.18	\$25,757.23	\$0.08
251	Segale Properties LLC	352304-9018	18323 Andover Park W	PO BOX 88028	TUKWILA WA 98138	434,155	2.97	No	434,155	151,152	1975, 1977	HI	\$9.50	\$4,124,473	\$2,855,000	\$5,979,000	HI-TSO	\$10.00	\$4,341,650	\$2,855,000	\$7,197,000	\$219,000	\$0.50	\$42.342	\$0.10	\$35,650.69	\$0.08
252	Segale Properties LLC	352304-9115	5311 Segale Park Drive C	PO BOX 88028	TUKWILA WA 98138	626,172	14.44	No	628,172	324,639	2000	HI	\$9.50	\$5,977,134	\$8,495,000	\$15,472,000	HI-TSO	\$10.00	\$6,291,720	\$8,495,000	\$15,787,000	\$315,000	\$0.50	\$61.183	\$0.10	\$48,765.28	\$0.08
253	Segale Properties LLC	352304-6038	18400 Southcenter Parkway	PO BOX 88028	TUKWILA WA 98138	296,151	4.80	No	293,151	1,864	1265	HI	\$10.00	\$2,991,510	\$0	\$2,992,000	HI-TSO	\$11.00	\$2,300,661	\$0	\$2,301,000	\$269,000	\$1.00	\$40.584	\$0.19	\$16,210.68	\$0.08
254	Segale Properties LLC	352304-6045	19151 Frager Rd. S	PO BOX 88028	TUKWILA WA 98138	94,090	2.16	Yes	94,090	0	N/A	TVS	\$7.20	\$677,448	\$0	\$677,000	TVS-TSO	\$8.00	\$752,720	\$0	\$753,000	\$76,000	\$0.81	\$14.762	\$0.18	\$5,993.70	\$0.06
255	Segale Properties LLC	352304-9066	18301 57th Avenue S	PO BOX 88028	TUKWILA WA 98138	415,560	9.54	Yes	415,580	37,850	1967	TVS	\$2.70	\$1,122,012	\$1,600,000	\$2,522,000	TVS-TSO	\$3.00	\$1,246,860	\$1,400,000	\$2,647,000	\$125,000	\$0.30	\$24.279	\$0.08	\$24,279.00	\$0.08
256	Segale Properties LLC	352304-9050	19001 57th Avenue S	PO BOX 88028	TUKWILA WA 98138	59,241	1.38	No	59,241	0	N/A	TVS	\$6.75	\$399,877	\$0	\$400,000	TVS-TSO	\$7.50	\$444,308	\$0	\$444,000	\$44,000	\$0.74	\$8.548	\$0.14	\$3,972.24	\$0.07
257	Segale Properties LLC	352304-9045	No site address	PO BOX 88028	TUKWILA WA 98138	48,787	1.12	Yes	48,787	0	N/A	TVS	\$0.90	\$43,963	\$0	\$44,000	TVS-TSO	\$1.00	\$48,767	\$0	\$49,000	\$5,000	\$0.10	\$9.71	\$0.02	\$9.71.00	\$0.02
258	Segale Properties LLC	352304-9051	No site address	PO BOX 88028	TUKWILA WA 98138	277,041	6.36	Yes	277,041	0	N/A	TVS	\$1.00	\$277,041	\$0	\$277,000	TVS-TSO	\$1.00	\$277,041	\$0	\$277,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
259	Union Pacific Railroad	352304-9106	S 180th Street	1416 DODGE ST #325	OMAHA NE 68175	36,249	0.88	Yes	38,249	0	N/A	HI	\$5.00	\$191,245	\$0	\$191,000	HI-TSO	\$5.00	\$191,245	\$0	\$191,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
260	Segale Properties LLC	352304-6032	18264 57th Avenue S	PO BOX 88028	TUKWILA WA 98138	27,420	0.63	No	27,420	1,300	1952	HI	\$10.00	\$274,200	\$0	\$274,000	HI-TSO	\$11.00	\$301,620	\$0	\$302,000	\$26,000	\$1.02	\$5.438	\$0.20	\$2,126.24	\$0.08
261	GWI Realty LLC	352304-9014	18700 Southcenter Parkway	PO BOX 88558	SEATTLE WA 98138	92,800	2.13	No	92,800	45,148	1959	HI	\$10.00	\$928,000	\$2,530,000	\$3,458,000	HI-TSO	\$11.00	\$1,020,600	\$2,530,000	\$3,551,000	\$93,000	\$1.00	\$18,064	\$0.19	\$18,063.50	\$0.19

City of Tukwila L.I.D. No. 33 -Tukwila Urban Center Access (Klickitat) Project - Final Assessment Roll

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address		Gross Land Area (SF)	Gross Land Area (Acres)	Unbuildable Acres	Buildable Land Area (SF)	Building Size (SF)	Year Built	Without LID				With LID				Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF			
												Zoning without LID	H&BU without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	H&BU with LID							Land Value Per SF	Land Value	ECV Improvements
262	QWI Realty LLC	352304-9031	19000 57th Avenue S	19700	SOUTHCENTER PKWY TUKWILA WA 98188	19,450	0.45	No	19,450	0	N/A	HI	\$10.00	\$194,500	\$0	\$195,000	H-TSO		\$11.00	\$213,950	\$0	\$214,000	\$19,000	\$0.88	\$3,650	\$0.19	\$3,690.39	\$0.19
263	Segale Properties LLC	352304-9017	16900 57th Avenue S		PO BOX 88028 TUKWILA WA 98138	87,120	2.00	No	87,120	0	N/A	TVS	\$9.00	\$784,080	\$0	\$784,000	TVS-TSO		\$10.00	\$871,200	\$0	\$871,000	\$87,000	\$1.00	\$16,899	\$0.19	\$6,752.42	\$0.08
264	M & P Company	352304-9082	19000 57th Avenue S		PO BOX 1063 EDMONDS WA 98020	100,188	2.30	No	100,188	42,430	1999	TVS	\$10.00	\$1,001,880	\$1,890,000	\$2,892,000	TVS-TSO		\$11.00	\$1,102,068	\$1,890,000	\$2,992,000	\$100,000	\$1.00	\$19,423	\$0.19	\$19,423.12	\$0.19
265	King County	352304-9057	12800 Ordike Rd. S	900	KC ADMIN BLDG SEATTLE WA 98104	873,082	20.04	Yes	873,082	0	N/A	TVS	\$5.00	\$4,365,410	\$1,230,000	\$5,595,000	TVS-TSO		\$5.00	\$4,365,410	\$1,230,000	\$5,595,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
266	Segale Properties LLC	352304-9015	18791 Southcenter Parkway		PO BOX 88028 TUKWILA WA 98138	907,204	20.83	No	907,204	0	N/A	TVS	\$9.00	\$8,164,836	\$0	\$8,165,000	TVS-TSO		\$10.00	\$9,072,040	\$0	\$9,072,000	\$507,000	\$1.00	\$176,169	\$0.19	\$36,665.26	\$0.04
267	Schoenbacher Ent LLC	352304-9034	16115 57th Avenue S	9253	E SANDS DR SCOTTSDALE AZ 85255	801,910	18.41	Yes	801,910	7,580	1955	TVS	\$5.50	\$4,250,123	\$0	\$4,250,000	TVS-TSO		\$5.50	\$4,731,269	\$0	\$4,731,000	\$461,000	\$0.60	\$93,425	\$0.12	\$62,153.70	\$0.08
268	Bd. Yen & Tonnu Thech-Thie	352304-9030	No site address	12913	36TH AVE SE EVERETT WA 98202	25,274	0.67	Yes	29,274	0	N/A	TVS	\$1.00	\$29,274	\$0	\$25,000	TVS-TSO		\$1.00	\$29,274	\$0	\$29,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
801	Westfield Corporation Inc	920247-0030	No site address		PO BOX 130940 CARLSBAD CA 92013	13,107	0.30	No	13,107	13,107	2007	TUC	\$35.00	\$458,745	\$1,566,000	\$2,024,000	TUC-RC		\$39.00	\$511,173	\$1,555,000	\$2,076,000	\$52,000	\$3.97	\$10,100	\$0.77	\$10,100.02	\$0.77
802	Bank of America	920247-0050	320 Strander Blvd	1001	4th Ave 4th Floor SEATTLE WA 98154	13,467	0.31	No	13,467	7,506	2010	TUC	\$35.00	\$471,345	\$965,000	\$1,436,000	TUC-RC		\$39.00	\$525,213	\$955,000	\$1,490,000	\$54,000	\$4.01	\$10,488	\$0.78	\$10,488.48	\$0.78
Totals						39,694,961	611.27		39,654,561	12,373,010			\$15.43	\$612,690,729	\$1,147,621,000	\$1,780,306,000			\$16.72	\$663,670,142	\$1,147,621,000	\$1,611,293,000	\$50,985,000	\$1.29	\$9,902,377	\$0.25	\$6,475,803.89	\$0.24

Following is

**Revised Final Assessment Roll –
Adopted 10/21/13
as an attachment
to Ordinance 2412**

City of Tukwila L.L.D. No. 33 - Tukwila Urban Center Access (Rikhdra) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	City	State	Zip	Grass Land Area (SF)	Grass Land Area (Acres)	Unbuildable Area	Buildable Land Area (SF)	Building Area (SF)	Year Built	Zoning without LID	U/LID without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	U/LID with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF
1	City of Seattle	360326-0021	500 Tukwila Parkway	PO BOX 34014 SEATTLE WA 98124	WA	98124	60,120	1.39	Yes	60,120	0	N/A	TUC		\$2.00	\$128,240	\$0	\$138,000	TUC		\$2.00	\$128,240	\$0	\$138,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	
2	City of Tukwila	400326-0022	510 Tukwila Parkway	6500 SOUTHWESTER BLVD TIKWILA WA 98188	WA	98188	44,874	1.03	Yes	44,874	0	N/A	TUC		\$2.00	\$89,748	\$0	\$96,000	TUC		\$2.00	\$89,748	\$0	\$96,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	
3	Westfield Corporation Inc	920247-0110	Southcenter Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	124,739	2.86	No	124,739	9,930	1975	TUC		\$35.00	\$4,355,865	\$0	\$4,356,000	TUC-RC		\$39.00	\$4,864,521	\$0	\$4,865,000	\$499,000	\$4.00	\$92,742	\$0.74	\$96,921.36	\$0.78	
4	Westfield Corporation Inc	920247-0120	Southcenter Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	184,336	4.23	No	184,336	0	N/A	TUC		\$35.00	\$6,491,700	\$0	\$6,492,000	TUC-RC		\$39.00	\$7,149,104	\$0	\$7,149,000	\$707,000	\$4.00	\$136,976	\$0.74	\$143,148.38	\$0.73	
5	Westfield Corporation Inc	920247-0020	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	16,676	0.38	No	16,676	0	N/A	TUC		\$35.00	\$583,660	\$0	\$584,000	TUC-RC		\$39.00	\$650,364	\$0	\$650,000	\$56,000	\$3.95	\$12,267	\$0.74	\$12,910.26	\$0.77	
6	Westfield Corporation Inc	359704-0245	Southcenter Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	499,853	11.48	No	499,853	0	N/A	TUC		\$35.00	\$17,495,205	\$0	\$17,495,000	TUC-RC		\$39.00	\$19,494,657	\$0	\$19,495,000	\$2,000,000	\$4.00	\$371,713	\$0.74	\$388,402.37	\$0.78	
7	Westfield Corporation Inc	920247-0099	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	329,950	7.55	No	329,950	35,115	1959	TUC		\$35.00	\$11,517,100	\$4,961,000	\$16,478,000	TUC-RC		\$39.00	\$12,833,340	\$4,961,000	\$17,794,000	\$1,316,000	\$4.00	\$244,537	\$0.74	\$255,608.24	\$0.78	
8	Westfield Corporation Inc	920247-0019	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	1,355,919	31.13	No	1,355,919	858,380	1959	TUC		\$35.00	\$47,437,165	\$348,000,000	\$392,437,000	TUC-RC		\$39.00	\$52,499,841	\$345,990,000	\$392,491,000	\$5,424,000	\$4.00	\$1,008,085	\$0.74	\$1,055,599.95	\$0.74	
9	Westfield Corporation Inc	920247-0130	310 Stander Blvd	PO BOX 130940 CARLSBAD CA 92013	CA	92013	221,571	5.09	No	221,571	279,113	1969	TUC		\$35.00	\$7,754,985	\$42,600,000	\$50,355,000	TUC-RC		\$39.00	\$8,641,269	\$42,600,000	\$51,241,000	\$386,000	\$4.00	\$164,669	\$0.74	\$172,088.83	\$0.78	
10	Westfield Corporation Inc	920247-0150	Southcenter Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	289,293	6.64	No	289,293	0	N/A	TUC		\$35.00	\$10,125,255	\$0	\$10,125,000	TUC-RC		\$39.00	\$11,282,427	\$0	\$11,282,000	\$1,157,000	\$4.00	\$215,036	\$0.74	\$224,725.48	\$0.78	
11	Westfield Corporation Inc	920247-0160	210 Stander Blvd	PO BOX 130940 CARLSBAD CA 92013	CA	92013	234,764	5.39	No	234,764	10,990	2005	TUC		\$35.00	\$8,216,740	\$0	\$8,217,000	TUC-RC		\$39.00	\$9,155,796	\$0	\$9,156,000	\$939,000	\$4.00	\$174,519	\$0.74	\$182,363.08	\$0.78	
12	Westfield Corporation Inc	920247-0049	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	71,610	1.64	No	71,610	7,485	1950	TUC		\$35.00	\$2,536,330	\$395,000	\$2,931,000	TUC-RC		\$39.00	\$2,792,799	\$395,500	\$3,088,000	\$270,000	\$4.00	\$53,341	\$0.74	\$55,744.55	\$0.78	
13	Westfield Corporation Inc	920247-0059	325 Andow Park W	PO BOX 130940 CARLSBAD CA 92013	CA	92013	25,000	0.57	No	25,000	4,640	1950	TUC		\$35.00	\$875,000	\$185,000	\$1,060,000	TUC-RC		\$39.00	\$975,500	\$185,000	\$1,160,000	\$109,000	\$4.00	\$18,536	\$0.74	\$19,423.12	\$0.78	
14	Federated Dept Store Inc	359704-0246	1/2 of May's	7 W 7TH ST CINCINNATI OH 45202	OH	45202	90,050	2.07	No	90,050	136,245	1958	TUC		\$35.00	\$3,151,730	\$21,750,000	\$24,902,000	TUC-RC		\$39.00	\$3,511,950	\$21,750,000	\$25,262,000	\$369,000	\$4.00	\$66,008	\$0.74	\$69,928.23	\$0.78	
15	Federated Dept Store Inc	362504-0986	1/2 of May's	7 W 7TH ST CINCINNATI OH 45202	OH	45202	38,923	0.89	No	38,923	136,245	1958	TUC		\$35.00	\$1,362,330	\$21,750,000	\$23,112,000	TUC-RC		\$39.00	\$1,517,997	\$21,750,000	\$23,268,000	\$186,000	\$4.00	\$28,994	\$0.74	\$30,300.68	\$0.78	
16	Westfield Corporation Inc	920247-0100	225 Tukwila Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	129,922	2.98	No	129,922	12,997	1959	TUC		\$35.00	\$4,457,270	\$2,200,000	\$6,657,000	TUC-RC		\$39.00	\$5,086,958	\$2,200,000	\$7,287,000	\$720,000	\$4.00	\$96,645	\$0.74	\$101,380.22	\$0.78	
17	Beta Holdings LTD	022306-0019	301 Tukwila Parkway	1827 BOTHELL WAY NE BOTHELL WA 98011	WA	98011	141,136	3.24	No	141,136	43,992	1985	TUC		\$25.00	\$3,528,430	\$7,720,000	\$11,248,000	TUC-RC		\$27.50	\$3,881,240	\$7,720,000	\$11,601,000	\$385,000	\$2.50	\$55,607	\$0.46	\$65,505.61	\$0.49	
18	Open Frame LLC	022306-0020	160 Andow Park W	PO BOX 18198 TUKWILA WA 98188	WA	98188	145,200	3.33	No	145,200	60,395	1950	TUC		\$25.00	\$3,630,000	\$11,300,000	\$14,930,000	TUC-RC		\$27.50	\$3,993,000	\$11,300,000	\$15,293,000	\$369,000	\$2.50	\$77,466	\$0.46	\$70,505.92	\$0.49	
19	Open Frame LLC	022306-0021	No site address	PO BOX 18198 TUKWILA WA 98188	WA	98188	51,565	1.18	No	51,565	0	N/A	TUC		\$25.00	\$1,284,075	\$0	\$1,284,000	TUC-RC		\$27.50	\$1,412,485	\$0	\$1,412,000	\$128,000	\$2.49	\$59,790	\$0.46	\$24,861.59	\$0.48	
20	Open Frame LLC	022306-0019	350 Baker Blvd	PO BOX 18198 TIKWILA WA 98188	WA	98188	149,547	3.47	No	149,547	36,622	2009	TUC		\$25.00	\$3,736,675	\$6,850,000	\$10,586,000	TUC-RC		\$27.50	\$4,112,543	\$6,850,000	\$10,963,000	\$374,000	\$2.49	\$59,590	\$0.46	\$52,642.46	\$0.49	
21	Low's HWY INC	022306-0030	401 Tukwila Parkway	101 ANDOVER PARK E #260 TUKWILA WA 98188	WA	98188	397,053	9.12	No	397,053	131,543	1961	TUC		\$24.00	\$9,529,272	\$7,500,000	\$17,029,000	TUC-TOD		\$25.00	\$10,323,378	\$7,500,000	\$17,823,000	\$784,000	\$2.00	\$147,579	\$0.37	\$154,219.56	\$0.39	
23	Westfield Corporation Inc	920247-0089	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	92,524	2.12	No	92,524	235,534	1959	TUC		\$35.00	\$3,238,340	\$42,900,000	\$46,138,000	TUC-RC		\$39.00	\$3,608,476	\$42,900,000	\$46,508,000	\$370,000	\$4.00	\$58,707	\$0.74	\$71,368.54	\$0.78	
24	Westfield Corporation Inc	920247-0140	400 Southcenter Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	75,299	1.73	No	75,240	174,630	1959	TUC		\$35.00	\$2,633,400	\$30,500,000	\$33,133,000	TUC-RC		\$39.00	\$2,934,399	\$30,500,000	\$33,434,000	\$301,000	\$4.00	\$55,943	\$0.74	\$58,465.59	\$0.78	
25	Westfield Corporation Inc	920247-0070	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	44,894	1.03	No	44,894	11,850	1970	TUC		\$35.00	\$1,571,200	\$1,041,000	\$2,612,000	TUC-RC		\$39.00	\$1,750,666	\$1,041,000	\$2,792,000	\$189,000	\$4.00	\$33,454	\$0.75	\$34,961.61	\$0.78	
26	Rainbow Associates LTD	022306-0053	401 Evans Blvd Drive	22820 148TH SE KENT WA 98142	WA	98142	34,800	0.80	No	34,800	14,786	1965	TUC		\$18.00	\$626,400	\$750,000	\$1,376,000	TUC-TOD		\$19.50	\$678,600	\$750,000	\$1,429,000	\$53,000	\$1.52	\$3,859	\$0.38	\$10,294.25	\$0.38	
27	Bank of America	022306-0056	406 Evans Blvd Drive	PO BOX 34020/LEEDE SEATTLE WA 98124	WA	98124	40,202	0.92	No	40,202	16,940	1967	TUC		\$18.00	\$725,636	\$755,000	\$1,480,000	TUC-TOD		\$19.50	\$793,989	\$755,000	\$1,539,000	\$99,000	\$1.49	\$11,151	\$0.29	\$11,653.87	\$0.29	
28	McLaughlin & Day LLP	022306-0055	131 Andow Park E	7450 MERCER ISLAND WA 98040	WA	98040	39,375	0.90	No	39,375	8,464	1955	TUC		\$21.00	\$737,500	\$540,000	\$1,277,000	TUC-TOD		\$21.50	\$846,568	\$540,000	\$1,387,000	\$391,000	\$1.50	\$10,955	\$0.28	\$11,459.64	\$0.29	
29	US Bank Corporate Prop	022306-0058	151 Andow Park E	2300 ELAKE ST MINNEAPOLIS MN 55406	MN	55406	32,537	0.75	No	32,537	4,560	1966	TUC		\$32.00	\$715,814	\$315,000	\$1,031,000	TUC-TOD		\$34.00	\$793,888	\$315,000	\$1,099,000	\$65,000	\$2.00	\$12,091	\$0.37	\$12,925.03	\$0.39	
30	ECG Realty, LLC	022306-0037	406 Baker Blvd	1420 5TH AVE #2200 SEATTLE WA 98101	WA	98101	32,330	0.75	No	32,330	15,740	1967	TUC		\$20.00	\$650,600	\$2,640,000	\$3,291,000	TUC-TOD		\$22.00	\$715,660	\$2,640,000	\$3,356,000	\$65,000	\$2.00	\$12,091	\$0.37	\$12,625.03	\$0.39	
31	Devilson, Donald E	022306-0032	404 Baker Blvd	1199 SUNSET DR LAJUNA BEACH CA 92651	CA	92651	14,820	0.34	No	14,820	0	N/A	TUC		\$20.00	\$286,400	\$0	\$286,000	TUC-TOD		\$22.25	\$329,745	\$0	\$330,000	\$34,000	\$1.29	\$6,319	\$0.43	\$6,693.86	\$0.45	
32	Devilson, Donald E	022306-0031	402 Baker Blvd	1199 SUNSET DR LAJUNA BEACH CA 92651	CA	92651	32,090	0.75	No	32,090	14,925	1963	TUC		\$20.00	\$653,600	\$490,000	\$1,054,000	TUC-TOD		\$22.25	\$727,139	\$490,000	\$1,127,000	\$78,000	\$2.23	\$13,558	\$0.42	\$14,178.98	\$0.43	
33	Devilson, Donald E	022306-0034	404 Baker Blvd	1199 SUNSET DR LAJUNA BEACH CA 92651	CA	92651	5,090	0.14	No	6,000	0	N/A	TUC		\$20.00	\$120,000	\$0	\$120,000	TUC-TOD		\$22.25	\$133,500	\$0	\$134,000	\$14,000	\$2.33	\$2,602	\$0.43	\$2,719.24	\$0.45	
34	OB Fik Property II LLC	022306-0075	400 Baker Blvd	PO BOX 726 BELLEVUE WA 98009	WA	98009	212,237	4.87	No	212,237	81,756	1968	TUC		\$25.00	\$5,305,925	\$2,875,000	\$8,181,000	TUC-RC		\$27.50	\$5,835,518	\$2,875,000	\$8,710,000	\$531,000	\$2.50	\$98,600	\$0.46	\$103,158.76	\$0.49	
35	Pearl, Alvin S and Carole R	022306-0085	401 Baker Blvd	4394 HUNTS POINT RD BELLEVUE WA 98004	WA	98004	49,757	1.14	No	49,757	17,406																				

City of Tubulia L.L.D. No. 33-Tubulia Union Center Access (Kilclata) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	County	Assessor's Parcel Number	Gross Land Area (SF)	Unsubdivisible Area	Buildable Land Area (SF)	Building Site (SF)	Year Built	Zoning without LID	1163R without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	1163R with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF	
41	Argus Group LTD	537924-0299	16425 Southerner Parkway	225 106TH AVE NE #20	BELLEVUE WA	98004	38,000	0.87	No	38,000	6,102	1978, 1992	TUC	\$30.00	\$1,142,400	\$559,000	\$1,692,000	TUC-CC		\$32.50	\$1,237,600	\$550,000	\$1,788,000	\$96,000	\$2.52	\$17,842	\$0.47	\$18,649	\$0.49	
43	McDonald's Corporation	537924-0282	16360 Southerner Parkway	PO BOX 182571	COLUMBIAS OH	43218	57,555	1.33	No	57,950	4,312	1978	TUC	\$30.00	\$1,738,500	\$170,000	\$1,309,000	TUC-CC		\$32.50	\$1,863,375	\$170,000	\$2,033,000	\$144,000	\$2.48	\$26,761	\$0.46	\$27,069	\$0.48	
44	Sizzling Plate of Wash	537924-0303	16645 Southerner Parkway	342 EAST 5400 S #200	MURRAY UT	84107	47,940	1.10	No	47,940	4,945	1978	TUC	\$30.00	\$1,434,200	\$200,000	\$1,634,000	TUC-CC		\$32.50	\$1,553,050	\$200,000	\$1,753,000	\$120,000	\$2.50	\$22,308	\$0.47	\$23,307	\$0.49	
45	Legacy Patterns I Tubalia	262304-0021	16400 Southerner Parkway	6095 E. MAD AVE #609	FOSTER CITY CA	94406	84,075	1.95	No	84,975	66,055	1979	TUC	\$55.00	\$2,941,225	\$9,185,000	\$12,129,000	TUC-RC		\$37.50	\$3,185,563	\$9,185,000	\$12,572,000	\$215,000	\$2.51	\$39,597	\$0.47	\$41,271	\$0.49	
46	Cherion Tenaco	262304-0104	220 Strander Blvd	PO BOX 1392	BAKERSFIELD CA	93302	39,000	0.69	No	39,000	2,044	1972	TUC	\$35.00	\$1,080,000	\$300,000	\$1,380,000	TUC-RC		\$38.50	\$1,153,000	\$300,000	\$1,453,000	\$75,000	\$2.50	\$13,599	\$0.45	\$14,563	\$0.49	
47	A 4 LLD	262304-0102	235 Strander Blvd	117 E LOUISA ST #230	SEATTLE WA	98102	40,000	0.92	No	40,000	11,600	1976	TUC	\$35.00	\$1,400,000	\$2,270,000	\$3,670,000	TUC-RC		\$37.50	\$1,500,000	\$2,270,000	\$3,770,000	\$100,000	\$2.50	\$18,585	\$0.45	\$19,423	\$0.49	
48	CHA Southerner LLC	643730-0920	16300 Southerner Parkway	16300 SOUTHCENTER PKWY	TUKWILA WA	98188	291,927	6.70	No	291,927	196,679	1979	TUC	\$25.00	\$7,298,175	\$16,000,000	\$23,298,000	TUC-P		\$27.50	\$8,027,993	\$16,000,000	\$24,028,000	\$710,000	\$2.50	\$135,675	\$0.46	\$141,788	\$0.49	
49	CHA Southerner LLC	643730-0910	16310 Southerner Parkway	16310 SOUTHCENTER PKWY	TUKWILA WA	98188	42,495	0.94	No	42,495	6,163	1997	TUC	\$27.00	\$1,147,365	\$580,000	\$1,727,000	TUC-P		\$29.50	\$1,255,603	\$580,000	\$1,834,000	\$107,000	\$2.52	\$19,897	\$0.47	\$20,762	\$0.49	
50	Target Corporation T 0037	262304-0905	301 Strander Blvd	PO BOX 8455	MINNEAPOLIS MN	55400	352,400	8.09	No	352,400	113,273	1980	TUC	\$22.00	\$7,752,800	\$4,050,000	\$13,703,000	TUC-P		\$24.50	\$8,633,500	\$4,050,000	\$13,584,000	\$881,000	\$2.50	\$163,740	\$0.46	\$171,117	\$0.47	
51	Regency Centers LP	262304-0954	331 Strander Blvd	PO BOX 70030	SAN ANTONIO TX	78279	260,410	5.94	No	260,410	59,695	1980	TUC	\$25.00	\$6,510,250	\$9,350,000	\$15,870,000	TUC-P		\$27.50	\$7,161,275	\$9,360,000	\$16,521,000	\$651,000	\$2.50	\$120,893	\$0.46	\$126,444	\$0.49	
52	Super Properties LLC	262304-0901	565 Andover Park W	PO BOX 33024	TUKWILA WA	98188	584,553	8.53	No	584,553	122,315	1984	TUC	\$24.00	\$8,229,512	\$11,700,000	\$20,930,000	TUC-RC		\$26.25	\$10,694,779	\$11,700,000	\$21,395,000	\$853,000	\$2.25	\$169,765	\$0.42	\$168,009	\$0.44	
53	Lifestart Centers Co LLC	022340-0652	411 Strander Blvd	STRANDER BLVD STE 107	TUKWILA WA	98188	78,344	1.89	No	78,344	8,730	1973	TUC	\$18.00	\$1,328,012	\$3,800,000	\$5,128,000	TUC-TOD		\$19.50	\$1,459,763	\$3,800,000	\$5,250,000	\$181,000	\$1.50	\$20,800	\$0.23	\$21,459	\$0.29	
54	M & M Management LLC	022340-0951	331 Andover Park E	SE 4TH ST	SANAMISHI WA	98074	22,054	0.51	No	22,063	7,220	1958	TUC	\$26.00	\$441,360	\$74,000	\$1,175,000	TUC-TOD		\$21.50	\$414,402	\$74,000	\$1,200,000	\$33,000	\$1.50	\$6,183	\$0.24	\$6,400	\$0.29	
57	Union Pacific Railroad	262304-0112	Various railroad rights-of-way	1416 DODGE ST #25	OMAHA NE	68179	133,191	3.06	Yes	133,191	0	N/A	TUC	\$5.00	\$665,955	\$0	\$666,000	TUC-TOD		\$5.00	\$665,955	\$0	\$666,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
58	Wells Fargo Bank	022340-0946	343 Andover Park E	PO BOX 2169	CARLSBAD CA	92018	54,895	1.25	No	54,895	5,700	1972	TUC	\$18.00	\$988,110	\$200,000	\$1,188,000	TUC-TOD		\$19.00	\$1,043,015	\$200,000	\$1,243,000	\$55,000	\$1.00	\$10,222	\$0.19	\$10,482	\$0.19	
59	Parkwest Holdings LLC	022340-0947	No site address	PO BOX 5438	TUKWILA WA	98188	28,837	0.44	No	28,837	0	N/A	TUC	\$15.00	\$112,355	\$0	\$113,000	TUC-TOD		\$16.00	\$133,392	\$0	\$133,000	\$28,000	\$0.96	\$3,717	\$0.18	\$3,844	\$0.19	
60	Parkwest Forest Industries Inc	022340-0945	350 Trek Drive	PO BOX 5838	TUKWILA WA	98188	53,904	1.24	No	53,904	25,745	1975	TUC	\$15.00	\$808,450	\$1,100,000	\$1,908,000	TUC-TOD		\$15.00	\$162,464	\$1,100,000	\$1,262,000	\$53,000	\$0.94	\$9,890	\$0.18	\$10,294	\$0.19	
61	SRO Properties Inc	022340-0940	345 Andover Park E	1411 4TH AVE #1815	SEATTLE WA	98101	49,972	1.15	No	49,972	16,425	1959	TUC	\$18.00	\$898,498	\$770,000	\$1,668,000	TUC-W		\$19.00	\$940,468	\$770,000	\$1,710,000	\$59,000	\$1.00	\$0,203	\$0.19	\$0,711	\$0.19	
62	Jenkins Properties Inc	022340-0982	355 Trek Drive	PO BOX 53200	BELLEVUE WA	98015	68,027	1.56	No	68,027	36,795	1989	TUC	\$15.00	\$1,020,405	\$1,040,000	\$2,060,000	TUC-W		\$16.00	\$1,088,472	\$1,040,000	\$2,128,000	\$68,000	\$1.00	\$12,633	\$0.19	\$13,297	\$0.19	
63	Hospitality Investments	262304-0906	409 Andover Park W	2950 CEDAR SPRINGS RD #319	DALLAS TX	75201	196,225	4.50	No	196,225	82,410	1988	TUC	\$21.50	\$4,120,746	\$9,100,000	\$13,221,000	TUC-P		\$23.75	\$4,484,142	\$9,100,000	\$13,584,000	\$343,000	\$1.75	\$53,749	\$0.32	\$56,523	\$0.34	
64	Gilman Properties LLC	022340-0959	401 Andover Park E	PO BOX 89999	SEATTLE WA	98108	174,164	4.00	No	174,164	120,427	1959	TUC	\$15.00	\$2,611,560	\$7,100,000	\$9,710,000	TUC-W		\$15.00	\$2,935,654	\$7,100,000	\$9,886,000	\$174,000	\$1.00	\$22,339	\$0.19	\$23,796	\$0.19	
65	City of Tubulia	262304-0982	Tubulia Pond Park	6200 SOUTHCENTER BLVD	TUKWILA WA	98188	1,073,981	24.77	Yes	1,078,981	0	N/A	TUC	\$1.75	\$1,883,217	\$0	\$1,883,000	TUC-P		\$1.75	\$1,883,217	\$0	\$1,883,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	
66	Parkey Square	262304-0128	16700 Southerner Parkway	PO BOX 5903	BELLEVUE WA	98009	130,216	3.13	No	130,216	50,997	1980	TUC	\$25.00	\$3,405,400	\$2,345,000	\$5,750,000	TUC-P		\$27.00	\$3,677,832	\$2,345,000	\$6,023,000	\$270,000	\$2.00	\$0,709	\$0.37	\$53,025	\$0.39	
67	Parkey Square	262304-0137	16600 Southerner Parkway	PO BOX 5901	BELLEVUE WA	98009	29,507	0.64	No	29,507	8,185	1980	TUC	\$27.00	\$796,080	\$1,615,000	\$2,412,000	TUC-P		\$29.00	\$855,708	\$1,615,000	\$2,471,000	\$50,000	\$2.00	\$10,966	\$0.37	\$11,459	\$0.39	
68	Parkey Square	262304-0129	16800 Southerner Parkway	PO BOX 5901	BELLEVUE WA	98008	144,347	3.31	No	144,347	57,003	1980	TUC	\$25.00	\$3,608,625	\$5,300,000	\$8,909,000	TUC-P		\$27.00	\$3,897,369	\$5,400,000	\$9,297,000	\$248,000	\$2.00	\$53,527	\$0.37	\$55,908	\$0.39	
69	Skarbo Holdings LLC	537924-0313	16705 Southerner Parkway	PO BOX 88568	TUKWILA WA	98188	35,489	0.84	No	35,489	23,422	1973	TUC	\$30.00	\$1,094,400	\$1,765,000	\$2,879,000	TUC-CC		\$32.00	\$1,167,360	\$1,785,000	\$2,952,000	\$73,000	\$2.00	\$13,568	\$0.37	\$14,178	\$0.39	
70	Paget Sound Energy, Elct	537924-0315	16715 Southerner Parkway	PO BOX 20868	BELLEVUE WA	98008	72,745	1.57	Yes	72,745	0	N/A	TUC	\$11.00	\$809,195	\$0	\$809,000	TUC-CC		\$11.00	\$809,195	\$0	\$809,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	
71	Mastrom LLC, Robert Schof	262304-0958	16812 Southerner Parkway	HUNTS POINT DR	BELLEVUE WA	98004	87,991	2.02	No	87,991	28,997	1990	TUC	\$28.00	\$2,468,748	\$3,715,000	\$6,183,000	TUC-CC		\$30.00	\$2,679,700	\$3,715,000	\$6,395,000	\$176,000	\$2.00	\$52,711	\$0.37	\$54,184	\$0.39	
72	Schofield LLC	262304-0911	10901 Southerner Parkway	MAIN STREET STE 1300	KANSAS CITY MO	64105	66,645	1.53	No	66,645	24,225	1989	TUC	\$28.00	\$1,866,088	\$3,475,000	\$5,341,000	TUC-CC		\$30.00	\$1,999,330	\$3,475,000	\$5,474,000	\$133,000	\$2.00	\$24,710	\$0.37	\$25,832	\$0.39	
73	Federated Dept Stores Inc	262304-0977	17000 Southerner Parkway	W 7TH ST	CINCINNATI OH	45202	405,543	9.31	No	405,543	527,118	1963	TUC	\$19.00	\$7,705,317	\$4,360,000	\$12,065,000	TUC-P		\$21.00	\$8,516,403	\$4,360,000	\$12,876,000	\$811,000	\$2.00	\$19,780	\$0.37	\$19,821	\$0.39	
74	Federated Dept Stores Inc	262304-0976	17000 Southerner Parkway	W 7TH ST	CINCINNATI OH	45202	443,130	10.22	No	443,130	0	N/A	TUC	\$18.00	\$8,018,294	\$0	\$8,018,000	TUC-P		\$20.00	\$8,903,640	\$0	\$8,904,000	\$981,000	\$2.00	\$165,598	\$0.37	\$170,099	\$0.39	
75	Kohl's Property Tax Department	788892-0010	17200 Southerner Parkway	PO BOX 2148	MILWAUKEE WI	53201	253,482	5.93	No	258,482	97,951	2007	TUC	\$10.00	\$4,991,158	\$1,970,000	\$6,881,000	TUC-CC		\$12.25	\$5,495,327	\$1,970,000	\$7,465,000	\$584,000	\$2.25	\$108,540	\$0.42	\$113,451	\$0.44	
76	Wig Properties LLC-SS	788892-0020	17200 Southerner Parkway	134TH PL SE	BELLEVUE WA	98006	516,516	11.86	No	516,516	140,845	2007	TUC	\$20.00	\$10,330,320	\$3,440,000	\$13,770,000	TUC-CC		\$22.25	\$11,492,481	\$3,440,000	\$14,932,000	\$1,162,000	\$2.25	\$213,965	\$0.42	\$225,695	\$0.44	
78	KTM Group LLC	262304-0971	17047 Southerner Parkway	111TH SCHOOL RD NE	BAINBRIDGE ISLAND WA	98110	161,697	3.71	Yes	161,697	44,680	1982	TUC	\$18.50	\$2,989,730	\$5,135,000	\$8,125,000	TUC-CC		\$19.63	\$3,207,899	\$5,135,000	\$8,343,000	\$218,000	\$1.35	\$40,517	\$0.25	\$42,442	\$0.26	
79	KTM Group LLC	262304-0970	17047 Southerner Parkway	111TH SCHOOL RD NE	BAINBRIDGE ISLAND WA	98110	117,176	2.59																						

City of Tukwila L.L.D. No. 33 - Tukwila Urban Center Access (Rt66) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address		Grass Land Area (SF)	Grass Land Area (Acres)	Undeveloped Area	Buildable Land Area (SF)	Building Site (SF)	Year Built	Zoning without LID	II&BI without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	II&BI with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF
85	Qibson Properties LLC	262304-0069	455 Andover Park E	PO BOX 8999 SEATTLE WA 98134	153,247	3.52	No	153,247	83,800	1973	TUC			\$15.60	\$2,208,705	\$2,030,000	\$4,320,000	TUC-W		\$15.60	\$2,451,052	\$2,000,000	\$4,482,000	\$155,000	\$1.00	\$28,436	\$9.19	\$20,717.37	\$9.19
86	Highland Park Properties LLC	262304-0094	495 Andover Park E	ANDOVER PARK BLVD E TUKWILA WA 98188	255,413	5.86	No	255,413	155,920	1974	TUC			\$15.60	\$3,811,193	\$5,020,000	\$8,451,000	TUC-W		\$15.60	\$4,066,608	\$5,020,000	\$9,107,000	\$256,000	\$1.00	\$47,579	\$9.19	\$40,723.18	\$9.19
87	Red Dot Corporation	262304-0115	745 Andover Park E	ANDOVER PARK E TUKWILA WA 98188	207,477	4.76	No	207,477	113,980	1974	TUC			\$16.00	\$3,319,082	\$4,850,000	\$7,850,000	TUC-W		\$17.00	\$3,572,109	\$4,550,000	\$8,067,000	\$207,000	\$1.00	\$38,472	\$9.19	\$40,205.86	\$9.19
88	Highland Park Properties LLC	262304-0125	690 Andover Park W	ANDOVER PARK W TUKWILA WA 98188	54,000	1.24	No	54,000	19,200	1980	TUC			\$15.00	\$819,000	\$1,500,000	\$2,400,000	TUC-W		\$16.50	\$931,000	\$1,590,000	\$2,401,000	\$81,000	\$1.50	\$15,954	\$9.28	\$15,732.73	\$9.29
89	Land Family Const Propt LLC	262304-0124	769 Andover Park W	ANDOVER PARK W TUKWILA WA 98188	114,610	2.63	No	114,610	36,280	1978	TUC			\$17.00	\$1,948,376	\$1,755,000	\$3,703,000	TUC-W		\$18.50	\$2,120,235	\$1,755,000	\$3,875,000	\$172,000	\$1.50	\$31,997	\$9.23	\$33,407.76	\$9.29
90	A-B Properties LLC	262304-0019	1601 Andover Park E	S KENTON VILLAGE PL #100 KENTON WA 98055	313,482	7.20	No	313,482	130,800	1975, 1990	TUC			\$15.60	\$4,702,216	\$5,000,000	\$9,702,000	TUC-W		\$16.00	\$5,015,712	\$5,000,000	\$10,016,000	\$314,000	\$1.00	\$58,359	\$9.10	\$60,288.59	\$9.19
91	Andover West LLC - Ford, D	262304-0116	1850 Andover Park W	PO BOX 97070 KIRKLAND WA 98083	231,370	5.31	No	231,370	126,336	1975	TUC			\$16.00	\$3,701,920	\$4,250,000	\$7,952,000	TUC-W		\$17.50	\$4,048,975	\$4,250,000	\$8,299,000	\$347,000	\$1.50	\$64,492	\$9.28	\$10,333.06	\$9.17
92	Hydrex LLC - Anderson, L	262304-0106	1071 Andover Park E	72ND AVE S #210 SEINT WA 98002	210,959	4.84	No	210,960	93,240	1978	TUC			\$15.00	\$3,104,400	\$2,075,000	\$5,800,000	TUC-W		\$15.50	\$3,259,899	\$2,975,000	\$5,945,000	\$106,000	\$9.50	\$19,701	\$9.69	\$20,589.51	\$9.10
93	Lincoln Center Holdings	383604-0053	1100 Andover Park W	130TH AVE NE STE B-103 BELLEVUE WA 98005	244,816	5.62	No	244,816	134,500	1974	TUC			\$15.00	\$3,672,240	\$4,500,000	\$8,202,000	TUC-W		\$15.50	\$3,794,648	\$4,500,000	\$8,385,000	\$123,000	\$9.50	\$22,860	\$9.69	\$23,900.44	\$9.10
94	Hayes Properties LLC	383604-0020	1045 Andover Park W	ANDOVER PARK W TUKWILA WA 98188	53,885	1.24	No	53,885	5,245	1978	TUC			\$17.00	\$916,045	\$185,000	\$1,101,000	TUC-W		\$18.50	\$995,873	\$185,000	\$1,182,000	\$81,000	\$1.50	\$15,054	\$9.23	\$15,732.73	\$9.29
95	IPFN North America Inc	383604-0010	1035 Andover Park W	ANDOVER PARK W TUKWILA WA 98188	91,340	1.41	No	61,340	18,845	1979	TUC			\$16.00	\$981,440	\$1,250,000	\$2,231,000	TUC-W		\$17.00	\$1,042,790	\$1,250,000	\$2,293,000	\$52,000	\$1.60	\$11,235	\$9.10	\$12,042.33	\$9.20
96	AMT Toluca J LLC	262304-0122	1079 Andover Park W	WESTER POINT RD NE SEATTLE WA 98108	76,221	1.75	No	76,221	29,620	1973	TUC			\$16.00	\$1,219,336	\$1,200,000	\$2,420,000	TUC-W		\$17.90	\$1,295,757	\$1,200,000	\$2,495,000	\$30,000	\$1.60	\$14,425	\$9.13	\$14,361.57	\$9.19
97	AMT Toluca J LLC	262304-0121	1071 Andover Park W	WEBSTER POINT RD NE SEATTLE WA 98105	123,009	2.87	No	125,000	38,679	1973	TUC			\$15.00	\$1,875,000	\$370,000	\$2,745,000	TUC-W		\$15.50	\$1,937,509	\$870,000	\$2,909,000	\$53,000	\$9.50	\$11,709	\$9.69	\$12,235.56	\$9.10
98	G-Free Assessors LLC	383604-0110	1101 Andover Park W	MONT BLANC PL NW ISSAQUAH WA 98027	45,641	1.05	No	45,641	12,207	1985	TUC			\$16.00	\$730,256	\$950,000	\$1,680,000	TUC-W		\$16.50	\$753,077	\$950,000	\$1,703,000	\$23,000	\$9.50	\$4,275	\$9.00	\$4,467.32	\$9.10
99	Tukwila Hotel Ownership, LLC	383604-0030	300 Upland Drive	77TH AVE SE #205 MECHER ISLAND WA 98040	119,157	2.74	No	119,157	0	N/A	TUC			\$15.50	\$1,846,094	\$0	\$1,847,000	TUC-W		\$17.50	\$2,485,248	\$0	\$2,085,000	\$238,000	\$2.00	\$44,234	\$9.37	\$46,277.02	\$9.39
100	Triple H Development	383604-0079	363 Upland Drive	SPRAQUE ST EDWARDS WA 98029	105,162	2.41	No	105,162	55,005	1978	TUC			\$15.00	\$1,577,470	\$2,740,000	\$4,317,000	TUC-W		\$15.50	\$1,610,011	\$2,740,000	\$4,370,000	\$53,000	\$9.50	\$9,359	\$9.69	\$10,294.25	\$9.10
101	AMB Property Corp.	383604-0060	300 Upland Drive	STATE ST STE 1200 CO RE TAX BOSTON MA 02109	144,473	3.32	No	144,473	75,524	1985	TUC			\$16.00	\$2,167,095	\$3,300,000	\$5,467,000	TUC-W		\$16.50	\$2,230,312	\$3,300,000	\$5,530,000	\$72,000	\$9.50	\$13,332	\$9.69	\$13,984.65	\$9.10
102.01	Weymille S A Trust	383510-0011	340 Upland Drive Unit A	1949 SUNRISE BEACH DR NW GIG HARBOR WA 98032	14,839	0.34	No	14,839	4,940	1978	TUC			\$12.00	\$178,068	\$330,000	\$500,000	TUC-W		\$19.00	\$192,907	\$330,000	\$523,000	\$15,000	\$1.00	\$2,738	\$9.10	\$20,134.47	\$9.20
102.02	D G I LLC	383510-0020	340 Upland Drive Unit B	19LAND DR TUKWILA WA 98332	14,414	0.33	No	14,414	4,940	1973	TUC			\$12.00	\$172,968	\$330,000	\$500,000	TUC-W		\$13.00	\$187,352	\$330,000	\$517,000	\$14,000	\$9.97	\$2,602	\$9.18	\$2,719.24	\$9.19
102.03	C/F Properties LLC	383510-0039	340 Upland Drive Unit C	19LAND DR TUKWILA WA 98332	14,414	0.33	No	14,414	4,940	1973	TUC			\$12.00	\$172,968	\$330,000	\$500,000	TUC-W		\$13.00	\$187,352	\$330,000	\$517,000	\$14,000	\$9.97	\$2,602	\$9.18	\$2,719.24	\$9.19
102.04	Land Family Const Propt LLC	383510-0040	340 Upland Drive Unit D	209TH AVE NE WOODNVILLE WA 98077	16,432	0.38	No	16,432	5,500	1973	TUC			\$12.00	\$197,184	\$330,000	\$500,000	TUC-W		\$13.00	\$213,616	\$330,000	\$564,000	\$17,000	\$1.60	\$3,169	\$9.10	\$3,191.91	\$9.20
102.05	Land Family Const Propt LLC	383510-0010	340 Upland Drive Unit E	209TH AVE NE WOODNVILLE WA 98077	16,432	0.38	No	16,432	5,760	1974	TUC			\$12.00	\$197,184	\$420,000	\$617,000	TUC-W		\$13.00	\$213,616	\$420,000	\$604,000	\$17,000	\$1.60	\$3,169	\$9.10	\$3,991.93	\$9.20
102.06	Frierson Character W/Dens E	383510-0060	340 Upland Drive Unit F	SE 57TH ST BELLEVUE WA 98006	18,398	0.42	No	18,398	6,130	1978	TUC			\$12.00	\$220,776	\$460,000	\$681,000	TUC-W		\$13.00	\$239,174	\$460,000	\$699,000	\$18,000	\$9.98	\$3,345	\$9.18	\$3,495.16	\$9.19
102.07	Carol Joseph J Gayle M	383510-0070	340 Upland Drive Unit G	19LAND DR TUKWILA WA 98332	17,872	0.41	No	17,872	6,140	1973	TUC			\$12.00	\$214,464	\$460,000	\$674,000	TUC-W		\$13.00	\$232,336	\$460,000	\$692,000	\$18,000	\$1.00	\$3,345	\$9.19	\$3,496.16	\$9.20
102.08	Carol Joseph J	383510-0049	340 Upland Drive Unit H	19LAND DR TUKWILA WA 98332	14,414	0.33	No	14,414	4,940	1973	TUC			\$12.00	\$172,968	\$330,000	\$500,000	TUC-W		\$13.00	\$187,382	\$330,000	\$517,000	\$14,000	\$9.97	\$2,602	\$9.18	\$2,719.24	\$9.19
102.09	RKW Enterprises LLC	383510-0090	340 Upland Drive Unit I	PO BOX 1201 MAPLE VALLEY WA 98088	14,414	0.33	No	14,414	4,940	1973	TUC			\$12.00	\$172,968	\$330,000	\$500,000	TUC-W		\$13.00	\$187,382	\$330,000	\$517,000	\$14,000	\$9.97	\$2,602	\$9.18	\$2,719.24	\$9.19
102.10	Frierson Character W/Dens E	383510-0109	340 Upland Drive Unit J	SE 57TH ST BELLEVUE WA 98006	14,601	0.34	No	14,601	4,950	1973	TUC			\$12.00	\$175,212	\$330,000	\$485,000	TUC-W		\$13.00	\$189,513	\$330,000	\$500,000	\$15,000	\$1.00	\$2,738	\$9.19	\$2,913.47	\$9.20
102.11	Kir Tukwila 050 LLC/KIMCO	383510-0010	340 Upland Drive Unit K	NEW HYDE PARK RD NEW HYDE PARK NY 11042	36,628	0.84	No	36,628	9,999	1974	TUC			\$12.00	\$439,536	\$750,000	\$1,190,000	TUC-W		\$13.00	\$476,154	\$750,000	\$1,226,000	\$36,000	\$9.98	\$6,091	\$9.18	\$5,092.32	\$9.19
103	AMB Property Corp	383604-0050	305 Upland Drive	STATE ST STE 1200 CO RE TAX BOSTON MA 02109	144,693	3.32	No	144,693	68,494	1979	TUC			\$14.00	\$2,025,202	\$1,600,000	\$3,625,000	TUC-W		\$14.50	\$2,098,049	\$1,600,000	\$3,698,000	\$72,000	\$9.50	\$13,342	\$9.69	\$13,984.65	\$9.10
104	AMB Property Corp	383604-0060	335 Upland Drive	STATE ST STE 1200 CO RE TAX BOSTON MA 02109	145,224	3.33	No	145,224	68,555	1979	TUC			\$14.50	\$2,105,748	\$1,500,000	\$3,606,000	TUC-W		\$15.00	\$2,178,369	\$1,500,000	\$3,678,000	\$72,000	\$9.50	\$13,352	\$9.69	\$13,984.65	\$9.10
105	Kir Tukwila 050 LLC/KIMCO	262304-0079	No site address	NEW HYDE PK RD STE 100 NEW HYDE PARK NY 11042	31,815	7.23	No	31,815	0	N/A	TUC			\$12.00	\$3,778,980	\$0	\$3,779,000	TUC-CC		\$14.00	\$4,403,810	\$0	\$4,403,000	\$0	\$2.00	\$117,099	\$9.37	\$122,365.65	\$9.39
106	Kir Tukwila 050 LLC/KIMCO	262304-0110	301 Midler Blvd	NEW HYDE PK RD STE 101 NEW HYDE PARK NY 11042	71,621	16.41	No	71,621	297,854	1972, 1990	TUC			\$19.00	\$1,577,799	\$35,000,000	\$48,578,000	TUC-CC		\$21.00	\$1,509,941	\$35,000,000	\$50,907,000	\$1,429,000	\$2.00	\$25,539	\$9.37	\$27,556.56	\$9.39
107	KTM Group LLC	262304-0069	17151 Southcenter Parkway	HIGH SCHOOL RD NE BARNBRIDGE ISLAND WA 98110	62,265	1.43	Yes	62,265	0	N/A	TUC			\$12.85	\$800,105	\$0	\$800,000	TUC-CC		\$13.75	\$855,144	\$0	\$856,000	\$56,000	\$9.90	\$10,408	\$9.17	\$10,876.95	\$9.17
108	Chin Tai-Wen	312520-0090	Vacant land - Plat of Streets View (a)cc 1	BEACON AVE S SEATTLE WA 98108	7,917	0.18	Yes	7,917	0	N/A	LDR			\$1.50	\$11,576	\$0	\$12,000	LDR		\$1.50	\$11,576	\$0	\$12,000	\$0	\$9.00	\$0	\$9.00	\$9.00	
109	Alvek Calhoun A	312520-0098	Vacant land - Plat of Streets View (a)cc 2	183RD AVE SW ROCHESTER WA 98578	7,690	0.17	Yes	7,690	0	N/A	LDR																		

City of Tukwila L.L.D. No. 33 - Tukwila Urban Center Access (Kitchikan) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address			Grass Land Area (SF)	Grass Land Area (Acres)	Unbuildable Area	Buildable Land Area (SF)	Building Site (SF)	Year Built	Zoning without LID	H&R/L without LID	Land Value Per SF	Land Value	ECV Improvements	Precalculated Market Value	Zoning with LID	H&R/L with LID	Land Value Per SF	Land Value	ECV Improvements	Precalculated Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF
156	City of Seattle	252304-0972	Between Andover Pk E & Christianson Rd	PO BOX 34014	SEATTLE	WA	98124	8,310	0.19	Yes	8,310	0	N/A	TUC	\$5.00	\$41,550	\$0	\$42,000	TUC-TUD		\$5.00	\$41,550	\$0	\$42,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
157	City of Seattle	252304-0944	Between Christianson Rd and the river	PO BOX 34014	SEATTLE	WA	98124	20,038	0.45	Yes	20,038	0	N/A	TUC	\$5.00	\$100,190	\$0	\$100,000	TUC-TUD		\$5.00	\$100,190	\$0	\$100,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
158	Park East Real Estate	022310-0640	130 Andover Park E	921 TERRY AVE	SEATTLE	WA	98104	80,599	1.85	No	80,599	44,704	1970	TUC	\$20.00	\$1,616,000	\$3,090,000	\$4,706,000	TUC-TUD		\$21.50	\$1,730,750	\$3,090,000	\$4,820,750	\$120,000	\$1.50	\$22,439	\$0.28	\$23,910.07	\$0.29
159	City of Tukwila	002320-0929	Between Christianson Rd and the river	SOUTH CENTER BLVD	TUKWILA	WA	98148	1,035	0.04	Yes	1,035	0	N/A	TUC	\$2.00	\$3,270	\$0	\$3,000	TUC-TUD		\$2.00	\$3,270	\$0	\$3,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
160	City of Tukwila	252304-0989	Between Christianson Rd and the river	SOUTH CENTER BLVD	TUKWILA	WA	98148	63,598	1.45	Yes	63,598	0	N/A	TUC	\$2.00	\$127,195	\$0	\$127,000	TUC-TUD		\$2.00	\$127,195	\$0	\$127,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
161	City of Tukwila	252304-0981	Riverside Unit	SOUTH CENTER BLVD	TUKWILA	WA	98148	20,709	0.48	Yes	20,709	0	N/A	TUC	\$2.00	\$41,400	\$0	\$41,000	TUC-TUD		\$2.00	\$41,400	\$0	\$41,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
162	City of Tukwila	252304-0928	Between Christianson Rd and the river	SOUTH CENTER BLVD	TUKWILA	WA	98148	51,661	1.19	No	51,661	0	N/A	TUC	\$2.00	\$103,322	\$0	\$103,000	TUC-TUD		\$2.00	\$103,322	\$0	\$103,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
168	BCRP Riverside Plaza LLC	252304-0977	16000 Christianson Road	248 HOMER AVE	FALTO ALTO	CA	94701	105,285	2.44	No	136,258	48,500	1982	TUC	\$15.00	\$1,594,250	\$5,695,000	\$7,199,000	TUC-TUD		\$16.00	\$1,700,376	\$5,695,000	\$7,395,000	\$107,000	\$1.01	\$19,437	\$0.19	\$20,762.74	\$0.20
169	BCRP Riverside Plaza LLC	252304-0939	16040 Christianson Road	248 HOMER AVE	FALTO ALTO	CA	94701	110,642	2.54	No	110,642	49,990	1981	TUC	\$15.00	\$1,659,630	\$5,520,000	\$7,180,000	TUC-TUD		\$16.00	\$1,770,372	\$5,520,000	\$7,290,000	\$110,000	\$0.99	\$20,444	\$0.18	\$21,365.43	\$0.19
170	BCRP Riverside Plaza LLC	252304-0978	16100 Christianson Road	248 HOMER AVE	FALTO ALTO	CA	94701	152,896	3.51	No	152,896	77,810	1982	TUC	\$15.00	\$2,293,440	\$9,225,000	\$11,518,000	TUC-TUD		\$16.00	\$2,446,336	\$9,225,000	\$11,671,000	\$158,000	\$1.00	\$28,435	\$0.19	\$29,717.37	\$0.19
171	Andover Plaza LLC	022310-0999	230 Andover Park E	1391 N 207TH ST	SHORELINE	WA	98133	113,977	2.62	No	113,977	32,165	1965	TUC	\$20.00	\$2,279,540	\$4,170,000	\$6,450,000	TUC-TUD		\$21.50	\$2,450,506	\$4,170,000	\$6,620,000	\$171,000	\$1.50	\$31,731	\$0.28	\$33,213.33	\$0.29
172	Rowden Properties LLC	022310-0109	210 Andover Park E	340 ANDOVER PARK E	SEATTLE	WA	98119	28,829	0.66	No	28,829	20,934	1968	TUC	\$20.00	\$598,500	\$1,190,000	\$1,692,000	TUC-TUD		\$21.50	\$641,354	\$1,100,000	\$1,741,000	\$44,000	\$1.43	\$8,178	\$0.27	\$8,546.17	\$0.29
174	Rowden Properties LLC	022310-0082	340 Andover Park E	340 ANDOVER PARK E	TUKWILA	WA	98148	15,543	0.35	No	15,543	0	N/A	TUC	\$20.00	\$336,900	\$0	\$336,000	TUC-TUD		\$21.50	\$355,715	\$0	\$355,000	\$25,000	\$1.51	\$4,645	\$0.29	\$4,855.78	\$0.29
175	RWP LLC	022310-0030	290 Andover Park E	7112 SECURITAS DR	SNOQUALMIE	WA	98063	67,648	1.55	No	67,648	25,300	1971	TUC	\$21.00	\$1,421,028	\$1,910,000	\$3,331,000	TUC-TUD		\$22.50	\$1,522,530	\$1,910,000	\$3,433,000	\$102,000	\$1.51	\$18,957	\$0.28	\$19,811.58	\$0.29
176	Strander Associates LLC	022310-0940	510 Strander Blvd	1550 S 24TH PL	DES MOINES	WA	98139	49,344	1.13	No	49,344	23,000	1975	TUC	\$18.00	\$888,192	\$900,000	\$1,788,000	TUC-TUD		\$19.00	\$933,536	\$900,000	\$1,833,000	\$50,000	\$1.01	\$9,203	\$0.19	\$9,711.56	\$0.20
177	Clm, Bob	022310-0941	512 Strander Blvd	512 STRANDER BLVD	TUKWILA	WA	98148	30,164	0.69	No	30,164	14,900	1969	TUC	\$18.00	\$343,024	\$1,450,000	\$1,993,000	TUC-TUD		\$19.00	\$371,192	\$1,450,000	\$2,021,000	\$30,000	\$0.99	\$5,576	\$0.18	\$5,826.94	\$0.19
178	Polish Family Trust	022310-0042	509 Strander Blvd	415 BAKER BLVD #206	TUKWILA	WA	98148	20,114	0.46	No	20,114	4,500	1972	TUC	\$18.00	\$363,052	\$210,000	\$572,000	TUC-TUD		\$19.00	\$382,166	\$210,000	\$592,000	\$23,000	\$0.99	\$3,717	\$0.18	\$3,844.52	\$0.19
179	Welch Properties LLC	022310-0961	505 Strander Blvd	415 BAKER BLVD #206	TUKWILA	WA	98148	46,683	1.07	No	46,683	16,135	1969	TUC	\$20.00	\$933,660	\$600,000	\$1,532,000	TUC-TUD		\$21.50	\$1,003,685	\$595,000	\$1,598,000	\$70,000	\$1.50	\$13,010	\$0.28	\$13,596.18	\$0.29
180	WA Cities Insurance Agency	022310-0960	320 Industry Drive	INTERURBAN AVE S #210	SEATTLE	WA	98166	54,235	1.25	No	54,235	28,024	1975	TUC	\$18.00	\$977,850	\$2,500,000	\$3,478,000	TUC-TUD		\$19.00	\$1,033,175	\$2,500,000	\$3,542,000	\$54,000	\$0.99	\$10,056	\$0.18	\$10,488.48	\$0.19
181	Blue Dog Properties	022310-0110	590 Industry Drive	C/O THOMPSON REUTERS PTS PO BOX 547	CARLSBAD	CA	92018	162,122	3.72	No	162,122	65,534	1973	TUC	\$14.00	\$2,290,704	\$1,540,000	\$3,930,000	TUC-TUD		\$15.00	\$2,431,830	\$3,600,000	\$6,031,000	\$102,000	\$1.50	\$30,109	\$0.19	\$31,465.45	\$0.19
184	Blue Dog Properties	022310-0170	513 Industry Drive	C/O THOMPSON REUTERS PTS PO BOX 547	CARLSBAD	CA	92018	140,295	3.22	No	140,295	0	N/A	TUC	\$14.50	\$2,042,973	\$1,030,000	\$3,072,000	TUC-W		\$16.00	\$2,243,280	\$1,030,000	\$3,273,000	\$210,000	\$1.50	\$39,006	\$0.28	\$40,788.55	\$0.29
185	Blue Dog Properties	252304-0008	630 Industry Drive	C/O THOMPSON REUTERS PTS PO BOX 547	CARLSBAD	CA	92018	335,547	7.70	No	335,547	112,975	1972	TUC	\$19.00	\$4,352,111	\$5,500,000	\$9,852,000	TUC-W		\$14.50	\$4,097,638	\$5,500,000	\$9,597,000	\$336,000	\$1.00	\$62,448	\$0.19	\$65,261.68	\$0.19
186	Blue Dog Properties	022310-0010	551 Strander Blvd	17TH ST 17TH FLR	DENVER	CO	80202	338,597	7.66	No	338,597	162,450	1956	TUC	\$14.00	\$4,760,538	\$3,600,000	\$8,360,000	TUC-TUD		\$15.00	\$5,000,955	\$3,600,000	\$8,600,000	\$34,000	\$1.00	\$62,076	\$0.19	\$64,373.22	\$0.19
187	Walton CWVA Tukwila 1 LLC	022310-0020	631 Strander Blvd	WORLD PARKWAY CIR	ST LOUIS	MO	63134	247,500	5.64	No	247,500	191,432	1974, 1990	TUC	\$14.00	\$3,465,000	\$7,145,000	\$10,610,000	TUC-TUD		\$15.00	\$3,712,000	\$7,145,000	\$10,857,000	\$248,000	\$1.00	\$46,092	\$0.19	\$48,169.53	\$0.19
188	King County	252304-0909	70th Ave	KC ADMIN BLDG	SEATTLE	WA	98104	12,258	0.28	Yes	12,258	0	N/A	TUC	\$2.00	\$24,516	\$0	\$25,000	TUC-W		\$2.00	\$24,516	\$0	\$25,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
189	Union Pacific Railroad	252304-0972	6900 Industry Drive	DODGE ST #325	OMAHA	NE	68179	145,804	3.33	Yes	143,994	0	N/A	TUC	\$5.00	\$719,040	\$0	\$719,000	TUC-TUD		\$5.00	\$719,040	\$0	\$719,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
190	Union Pacific Railroad	252304-0140	No site address	Douglas STOP 1540	OMAHA	NE	68179	19,556	0.45	Yes	19,556	0	N/A	TUC	\$5.00	\$97,780	\$0	\$97,000	TUC-W		\$5.00	\$97,780	\$0	\$97,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
192	NCK Investments LLC	022310-0071	410 Andover Park E	S 187TH ST	KENT	WA	98032	49,440	1.13	No	49,440	27,960	1969	TUC	\$15.50	\$766,320	\$925,000	\$1,691,000	TUC-W		\$16.50	\$1,135,350	\$925,000	\$1,641,000	\$59,000	\$1.01	\$9,293	\$0.19	\$9,711.56	\$0.20
193	City of Tukwila	022310-0039	444 Andover Park E	SOUTH CENTER BLVD	TUKWILA	WA	98148	81,000	1.86	No	81,000	15,510	1975	TUC	\$15.50	\$1,258,500	\$2,000,000	\$3,258,000	TUC-W		\$16.50	\$1,335,500	\$2,000,000	\$3,337,000	\$41,000	\$1.00	\$15,954	\$0.19	\$16,732.23	\$0.19
194	City of Tukwila	252304-0993	480 Andover Park E	PO BOX 420	STAMFORD	CT	06904	60,750	1.39	No	60,750	44,947	1970	TUC	\$15.50	\$941,625	\$2,425,000	\$3,367,000	TUC-W		\$16.50	\$1,002,375	\$2,425,000	\$3,427,000	\$60,000	\$0.99	\$11,151	\$0.18	\$11,658.87	\$0.19
195	Comer Inc Tax Dept	252304-0997	580 Andover Park E	PO BOX 420	STAMFORD	CT	06904	45,900	1.05	No	45,900	27,784	1971	TUC	\$15.50	\$711,450	\$1,500,000	\$2,211,000	TUC-W		\$16.50	\$737,350	\$1,500,000	\$2,237,000	\$46,000	\$1.00	\$6,549	\$0.18	\$6,934.63	\$0.19
196	Union Pacific Railroad	252304-0113	Andover Park E	DODGE ST #325	OMAHA	NE	68179	125,995	2.89	Yes	125,995	0	N/A	TUC	\$2.00	\$251,992	\$0	\$252,000	TUC-W		\$2.00	\$251,992	\$0	\$252,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
197	Walton CWVA Tukwila 1 LLC	252304-0034	825 Industry Drive	WORLD PARKWAY CIR	ST LOUIS	MO	63134	251,238	5.77	No	251,238	92,300	1978	TUC	\$13.00	\$3,266,064	\$3,970,000	\$7,236,000	TUC-W		\$13.50	\$3,391,713	\$3,970,000	\$7,361,000	\$136,000	\$0.50	\$23,418	\$0.09	\$24,473.13	\$0.10
198	Walton CWVA Tukwila 1 LLC	252304-0015	800 Industry Drive	WORLD PARKWAY CIR	ST LOUIS	MO	63134	338,897	7.78	No	338,897	114,112	1976	TUC	\$13.00	\$4,405,661	\$4,900,000	\$9,306,000	TUC-W		\$13.50	\$4,575,116	\$4,900,000	\$9,475,000	\$163,000	\$0.50	\$31,410	\$0.09	\$32,825.07	\$0.10
199	Walton CWVA Tukwila 1 LLC	252304-0021	1600 Industry Drive	WORLD PARKWAY CIR	ST LOUIS	MO	63134	480,729	10.88	No	480,729	176,995	1978	TUC	\$14.00	\$5,984,477	\$5,720,000	\$11,704,000	TUC-W		\$13.50	\$5,219,842	\$5,720,000	\$10,940,000	\$281,000	\$0.50	\$42,933	\$0.09	\$44,867.40	\$0.10
200	Bensley, Howard V</																													

City of Tukwila L.I.D. No. 33 - Tukwila Urban Center Access (Killebra) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	County	City	Zip	Assessment Year	Gross Land Area (SQ)	Gross Land Area (Ac)	Unbuildable Area	Buildable Land Area (SQ)	Building Area (SQ)	Year Built	Zoning without LID	IRRU without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	H&B with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF
205	1995 Andover Associates	262304-9103	950 Andover Park E	6520 S 192ND PL, BLDG J KENT WA 98032	WA	98032	2013	80,349	1.84	No	80,349	41,283	1975	TUC		\$15.00	\$1,205,235	\$1,745,000	\$2,950,000	TUC-W		\$16.00	\$1,285,584	\$1,745,000	\$3,031,000	\$81,000	\$1.01	\$15,054	\$9.19	\$15,752.73	\$6.20	
206	1995 Andover Associates	262304-9108	1000 Andover Park E	8444 40TH AVE S SEATTLE WA 98113	WA	98113	2013	92,215	2.23	No	92,215	51,699	1971	TUC		\$14.00	\$1,361,010	\$1,740,000	\$3,151,000	TUC-W		\$14.50	\$1,469,618	\$1,740,000	\$3,260,000	\$49,000	\$0.50	\$9,107	\$9.09	\$9,517.51	\$0.10	
207	Croton Wholesale Corp	252304-9957	700 Avenue S	999 LAKE DRIVE ISSAQUAH WA 98027	WA	98027	2013	111,949	2.57	No	111,949	0	N/A	TUC		\$12.00	\$1,349,358	\$0	\$0	TUC-W		\$12.50	\$1,399,568	\$0	\$1,399,000	\$56,000	\$0.50	\$19,408	\$9.09	\$19,579.55	\$0.10	
208	Croton Wholesale Corp	252304-9958	400 Centre Drive	585 POINT SAN PEDRO RD SAN RAFAEL CA 94901	CA	94901	2013	471,755	10.83	No	471,755	222,968	1970	TUC		\$12.00	\$5,691,099	\$8,200,000	\$13,851,000	TUC-W		\$12.50	\$5,850,928	\$8,200,000	\$14,067,000	\$236,000	\$0.50	\$48,652	\$9.09	\$45,588.56	\$0.10	
209	Croton Wholesale Corp	252304-9959	1200 Andover Park E	585 POINT SAN PEDRO RD SAN RAFAEL CA 94901	CA	94901	2013	14,893	0.34	Yes	14,893	0	N/A	TUC		\$0	\$90,358	\$0	\$89,000	TUC-W		\$0.00	\$89,358	\$0	\$89,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
210	Amstar	262304-9903	1024 Andover Park E	585 POINT SAN PEDRO RD SAN RAFAEL CA 94901	CA	94901	2013	48,478	1.11	No	48,478	10,258	1974	TUC		\$12.00	\$581,736	\$580,000	\$1,082,000	TUC-W		\$12.50	\$605,975	\$580,000	\$1,105,000	\$24,000	\$0.50	\$4,451	\$9.09	\$4,661.35	\$0.10	
211	Lunbeck, Donald W	262304-9998	1120 Andover Park E	7275 W MERCER WAY MERCER ISLAND WA 98040	WA	98040	2013	46,161	1.06	No	46,161	24,099	1971	TUC		\$13.00	\$606,893	\$1,200,000	\$1,800,000	TUC-W		\$13.50	\$623,174	\$1,200,000	\$1,823,000	\$23,000	\$0.50	\$4,275	\$9.09	\$4,467.32	\$0.10	
212	Kohn J and Lynn M	262304-9991	1150 Andover Park E	14915 237TH PL SE ISSAQUAH WA 98027	WA	98027	2013	25,086	0.53	No	25,086	19,658	1970	TUC		\$16.00	\$401,376	\$700,000	\$1,101,000	TUC-W		\$16.50	\$413,919	\$700,000	\$1,114,000	\$13,000	\$0.52	\$2,416	\$9.10	\$2,525.01	\$0.10	
213	Petrol, William J	262304-9969	1150 Andover Park E	1150 ANDOVER PARK E TUKWILA WA 98148	WA	98148	2013	31,218	0.72	No	31,218	13,824	1970, 1999	TUC		\$16.00	\$409,488	\$700,000	\$1,109,000	TUC-W		\$16.50	\$515,097	\$700,000	\$1,215,000	\$16,000	\$0.51	\$2,924	\$9.10	\$3,107.70	\$0.10	
215	Gray Cat Collective LLC	352304-9979	1200 Andover Park E	5430 45TH AVE W SEATTLE WA 98199	WA	98199	2013	35,877	0.82	No	35,877	0	N/A	TUC		\$14.00	\$302,278	\$0	\$302,000	TUC-W		\$14.50	\$320,217	\$0	\$320,000	\$18,000	\$0.50	\$3,345	\$9.09	\$3,495.16	\$0.10	
216	Gray Cat Collective LLC	352304-9975	1210 Andover Park E	5430 45TH AVE W SEATTLE WA 98199	WA	98199	2013	85,545	1.96	No	85,545	39,745	1988	TUC		\$14.00	\$1,197,444	\$1,160,000	\$2,356,000	TUC-W		\$14.50	\$1,240,417	\$1,160,000	\$2,400,000	\$42,000	\$0.49	\$7,806	\$9.09	\$8,157.71	\$0.10	
217	Gray Cat Collective LLC	352304-9970	1220 Andover Park E	5470 45TH AVE W SEATTLE WA 98199	WA	98199	2013	35,920	0.80	No	35,920	18,932	1987	TUC		\$14.00	\$409,230	\$500,000	\$999,000	TUC-W		\$14.50	\$490,799	\$500,000	\$1,099,000	\$18,000	\$0.51	\$3,345	\$9.10	\$3,495.16	\$0.10	
218	Gray Cat Collective LLC	352304-9959	1230 Andover Park E	5430 45TH AVE W SEATTLE WA 98199	WA	98199	2013	61,202	1.45	No	61,202	20,775	1987	TUC		\$15.00	\$842,034	\$540,000	\$1,458,000	TUC-W		\$15.50	\$979,631	\$540,000	\$1,520,000	\$32,000	\$0.51	\$5,047	\$9.09	\$6,215.40	\$0.10	
219	Croton Wholesale Corp	362304-1007	441 Centre Drive	999 LAKE DRIVE ISSAQUAH WA 98027	WA	98027	2013	194,105	4.46	No	194,105	37,823	1977	TUC		\$12.00	\$2,329,260	\$2,200,000	\$4,529,000	TUC-W		\$12.50	\$2,426,313	\$2,200,000	\$4,626,000	\$97,000	\$0.50	\$18,028	\$9.09	\$18,840.43	\$0.10	
220	City of Tukwila	362304-9016	Christians Greenbark Blvd	6260 SOUTH ENTER BLVD TUKWILA WA 98148	WA	98148	2013	49,298	1.05	Yes	49,298	0	N/A	TUC		\$2.00	\$178,596	\$0	\$179,000	TUC-W		\$2.00	\$178,596	\$0	\$179,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
222	HD Development of Maryland Inc	362304-9974	5818 S 180th Street	PO BOX 105442 ATLANTA GA 30330	GA	30330	2013	692,743	13.84	No	692,743	149,524	1989	TUC		\$12.00	\$7,212,016	\$6,615,000	\$13,848,000	TUC-W		\$12.50	\$7,534,288	\$6,615,000	\$14,149,000	\$101,000	\$0.50	\$55,943	\$9.09	\$56,463.59	\$0.10	
223	Klein Home	352304-9971	1234 Andover Park E	5860 LANSDOWNE LN MERCER ISLAND WA 98040	WA	98040	2013	44,283	1.02	No	44,283	26,674	1987	TUC		\$15.00	\$664,243	\$1,300,000	\$1,781,000	TUC-W		\$15.50	\$696,497	\$1,300,000	\$1,985,000	\$22,000	\$0.50	\$4,078	\$9.09	\$4,273.68	\$0.10	
224	SFP B LP LTD PTNSHIP	352304-0166	5804 S 180th Street	PO BOX 3350 BEND OR 97708	OR	97708	2013	50,094	1.15	No	50,094	13,709	1995	TUC		\$15.00	\$751,410	\$1,000,000	\$1,781,000	TUC-W		\$15.50	\$776,457	\$1,000,000	\$1,775,000	\$25,000	\$0.50	\$4,546	\$9.09	\$4,855.78	\$0.10	
225	Headland Auto Services	343054-9029	5818 S 180th Street	11300 DAYENPORT ST OMAHA NE 68134	NE	68134	2013	13,971	0.32	No	13,971	1,944	1999	TUC		\$16.00	\$225,546	\$400,000	\$624,000	TUC-W		\$16.50	\$270,522	\$400,000	\$631,000	\$7,000	\$0.50	\$1,301	\$9.09	\$1,550.62	\$0.10	
226	Tukwila TT LLC	343054-9910	6820 S 180th Street	3389 MAPLE VALLEY HWY KENTON WA 98056	WA	98056	2013	22,712	0.52	No	22,712	2,295	1983	TUC		\$16.00	\$363,392	\$450,000	\$813,000	TUC-W		\$16.50	\$374,748	\$450,000	\$825,000	\$12,000	\$0.53	\$2,230	\$9.10	\$2,330.77	\$0.10	
227	Wells Fargo Bank	362304-9979	5847 S 180th Street	PO BOX 2069 CARLSBAD CA 92018	CA	92018	2013	65,862	1.51	No	65,862	15,560	1983	TUC		\$15.00	\$897,930	\$620,000	\$1,606,000	TUC-W		\$15.50	\$1,020,931	\$620,000	\$1,641,000	\$39,000	\$0.50	\$6,153	\$9.09	\$6,409.93	\$0.10	
228	First Interstate Bank	362304-9955	5855 S 180th Street	PO BOX 2609 CARLSBAD CA 92018	CA	92018	2013	55,500	1.27	No	55,500	16,653	2009	TUC		\$15.00	\$832,290	\$1,875,000	\$2,708,000	TUC-W		\$15.50	\$860,239	\$1,875,000	\$2,745,000	\$27,000	\$0.49	\$5,018	\$9.09	\$5,244.24	\$0.09	
229	City of Tukwila	352304-9902	5801 S 180th Street	6290 SOUTH ENTER BLVD TUKWILA WA 98148	WA	98148	2013	17,424	0.40	Yes	17,424	0	N/A	TUC		\$5.00	\$37,320	\$0	\$37,000	TUC-W		\$5.00	\$37,120	\$0	\$37,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
230	City of Tukwila	352304-9903	5791 S 180th Street	6290 SOUTH ENTER BLVD TUKWILA WA 98148	WA	98148	2013	13,068	0.30	Yes	13,068	0	N/A	TUC		\$5.00	\$65,340	\$0	\$65,000	TUC-W		\$5.00	\$65,140	\$0	\$65,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
231	Signle Properties LLC	352304-9955	18000 Andover Park W	PO BOX 84028 TUKWILA WA 98148	WA	98148	2013	70,594	1.62	No	70,594	26,670	1987	TUC		\$15.00	\$1,058,010	\$2,630,000	\$3,688,000	TUC-TSO		\$15.50	\$1,094,207	\$2,630,000	\$3,724,000	\$35,000	\$0.50	\$6,505	\$9.09	\$7,059.40	\$0.10	
232	Signle Properties LLC	352304-0120	5101 S 180th Street	PO BOX 84024 TUKWILA WA 98148	WA	98148	2013	529,742	12.00	No	529,742	216,848	1993, 2001	TUC		\$15.00	\$4,946,130	\$5,975,000	\$10,921,000	TUC-TSO		\$15.50	\$5,111,901	\$5,975,000	\$11,086,000	\$165,000	\$0.50	\$99,665	\$9.09	\$102,974.20	\$0.10	
233	Signle Properties LLC	352304-0913	No site address	PO BOX 84028 TUKWILA WA 98148	WA	98148	2013	594,809	12.25	Yes	594,809	0	N/A	LDR		\$5.50	\$2,941,430	\$0	\$2,941,000	LDR-TSO		\$6.25	\$3,315,791	\$0	\$3,315,000	\$375,000	\$0.70	\$69,895	\$9.13	\$11,450.79	\$0.08	
235	Signle Properties LLC	352304-9978	5555 S 170th Street	PO BOX 84028 TUKWILA WA 98148	WA	98148	2013	41,191	0.95	Yes	41,191	1,350	1985	LDR		\$4.00	\$197,717	\$280,000	\$478,000	LDR-TSO		\$5.60	\$230,670	\$280,000	\$511,000	\$33,000	\$0.40	\$6,133	\$9.15	\$3,192.59	\$0.03	
236	Signle Properties LLC	352304-9900	5555 S 170th Street	PO BOX 84028 TUKWILA WA 98148	WA	98148	2013	3,409	0.08	No	3,409	1,010	1923	LDR		\$6.00	\$50,400	\$150,000	\$299,000	LDR-TSO		\$7.00	\$53,800	\$150,000	\$299,000	\$9,000	\$1.07	\$1,873	\$9.20	\$551.06	\$0.03	
237	Signle Properties LLC	352304-9809	No site address	PO BOX 84028 TUKWILA WA 98148	WA	98148	2013	155,309	3.57	No	155,309	0	N/A	LDR		\$5.00	\$776,545	\$0	\$777,000	LDR-TSO		\$5.85	\$908,558	\$0	\$909,000	\$152,000	\$0.85	\$24,533	\$9.15	\$12,097.55	\$0.08	
238	GRE Management Services Inc	352304-9931	5901 S 180th Street	4240 ROCKLIN RD #9 ROCKLIN CA 95677	CA	95677	2013	208,652	4.79	No	208,652	61,658	1999, 2000	TUC		\$15.00	\$3,120,760	\$8,040,000	\$11,170,000	TUC-CL		\$16.00	\$3,338,432	\$8,040,000	\$11,378,000	\$208,000	\$1.00	\$78,658	\$9.19	\$100,009.09	\$0.19	
239	City of Tukwila	352304-9940	No site address	PO BOX 84028 TUKWILA WA 98148	WA	98148	2013	71,692	1.63	Yes	71,692	0	N/A	MPO		\$10.45	\$741,971	\$0	\$742,000	MPO-TSO		\$11.40	\$809,428	\$0	\$809,000	\$57,000	\$0.94	\$12,452	\$9.13	\$13,013.49	\$0.13	
240	Wells Fargo Bank	362304-9917	5845 S 180th Street	PO BOX 2069 CARLSBAD CA 92018	CA	92018	2013	35,902	0.82	No	35,902	0	N/A	TUC		\$10.00	\$359,020	\$0	\$359,000	TUC-W		\$10.2										

City of Tukwila L.L.D. No. 33 - Tukwila Urban Center Access (Killebrew) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address		Gross Land Area (SQ)	Gross Land Area (Acres)	Unbuildable Area	Buildable Land Area (SQ)	Building Site (SQ)	Year Built	Zoning without LID	116-011 without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	I1&I1 with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF	
250	Segale Properties LLC	352304-09116	18100 Southcenter Parkway	PO BOX 88024	TUKWILA WA 98134	33,321	7.63	No	33,321	10,554	1992, 1992	III		\$10.60	\$3,321,210	\$320,900	\$3,642,100	III-TSO		\$10.60	\$3,555,551	\$320,900	\$3,876,450	\$333,000	\$1.00	\$1,839	\$0.19	\$25,757.23	\$0.08	
251	Segale Properties LLC	352304-09118	18825 Andrew Park W	PO BOX 88028	TUKWILA WA 98134	434,155	9.97	No	434,155	151,352	1995, 1977	III		\$9.50	\$4,124,473	\$2,355,000	\$6,479,470	III-TSO		\$10.60	\$4,141,550	\$2,855,000	\$7,197,000	\$218,000	\$0.50	\$40,517	\$0.09	\$15,650.00	\$0.08	
252	Segale Properties LLC	352304-09115	5811 Segale Park Drive C	PO BOX 88026	TUKWILA WA 98134	629,132	14.44	No	629,132	324,839	2000	III		\$9.50	\$5,977,134	\$9,485,000	\$15,472,000	III-TSO		\$10.60	\$6,291,720	\$9,495,000	\$15,787,000	\$318,000	\$0.50	\$36,545	\$0.09	\$48,765.28	\$0.08	
253	Segale Properties LLC	352304-09095	18400 Southcenter Parkway	PO BOX 88028	TUKWILA WA 98134	209,151	4.89	No	209,151	1,664	1998	HI		\$10.60	\$2,091,510	\$0	\$2,092,000	III-TSO		\$11.60	\$2,360,661	\$0	\$2,361,000	\$309,000	\$1.00	\$38,844	\$0.19	\$16,210.65	\$0.08	
254	Segale Properties LLC	352304-09045	19134 Fager Rd. S	PO BOX 88028	TUKWILA WA 98134	94,000	2.16	Yes	94,000	0	N/A	TVS		\$7.20	\$677,448	\$0	\$677,000	TVS-TSO		\$9.00	\$752,729	\$0	\$753,000	\$76,000	\$0.81	\$14,125	\$0.15	\$5,995.70	\$0.05	
255	Segale Properties LLC	352304-09058	18901 57th Avenue S	PO BOX 88028	TUKWILA WA 98134	415,569	9.54	Yes	415,569	37,850	1997	TVS		\$2.70	\$1,122,012	\$1,400,000	\$2,522,000	TVS-TSO		\$3.00	\$1,245,680	\$1,400,000	\$2,647,000	\$125,000	\$0.50	\$23,232	\$0.06	\$24,270.00	\$0.05	
256	Segale Properties LLC	352304-09050	18001 57th Avenue S	PO BOX 88028	TUKWILA WA 98134	59,241	1.36	No	59,241	0	N/A	TVS		\$6.75	\$399,877	\$0	\$400,000	TVS-TSO		\$7.50	\$444,308	\$0	\$444,000	\$44,000	\$0.74	\$8,178	\$0.14	\$3,972.24	\$0.07	
257	Segale Properties LLC	352304-09040	No site address	PO BOX 88028	TUKWILA WA 98134	48,787	1.12	Yes	48,787	0	N/A	TVS		\$9.90	\$48,808	\$0	\$44,000	TVS-TSO		\$1.60	\$40,787	\$0	\$40,000	\$5,000	\$0.10	\$8.28	\$0.02	\$971.00	\$0.02	
258	Segale Properties LLC	352304-09051	No site address	PO BOX 88028	TUKWILA WA 98134	277,041	6.36	Yes	277,041	0	N/A	TVS		\$1.00	\$277,041	\$0	\$277,000	TVS-TSO		\$1.60	\$277,041	\$0	\$277,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
259	Union Pacific Railroad	352304-09108	S 140th Street	1416 DOINGE ST #125	OLAHIA NE 98170	38,249	0.88	Yes	38,249	0	N/A	III		\$5.00	\$191,245	\$0	\$191,000	III-TSO		\$5.00	\$191,245	\$0	\$191,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
260	Segale Properties LLC	352304-09052	18054 57th Avenue S	PO BOX 88028	TUKWILA WA 98134	27,420	0.63	No	27,420	1,300	1992	III		\$10.60	\$274,200	\$0	\$274,000	III-TSO		\$11.60	\$301,620	\$0	\$302,000	\$28,000	\$1.02	\$5,354	\$0.19	\$2,155.24	\$0.08	
261	GWI Realty LLC	352304-09014	18700 Southcenter Parkway	PO BOX 88009	SEATTLE WA 98140	92,809	2.13	No	92,800	45,145	1963	III		\$19.60	\$1,828,800	\$2,550,000	\$4,378,800	III-TSO		\$11.90	\$1,020,809	\$2,550,000	\$3,571,000	\$93,000	\$1.00	\$17,235	\$0.19	\$18,663.90	\$0.19	
262	GWI Realty LLC	352304-09081	19000 57th Avenue S	18700 SOUTHCENTER PKWY	TUKWILA WA 98138	19,450	0.45	No	19,450	0	N/A	III		\$19.60	\$194,490	\$0	\$195,000	III-TSO		\$11.90	\$213,059	\$0	\$214,000	\$19,000	\$0.98	\$5,531	\$0.18	\$3,890.30	\$0.19	
263	Segale Properties LLC	352304-09013	18000 57th Avenue S	PO BOX 88028	TUKWILA WA 98134	87,120	2.00	No	87,120	0	N/A	TVS		\$9.00	\$784,080	\$0	\$784,000	TVS-TSO		\$10.00	\$871,200	\$0	\$871,000	\$87,000	\$1.60	\$16,170	\$0.19	\$6,752.42	\$0.08	
264	M & P Company	352304-09082	19000 57th Avenue S	PO BOX 1083	EDMONDS WA 98020	100,188	2.30	No	100,188	42,430	1989	TVS		\$10.60	\$1,001,880	\$1,800,000	\$2,802,000	TVS-TSO		\$11.60	\$1,102,968	\$1,800,000	\$2,902,000	\$190,000	\$1.60	\$18,536	\$0.19	\$10,423.12	\$0.19	
265	Kang County	352304-09097	18809 Orellia Rd. S	809 KC ADMIN BLDG	SEATTLE WA 98106	873,082	20.04	Yes	873,082	0	N/A	TVS		\$5.60	\$4,365,410	\$1,200,000	\$5,565,000	TVS-TSO		\$5.60	\$4,365,410	\$1,200,000	\$5,565,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
266	Segale Properties LLC	352304-09015	18791 Southcenter Parkway	PO BOX 88026	TUKWILA WA 98138	907,204	20.83	No	907,204	0	N/A	TVS		\$9.00	\$8,164,856	\$0	\$8,165,000	TVS-TSO		\$10.60	\$9,072,940	\$0	\$9,072,000	\$907,000	\$1.00	\$148,532	\$0.19	\$38,565.26	\$0.04	
267		352304-09034	18115 57th Avenue S	PO BOX 88028	TUKWILA WA 98138	801,210	18.41	Yes	801,910	7,500	1955	TVS		\$5.30	\$4,290,123	\$0	\$4,290,000	TVS-TSO		\$5.30	\$4,731,289	\$0	\$4,731,000	\$481,000	\$0.50	\$94,307	\$0.11	\$62,159.70	\$0.08	
268	Doc, Van & Toron, Thumbs-Three	352304-09030	No site address	1351 5TH AVE SE	EVERETT WA 98208	29,274	0.67	Yes	29,274	0	N/A	TVS		\$1.00	\$29,274	\$0	\$29,000	TVS-TSO		\$1.90	\$29,274	\$0	\$29,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
801	Westfield Corporate Inc	920247-0909	No site address	PO BOX 130940	CARLSBAD CA 92013	13,107	0.30	No	13,107	13,107	2007	T10'		\$35.00	\$458,745	\$1,565,000	\$2,023,000	T10'-R1'		\$10.60	\$511,173	\$1,565,000	\$2,076,000	\$52,000	\$3.97	\$9,655	\$0.74	\$10,106.02	\$0.72	
802	Bank of America	920247-09050	320 Strand Blvd	1001 4th Ave 4th Floor	SEATTLE WA 98154	13,467	0.31	No	13,467	7,500	2010	TUC		\$35.00	\$471,245	\$965,000	\$1,436,000	TUC-KC		\$30.90	\$525,213	\$965,000	\$1,490,000	\$54,000	\$4.01	\$10,036	\$0.75	\$10,488.48	\$0.73	
Total						89,694,951	911.27		39,094,961	12,373,010				\$15.45	\$612,690,729	\$1,147,621,000	\$1,765,906,000			\$16.72	\$668,670,142	\$1,147,621,000	\$1,911,290,000	\$50,948,000	\$1.28	\$9,475,894	\$0.24	\$9,475,893.39	\$0.24	

(6) The King County Housing Authority or tenant under RCW 35.82.210 from paying special assessments to the City, but may agree to make payments to the City on such assessments, the City of Tukwila will pay the assessments on the parcel to the extent payment is not received from the Authority



Tukwila City Council

City Hall Council Chambers

Regular Meeting

September 3, 2013– 7:00 P.M.

MINUTES

REGULAR MEETING

CALL TO ORDER/PLEDGE OF ALLEGIANCE/ROLL CALL

Mayor Haggerton called the Regular Meeting of the Tukwila City Council to order at 7:03 p.m. and led the audience in the Pledge of Allegiance.

ROLL CALL

Melissa Hart, Deputy City Clerk, called the roll of the Council. Present were Councilmembers Joe Duffie, Dennis Robertson, Kathy Hougardy, Allan Ekberg, De'Sean Quinn, and Kate Kruller.

MOVED BY QUINN, SECONDED BY DUFFIE TO EXCUSE COUNCILMEMBER SEAL FROM THE COUNCIL MEETING. MOTION CARRIED 6-0.

CITY OFFICIALS

Jim Haggerton, Mayor; David Cline, City Administrator; Shelley Kerslake, City Attorney; Rachel Turpin, Assistant City Attorney; Bob Giberson, Public Works Director; Gail Labanara, Public Works Analyst; Mike Villa, Police Chief; Mike Murphy, Police Accreditation Officer; Chris Flores, Acting Fire Chief; Marty Grisham, Emergency Manager; Jack Pace, Community Development Director; Peggy McCarthy, Finance Director; Vicky Carlsen, Deputy Finance Director; Kimberly Matej, Government Relations Manager; Joyce Trantina, Project Analyst; Mary Miotke, Information Technology Director; Laurel Humphrey, Council Analyst; Melissa Hart, Deputy City Clerk.

AMEND AGENDA

MOVED BY HOUGARDY, SECONDED BY DUFFIE TO AMEND THIS EVENING'S AGENDA TO ADD A PRESENTATION AS AGENDA ITEM 2A REGARDING A BRIEFING ON THE POLICE ACTIVITY ALONG TUKWILA INTERNATIONAL BOULEVARD (TIB) ON AUGUST 27, 2013. MOTION CARRIED 6-0.

PROCLAMATIONS/APPOINTMENTS

a. Briefing on the Police activity along TIB on August 27, 2013 – *Per agenda amendment above.*

Kimberly Matej, Government Relations Manager, stated the Council was briefed on August 28, 2013 regarding the recent police activity along Tukwila International Boulevard, involving the seizure and boarding up of 3 motels by federal agents after a year-long investigation of criminal activity. At that briefing, the Council requested City Administration update the Tukwila community regarding the early morning events of August 27, 2013. She thanked Mary Miotke, Information Technology Director, and Mike Murphy, Police Accreditation Officer, for their quick work on creating a media presentation.

A video was shown to the City Council and audience that provided a briefing relating to the Police activity along Tukwila International Boulevard on August 27, 2013. The briefing video will be available on Tukwila Cable Channel 21.

b. Confirm the appointment of Christopher Lowrance to Position #4 on the Human Services Advisory Board, with a term expiring 4/30/2016.

MOVED BY QUINN, SECONDED BY HOUGARDY TO CONFIRM THE APPOINTMENT OF CHRISTOPHER LOWRANCE TO POSITION #4 ON THE HUMAN SERVICES ADVISORY BOARD, WITH A TERM EXPIRING 4/30/2016.*

Mayor Haggerton and City Councilmembers thanked Mr. Lowrance for his service.

***MOTION CARRIED 6-0.**

c. A proclamation for National Recovery Month. *The proclamation will be presented to Barb Vannatter, Clinical Specialist and Co-Chair of Recovery Month for King County.*

Mayor Haggerton read a proclamation recognizing September as "National Recovery Month" in the City of Tukwila.

Ms. Vannatter thanked the Mayor and City Council for acknowledging National Recovery Month and for their support of the many programs and service providers.

CITIZEN COMMENTS

There were no citizen comments.

CONSENT AGENDA

- a. Approval of Minutes: 8/19/13 (Regular Mtg.)
- b. Approval of Vouchers: #130700, 130803-130806, #364192-364194, #364195-364281 in the amount of \$879,499.35
- c. Authorize the acceptance of two National Pollutant Discharge Elimination System (NPDES) grants. *(No City matching funds required.)* The 2013 State Legislature has provided funding through two separate appropriations as follows:
 - (1) \$50,000: \$5.85 million for the 2013-2015 Biennial Municipal Stormwater Capacity Grant Program of which NPDES Phase I and II communities will be awarded \$50,000 for NPDES permit compliance activities.
 - (2) \$120,000: \$15 million for project specific planning and design for retrofit/LID projects of which up to \$120,000 is available for each of the NPDES Phase I and II communities.*[Reviewed and forwarded to Consent by Utilities Committee on 8/19/13.]*
- d. Award a bid to Henderson Partners, LLC for the 2013 Small Drainage Program in the amount of \$339,049 and authorize the Mayor to sign the contract. *[Reviewed and forwarded to Consent by Utilities Committee on 8/19/13.]*
- e. Authorize the Mayor to sign the King County Master Interlocal Agreement with the Zone 3 partners for cooperative fire-related services. *[Reviewed and forwarded to Consent by the Committee of the Whole on 8/26/13.]*

MOVED BY DUFFIE, SECONDED BY ROBERTSON THAT THE CONSENT AGENDA BE APPROVED AS SUBMITTED. MOTION CARRIED 6-0.

UNFINISHED BUSINESS

a. An ordinance amending various ordinances related to land use and zoning as codified at Tukwila Municipal Code Section 18.40.020 and establishing a new Section 18.50.210; adopting zoning restrictions on the production, processing, and retailing of recreational marijuana uses; describing the land use impacts triggering such restrictions; identifying the permitted zone for recreational marijuana uses as the Tukwila Valley South and Heavy Industrial Zones; establishing separation and distance requirements within the permitted zones; establishing procedures for enforcement of violations including abatement of marijuana nuisances; repealing Ordinance No. 2405, which established the moratorium on recreational marijuana uses.

MOVED BY HOUARDY, SECONDED BY DUFFIE THAT THE PROPOSED ORDINANCE BE READ BY TITLE ONLY. MOTION CARRIED 6-0.

Melissa Hart, Deputy City Clerk, read the proposed ordinance by title only.

AN ORDINANCE AMENDING VARIOUS ORDINANCES RELATED TO LAND USE AND ZONING AS CODIFIED AT TUKWILA MUNICIPAL CODE SECTION 18.40.020 AND ESTABLISHING A NEW SECTION 18.50.210; ADOPTING ZONING RESTRICTIONS ON THE PRODUCTION, PROCESSING, AND RETAILING OF RECREATIONAL MARIJUANA USES; DESCRIBING THE LAND USE IMPACTS TRIGGERING SUCH RESTRICTIONS; IDENTIFYING THE PERMITTED ZONE FOR RECREATIONAL MARIJUANA USES AS THE TUKWILA VALLEY SOUTH AND HEAVY INDUSTRIAL ZONES; ESTABLISHING SEPARATION AND DISTANCE REQUIREMENTS WITHIN THE PERMITTED ZONES; ESTABLISHING PROCEDURES FOR ENFORCEMENT OF VIOLATIONS INCLUDING ABATEMENT OF MARIJUANA NUISANCES; REPEALING ORDINANCE NO. 2405, WHICH ESTABLISHED THE MORATORIUM ON RECREATIONAL MARIJUANA USES

MOVED BY HOUGARDY, SECONDED BY ROBERTSON THAT THE PROPOSED ORDINANCE BE ADOPTED AS READ. *

Regis Costello, 14462 58th Avenue South, explained that he is following up on his testimony from the August 19th meeting. He said there are a number of residents on 58th Avenue concerned about activity where people are using residential zoned property for marijuana grow operations. He feels the City should create a policy on how to monitor and enforce issues associated with marijuana growing and processing within the residential community.

Roger Goodman stated he is a Washington State Representative, and Chair of the Washington Public Safety Committee. For years as an attorney and legislator, he has worked to undercut the illicit marijuana trade by a strictly regulated model that the voters have approved. Over the past several months, he has worked closely with the Governor and Attorney General to bring a strictly regulated system that benefits the health and safety of all communities by keeping the substance away from children, reducing public disorder and providing safety for citizens. He explained he is speaking this evening not as a State Representative, but rather as an attorney. He has started representing the responsible and reputable entrepreneurs who are interested in opening marijuana retail stores. More information on this will be public tomorrow (September 4, 2013). This includes the number of retail outlets the Washington State Liquor Control Board has allocated state-wide, which is based on county population and estimation of demand. He said the State Liquor Control Board has allocated one marijuana retail outlet for Tukwila. In addition, the medical marijuana dispensaries are going to be closed, and they are not adequately regulated. Recently, the federal government has stated as long as the cannabis market is strictly regulated to reduce access by young people and reduce the leakage of the product across state lines, they will not intervene. Mr. Goodman stated a client of his, who is a reputable entrepreneur, is interested in a location within the City; however, the location is not within the proposed zones. One property owner controls 95% of the Tukwila Valley South zone, and it is unlikely they will allow this type of use. He asked the Council to delay consideration of the ordinance, due to the new information.

Councilmember Robertson commented that while the State Liquor Control Board will allow one retail outlet in Tukwila, there are three activities associated with the issue: growing, processing and retail. He asked how growing and processing will be regulated.

Mr. Goodman explained that economical growing of marijuana is not capable of being done indoors. Sun grown marijuana will likely take place in Eastern Washington. By licensing the reputable entrepreneurs under the new system, he feels indoor growing operations will not be competitive. Growing and processing would be appropriate for an industrial zone; consumers would not visit those types of establishments. Through his contacts, he understands there are two potential license applicants interested in growing operations within Tukwila. The State Liquor Control Board will need to consider the 1,000 foot buffer from parks and schools as it relates to those potential applications.

Councilmember Robertson asked if the State Liquor Control Board will limit the number of growing and processing operations within the cities.

Mr. Goodman stated the draft regulations relating to marijuana growing, processing and retailing will be issued on September 4, 2013, and there will be a 30-day comment period on the proposed regulations. He explained information he has received indicates the State Liquor Control Board has established limits on the amount of marijuana each grower or processor is allowed, and he feels individuals interested in

those activities will not be happy with the proposed product limits. The principal reason the State Liquor Control Board delayed the issuance of the proposed regulations was to estimate the size of the market and the size of the crop needed to satisfy the demand. Cities are not allowed to prohibit these activities; rather the City can establish specific zoning for the activities. From his standpoint, the regulations being proposed in Washington are very burdensome for entrepreneurs compared to the regulations being imposed in Colorado.

Council President Hougardy asked if marijuana growing and processing activities will be allowed in all areas without zoning restrictions.

Mr. Goodman said growing and processing would not be allowed in residential areas. The State Liquor Control Board will not issue a license for an establishment within a residential area. Growing, processing and retail of marijuana will be strictly regulated, and none of the activities will be allowed within residential zones.

Councilmember Duffie asked if smoking of marijuana would be allowed in public places.

Mr. Goodman stated public use of marijuana is still prohibited, and law enforcement agencies are authorized to issue citations to individuals using or displaying it in public.

Councilmember Ekberg stated the City does not advocate for any marijuana growing, processing or retail operation within a residential area of the City. He inquired about the location of the proposed retail site.

Mr. Goodman stated his client has looked at property located along Andover Park East, and they feel the site complies with the required 1,000 foot buffer from sensitive zones.

Councilmember Kruller asked who Mr. Goodman is representing with his comments.

Mr. Goodman stated that he is in attendance to represent his client's interest in a retail site within Tukwila. The State Liquor Control Board has determined that due to Tukwila's location and population one retail site will be located within the City. Since the site proposed by his client is not within the approved zone, they may apply for a variance in keeping with the proposed site.

Councilmember Kruller asked if each city will be assigned one retail outlet.

Mr. Goodman explained the State Liquor Control Board contracted with a consultant to conduct a county by county study to determine the demand for this product. The information received showed that the citizens of Washington consume 163 metric tons of marijuana each year, and the number of outlets for a City will be based on population and other factors. He stated information from Colorado shows with marijuana regulation there have been fewer DUIs and reduced beer consumption.

Councilmember Robertson asked how difficult it would be to amend the zoning restrictions related to retail activities in the future if the Council adopts the proposed legislation.

Jack Pace, Community Development Director, explained this issue was first discussed in the Community Affairs and Parks Committee. Discussion involved the need to revisit zoning code changes when the legislature meets in March 2014, due to the changing rules and regulations surrounding this issue. The degree of legislative change will determine the amount of staff time necessary to make the changes.

Additionally, in the August 26, 2013 agenda packet there was a map depicting the areas within the City that were not within the 1,000 foot sensitive area buffer. Currently the State Liquor Control Board considers trails as part of the sensitive area provision. However, there has been discussion on removing trails from the sensitive areas. Mr. Pace clarified that the area proposed by Mr. Goodman for the retail location is near a park and falls within the 1,000 foot buffer. At this time that proposed retail location would not be permitted in that area.

Councilmember Robertson spoke in favor of the motion with the caveat that there could be changes to the zoning code in the future. He stated he is concerned with amending the City's zoning laws to suit one particular business. He believes the rules and regulations surrounding this topic will continue to evolve, and the Council will most likely make several changes to the zoning code for this issue in the future.

Councilmember Duffie asked whether the Council can make additional changes to the code at any time if the Council adopts the ordinance as presented.

Shelley Kerslake, City Attorney, explained that if the legislature and Washington State Liquor Control Board make changes to the rules and regulations that render the City's zoning incompatible for certain uses or undesirable to the Council, the action taken by the Council this evening does not preclude the Council from making future changes.

Councilmember Ekberg suggested staff review the rules and regulations that will be published September 4, 2013 by the State Liquor Control Board, update the ordinance and return to a future Community Affairs and Parks Committee for discussion.

Councilmember Kruller spoke in favor of the motion, explaining that staff has provided the information requested by the Council and the City is trying to meet basic deadlines. The Council is able to make additional changes to the zoning code in the future should the need arise.

Councilmember Quinn expressed appreciation for the robust discussion. He explained this is not a new issue. The City has a moratorium in place relating to marijuana and he supports the motion. The proposed zoning allows the City to start small, while allowing for changes in the future.

Council President Hougardy commented that the issues surrounding the regulations to be published by the State Liquor Control Board make this issue a moving target. She feels the draft ordinance is a good beginning and she voiced her support of the motion.

Councilmember Robertson asked for clarification on the timeline and if the City were short on time to take the most conservative approach. There had been previous discussions on the Council taking no action and the possibility of a business being established that would be grandfathered in.

Mr. Pace stated the Council adopted a six-month moratorium, and this is the second month of the moratorium. The proposed rules and regulations from the State Liquor Control Board are going to continually evolve and change. No matter when the Council chooses to adopt zoning code regulations relating to marijuana, it will continue to be an evolving process for some time.

Councilmember Ekberg explained the comments he has made on this item may appear liberal; however, for the Council to be ultra-conservative, he feels the Council should postpone the decision, and retain the moratorium.

Councilmember Quinn said the discussion on this issue began at the Committee of the Whole Meeting, and staff provided the Council with the rational and justification for the recommended adoption of the proposed zoning code changes. The City is not able to outlaw these types of establishments, and he voiced his support with moving forward with the zoning code changes in the draft ordinance. He feels the proposed changes are a good, small first step for the issue.

Councilmember Robertson stated Council discussion on this item reflects support for the draft ordinance with the expectation of future changes.

***MOTION CARRIED 5-1, TO ADOPT ORDINANCE 2407, WITH EKBERG VOTING NO.**

Councilmember Ekberg commented that he voted "no" to retain the formal moratorium to allow staff additional time to review the proposed laws that will be published on September 4, 2013.

b. Authorize the Mayor to contract for a neighborhood livability study in the area of the Burlington Northern Santa Fe (BNSF) Railroad intermodal facility, in an amount not to exceed \$100,000.

**MOVED BY HOUGARY, SECONDED BY DUFFIE TO AUTHORIZE THE MAYOR TO CONTRACT FOR A NEIGHBORHOOD LIVABILITY STUDY IN THE AREA OF THE BURLINGTON NORTHERN SANTA FE (BNSF) RAILROAD INTERMODAL FACILITY, IN AN AMOUNT NOT TO EXCEED \$100,000.
MOTION CARRIED 6-0.**

NEW BUSINESS

a. Local Improvement District (LID) No. 33:

Mayor Haggerton announced that if discussion of the next agenda item is still underway at 9:00 p.m., there will be a brief recess to address media issues.

Shelley Kerslake, City Attorney, stated this item is related to the final assessment roll for LID No. 33, also known as the Klickitat Project. This project was an approximate \$22 million road improvement project designed to improve severe congestion within the City's Urban Center. The LID before the Council funds approximately \$9 million of the project.

Per City Code, the Hearing Examiner held an evidentiary hearing on the assessment roll. The Hearing Examiner's job at that time was to determine whether the assessments accurately reflected the benefit received by the property from the LID improvement. A property is benefited by a local improvement if the fair market value increases after the improvement is installed. The degree to which a property specially benefits from an LID is measured by the fair market value before the improvement and the fair market value after the improvement. That is determined by an expert, who is an appraiser. Based on the evidence presented to the Hearing Examiner, he issues findings of facts and conclusions of law, which have been provided in this evening's agenda packet (pages 59-74). The Council will need to address the approval of the assessment roll and an appeal of the Hearing Examiner's decision. The Hearing Examiner will make his recommendation and the Council is free to ask questions of the Hearing Examiner. The Council may adopt the recommendation of the Hearing Examiner or, based on evidence, modify the assessment or reject the recommendation. Prior to deliberating on the assessment roll ordinance, the Council will hear the appeal filed by the Archdiocese of Seattle. The code allows anyone who appealed their assessment before the Hearing Examiner to then appeal before the City Council.

This will be a quasi-judicial proceeding, and the Deputy City Clerk will swear in witnesses and ask the Council the Appearance of Fairness questions prior to the appeal being heard. After the appeal has been heard, the Council will then decide whether to reject or accept the appeal, adopt or reject the Hearing Examiner's recommendation, and finally consider the final assessment roll ordinance.

Ms. Kerslake addressed Recommendation "B" (agenda page 70) in the Hearing Examiner's Report. There was a question regarding whether the Segale Properties Development Agreement contained a provision requiring that they participate in the LID as a "no protest LID," similar to the Westfield and Wig Development Agreements. Prior to the meeting, she reviewed the Segale Properties Development Agreement and there is no such requirement. Ms. Kerslake referenced into the record a copy of the Segale Properties Development Agreement for review, and to reflect that there was no such requirement, and that answers the question posted by the Hearing Examiner.

Ms. Kerslake introduced Gary McLean, Hearing Examiner for LID No. 33.

(1) Recommendation to City Council from Hearing Examiner regarding LID No. 33 (presentation).

Gary McLean, Hearing Examiner, expressed appreciation for serving as the Hearing Examiner relating to the LID No. 33 process. The written materials provided to the Council have clearly and concisely explained the process in which the LID assessment roll was reviewed. The assessment roll hearing occurred in late March 2013, and as indicated within the agenda packet materials, there were several attendees at the hearing. At the hearing, Bruce Disend, representing the City, requested additional time to follow up with some of the appellants. This caused the delay in submittal of the recommendation.

Since the recommendation has been submitted, the City has received one appeal of the decision as previously mentioned. The legal standards for an LID are outlined within the recommendation, and the legal standards that must apply are strict. The standards are strict in regards to the City and the appellants. The reason for the strict standards is because this is a public finance tool that is used by bondholders who are obligating themselves to finance a project the City has undertaken. One major finding included within the assessment study is that all properties within the LID assessment area increased in property value.

The Klickitat LID project is unique in that for every \$0.19 spent, property values increased by \$1.00, which is a significant increase in value. He commented that the Public Works staff should be commended for their work on this project. The project was completed on time, under budget and the final assessments are lower than originally estimated. Two of the appeals met the legal standards that were not mentioned in the mass appraisal method. The first was the appeal relating to the Andover West Property. The testimony provided on the appeal was done so by an individual with real estate expertise, and he feels the recommendation is appropriate and an adjustment has been recommended. The second relates to the appeal by Segale Properties, and the outstanding issue was referenced by Ms. Kerlake. Segale Properties was not required to participate in the LID as a condition of their property rezoning. Therefore, on that basis the LID assessment should be modified as recommended. The third item before the Council for consideration is the appeal submitted by the Archdiocese of Seattle. A summary of the testimony received has been included, together with the applicable laws relating to appeals. As previously stated, the laws governing appeals are very strict regarding LIDs. The appeal by the Archdiocese of Seattle did not include an appraisal study or expert testimony to question the fact that the property in question did not increase in value, and the recommendation stands at the original assessment amount.

(2) Council to consider appeal of Hearing Examiner Findings by the Catholic Archdiocese of Seattle. (Quasi-Judicial)

Melissa Hart, Deputy City Clerk, asked the following "Appearance of Fairness" questions of each of the 6 Councilmembers:

1. Do you or your family have any interest in any of the properties located within the Klickitat Local Improvement District No. 33, a map of which was provided to you in this evening's agenda packet?
2. Do you stand to gain or lose by your decision on this matter?
3. Have you had any ex-parte communications regarding this application?

Councilmembers Duffie, Robertson, Ekberg, Quinn and Kruller answered "NO" to all of the above questions.

Councilmember Hougardy answered "YES" to Question Number 3. She explained she spoke with City staff regarding the meeting process for this agenda item.

Ms. Hart asked the audience if there were any objections to Councilmember Hougardy presiding over the above titled matter. There were no comments received from the audience.

Ms. Kerlake stated the standards regarding assessment appeals are high, and she reviewed the criteria for the Council to consider during the appellant testimony and as to whether the Council should accept or reject the appeal. The assessment on a property located within an LID is presumed proper, and should be upheld unless the evidence shows the assessment is found on a fundamentally wrong basis or was arbitrary and capricious. This presumption is not evidence, however, and it may be rebutted. So if the challenging party presents expert appraisal evidence that the property is not benefited by the improvement, the burden then shifts to the City to show that the property is benefited by the improvement. If the appellant does not provide this type of expert testimony, the burden does not shift to the City, and the appeal should be denied.

Ms. Kerslake called upon the appellant to make their presentation to the City Council.

Thanh Dao, Pastor of the Vietnamese Martyrs Church, came forward to speak.

Melissa Hart, Deputy City Clerk, administered the oath as follows: *"Do you swear or affirm that the testimony you are about to give is the truth, the whole truth and nothing but the truth."*

Pastor Dao answered "yes" to the oath. He thanked the Mayor and Council for the opportunity to speak about the assessment. He introduced members of the parish in attendance, and he thanked Mayor Haggerton for his letter sent to them during their Summer Festival. He voiced his concern about the Vietnamese parish being responsible for the assessment. They are a non-profit organization and are tax exempt. He stated they acquired the property in January 2013 from Lily Pointe Investments, and the assessment against the Vietnamese Martyrs Church references a business that is no longer at that location. Due to the assessment being based on a retail business, they feel the assessment is not accurate. Vietnamese Martyrs Church is a group of refugees, who raised money to allow the church to purchase a larger piece of property for the parish. They are currently trying to raise funds to assist with the construction of the new church. The levy placed on their new property is a financial burden for the parish. He asked why the City would impose a tax on property in which they are financially responsible, and he feels the special benefit does not apply to the church because they are not able to occupy the site at this time. Pastor Dao stated the City will benefit from having the church at this location, as members of the parish will visit the mall and eat at the local restaurants. The new church will bring more people to the Southcenter area, and they will attract new parishioners. One of the City's goals is to invite people from other cultures to the community, and having the new church in Tukwila will achieve that goal. He commented that the church submitted permit applications that still have not been approved, and they had hoped to have the first phase of construction complete for their upcoming 25th anniversary celebration in November 2013.

Councilmember Kruller asked if the church would be able to make monthly payments on the assessment amount, rather than a lump sum payment of the entire amount due.

Pastor Dao stated they would have to make monthly payments. He asked the Council to take into consideration the church's tax exempt status and asked to exempt the church from the assessment.

Council President Hougardy thanked Pastor Dao and the parish for relocating to Tukwila. She commented the laws relating to this issue are in place, and the Council does not have the power to change the rules for one property owner. The Hearing Examiner provided clear direction to the Council on this issue, and she expressed hope that the monthly payment option is less burdensome for the church.

Pastor Dao stated the business that was previously at the location was commercial retail, and they are a religious organization.

Councilmember Robertson voiced his appreciation for the church selecting Tukwila as the site for the new church. He stated the Council is limited on the type of information the Council can consider during an appeal. There has been nothing presented that shows the decision that was made is technically incorrect.

Councilmember Kruller concurred with previous comments relating to appreciation for the church relocating to the City. She commented that while the assessment could be considered a financial burden, the increase in property value during these times is very positive.

Councilmember Quinn requested the City Attorney repeat the roles, responsibilities and consideration the Council must follow as obligated by the law.

Shelley Kerslake, City Attorney, explained that the standard by which the Council is operating under relating to the appeal is the assessment is presumed valid unless evidence shows the decision of the Hearing Examiner was arbitrary and capricious or based on a fundamentally wrong basis. The presumption is not evidence. If the appellant brings forward evidence demonstrating that an appraiser has reviewed the assessment and finds the assessment should be lower, then the burden shifts back to

the City to demonstrate that the assessment is correct. The burden only shifts to the City if expert opinion is brought forward by the appellant.

Michael Tran, member of the Vietnamese Martyrs Church, came forward to speak.

Melissa Hart, Deputy City Clerk, administered the oath as follows: *"Do you swear or affirm that the testimony you are about to give is the truth, the whole truth and nothing but the truth."*

Mr. Tran answered "yes" to the oath. He asked if a non-profit parish is exempt from levy taxes.

Ms. Kerslake, City Attorney, clarified that the hearing this evening is for the appellant to present testimony relating to the appeal, not a question and answer period.

Mr. Tran said his family came to this area in 1975. His family has donated their time and financially supported the church. The reason they chose Tukwila was because the City is safe, and the area will allow for continual growth for their children. They are planning to open a language school at the new church. He stated the church will not be generating any revenue and they will not be selling goods or products. Their mission is to help the less fortunate, unite other cultures and diversity. He asked the Council to consider exempting the church from being required to pay the levied assessment. The City will greatly benefit from the increased visitors to the area because of the church. He stressed that the assessment is a financial burden to the parish.

Khanh Cao, member of the Vietnamese Martyrs Church, came forward to speak.

Melissa Hart, Deputy City Clerk, administered the oath as follows: *"Do you swear or affirm that the testimony you are about to give is the truth, the whole truth and nothing but the truth."*

Ms. Cao answered "yes" to the oath. She said she is a teacher in the Seattle Public School District, and a member of the Vietnamese parish. She explained that due to the language barriers, she started the parish English as a Second Language (ESL) program. The Vietnamese community came to America with nothing, and arrived in this country as refugees. Ms. Cao urged the Council to see the good that they are doing, have compassion and consider their appeal. They are struggling financially, and they feel with siting the new church within Tukwila it will make a positive impact for the City.

Council President Hougardy thanked the Vietnamese Martyrs Church representatives for their testimony. She reiterated there are strict rules and laws relating to an appeal of an assessment for an LID, and as previously stated, an assessment is presumed proper unless it is refuted by expert testimony. The testimony presented was valid and worthy; however, it does not align with the appeal process.

MOVED BY ROBERTSON, SECONDED BY EKBERG TO REJECT THE APPEAL BY THE ARCHDIOCESE OF SEATTLE.*

Councilmember Ekberg said the testimony presented has been passionate. The Council is sitting as a judicial body, and it is presumed that the assessment presented by the Hearing Examiner is valid. Per the Hearing Examiner's Findings of Fact, any adjustments the Council might consider would then be borne by the City, which could be considered a donation to a religious organization. Since there have been no expert witnesses to testify on behalf of the appellant to the effect of the appraisal, he is comfortable with the motion.

***MOTION APPROVED 6-0.**

Council President Hougardy provided an additional motion to capture the requirements of the Hearing Examiner's findings.

**MOVED BY HOUGARDY, SECONDED BY ROBERTSON TO ACCEPT THE RECOMMENDATION OF THE HEARING EXAMINER, DENY THE APPEAL FILED BY THE ARCHDIOCESE OF SEATTLE AND FIND THAT SEGALE PROPERTIES WAS NOT REQUIRED TO PARTICIPATE IN THE LID AS A CONDITION OF RE-ZONES APPROVED BEFORE THE FORMATION OF THE LID.
MOTION CARRIED 6-0.**

(3) An ordinance approving and confirming the Assessment Roll for the Klickitat Local Improvement District No. 33 for construction of improvements to urban access for the Southcenter area; and levying and assessing a part of the costs and expenses thereof against the lots, tracts, parcels of land and other property as shown on the assessment roll.

MOVED BY HOUGARDY, SECONDED BY DUFFIE THAT THE PROPOSED ORDINANCE BE READ BY TITLE ONLY. MOTION CARRIED 6-0.

Melissa Hart, Deputy City Clerk, read the proposed ordinance by title only.

AN ORDINANCE APPROVING AND CONFIRMING THE ASSESSMENT ROLL FOR THE KLICKITAT LOCAL IMPROVEMENT DISTRICT NO. 33 FOR CONSTRUCTION OF IMPROVEMENTS TO URBAN ACCESS FOR THE SOUTHCENTER AREA; AND LEVYING AND ASSESSING A PART OF THE COSTS AND EXPENSES THEREOF AGAINST THE LOTS, TRACTS, PARCELS OF LAND AND OTHER PROPERTY AS SHOWN ON THE ASSESSMENT ROLL.

MOVED BY QUINN, SECONDED BY DUFFIE THAT THE PROPOSED ORDINANCE BE ADOPTED AS READ. MOTION CARRIED 6-0, TO ADOPT ORDINANCE NUMBER 2408.

8:58 p.m. Mayor Haggerton called for a recess to allow the videographer to change discs.

9:09 p.m. Mayor Haggerton called the Regular Meeting back to order.

b. A resolution of the City Council of the City of Tukwila, Washington, expressing its collective position of support for the Countywide 2014-2019 Medic One/Emergency Medical Services (EMS) levy.

MOVED BY HOUGARDY, SECONDED BY DUFFIE THAT THE PROPOSED RESOLUTION BE READ BY TITLE ONLY. MOTION CARRIED 6-0.

Melissa Hart, Deputy City Clerk, read the proposed resolution by title only.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, EXPRESSING ITS COLLECTIVE POSITION OF SUPPORT FOR THE COUNTYWIDE 2014-2019 MEDIC ONE/EMERGENCY MEDICAL SERVICES (EMS) LEVY.

MOVED BY DUFFIE, SECONDED BY ROBERTSON THAT THE PROPOSED RESOLUTION BE ADOPTED AS READ.*

The Council had a presentation on this issue at the August 5, 2013 Regular meeting,

Mayor Haggerton called for public comments.

There were no public comments.

***MOTION CARRIED 6-0, TO ADOPT RESOLUTION NUMBER 1800.**

REPORTS

a. Mayor

There was no report.

b. City Council

Councilmember Duffie briefed the Council on the items discussed at the recent Utilities Committee meeting.

Council President Hougardy participated in the Tukwila International Boulevard tour on August 30, 2013.

Councilmember Kruller attended the Tukwila International Boulevard tour on August 30, 2013.

c. Staff

David Cline referenced the City Administrator report in the packet and offered to answer any questions.

d. City Attorney

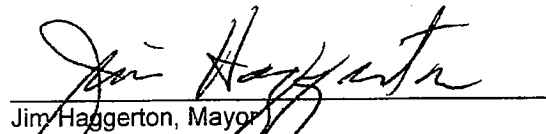
There was no report.

e. Intergovernmental

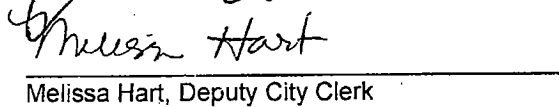
Laurel Humphrey, Council Analyst, stated the materials for the September 9, 2013 Comprehensive Plan work session were distributed to the Council earlier this evening.

ADJOURNMENT

9:16 p.m. MOVED BY DUFFIE, SECONDED BY KRULLER THAT THE TUKWILA CITY COUNCIL MEETING BE ADJOURNED. MOTION CARRIED 6-0.



Jim Haggerton, Mayor



Melissa Hart, Deputy City Clerk

APPROVED BY THE CITY COUNCIL AND SIGNED BY THE MAYOR ON 09/23/2013

AVAILABLE ON THE CITY'S WEBSITE 09/24/2013

The Seattle Times

City of Tukwila, Finance
Dana Almberg
6200 Southcenter Blvd

Tukwila, WA 98188

Re: Advertiser Account # 107510
Ad #: 359377

Agency Account #: 0
Agency Name:

Affidavit of Publication

STATE OF WASHINGTON
Counties of King and Snohomish

The undersigned, on oath states that he/she is an authorized representative of The Seattle Times Company, publisher of The Seattle Times of general circulation published daily in King and Snohomish Counties, State of Washington. The Seattle Times has been approved as a legal newspaper by others of the Superior Court of King and Snohomish Counties.

The notice, in the exact form annexed, was published in the regular and entire issue of said paper or papers and distributed to its subscribers during all of the said period.

Newspaper and Publication Date(s)	
Seattle Times	09/09/13

Agent MARLEEN E. DUGGAN Signature Marleen E. Duggan



Subscribed and sworn to before me on Sept 10, 2013
DATE
Christina C. McKenna
Notary Signature) Notary Public in and for the State of Washington, residing at Seattle

The Seattle Times

Re: Advertiser Account # 107510

Ad #: 359377

Agency Account #: 0

Agency Name:

AD TEXT

Page Number
107510-107510

THE SEATTLE TIMES
PUBLISHED DAILY EXCEPT SUNDAYS AND HOLIDAYS
BY THE SEATTLE TIMES COMPANY
1000 1ST AVENUE, SEATTLE, WASH. 98101
TELEPHONE 475-1234
CITY OF SEATTLE, WASHINGTON
POSTMASTER: THIS PUBLICATION IS CLASSIFIED AS SECOND CLASS
BY POSTAL AUTHORITY AT SEATTLE, WASH. PERMIT NO. 1234
POSTAGE WILL BE PAID BY ADDRESSEE
SUBSCRIPTIONS: \$10.00 PER ANNUM IN ADVANCE
SINGLE COPIES: 25 CENTS
CIRCULATION: 100,000
PRINTED AT THE SEATTLE TIMES COMPANY
SEATTLE, WASH.



City of Tukwila

Washington

Ordinance No. 2412

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2408 RELATING TO THE ASSESSMENT ROLL FOR KLUCKITAT LOCAL IMPROVEMENT DISTRICT NO. 33, BY THE REPLACEMENT OF THE FINAL ASSESSMENT ROLL ATTACHED THERETO AS EXHIBIT B WITH A REVISED EXHIBIT B REFLECTING THE UPDATED PROPERTY OWNER INFORMATION; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, on September 3, 2013, the City Council of the City of Tukwila passed Ordinance No. 2408 confirming the assessment roll for the Klickitat Local Improvement District No. 33 for construction of improvements to urban access for the Southcenter area and levying and assessing a part of the costs and expenses thereof against the lots, tracts, parcels of land and other property as shown on the assessment roll; and

WHEREAS, after passage of Ordinance No. 2408, it was discovered that eight parcels on the assessment roll, attached as Exhibit B to Ordinance No. 2408, contained outdated ownership data; and

WHEREAS, the correct data was used to notice property owners of all aspects of the LID and assessments; and

WHEREAS, the City wishes to update the property owner data for eight parcels and amend Ordinance No. 2408 to reflect the corrected Exhibit B;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. Tukwila Ordinance No. 2408, Exhibit B (Final Assessment Roll), Amended. Tukwila Ordinance No. 2408 is hereby amended to replace the Final Assessment Roll attached thereto as Exhibit B with a revised Exhibit B reflecting updated property owner data. The corrected Final Assessment Roll is attached hereto and by this reference fully incorporated herein.

Section 2. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 3. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

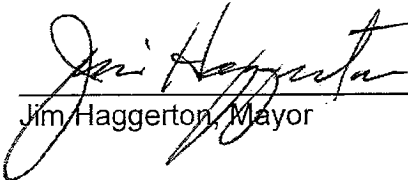
Section 4. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force five days after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this 21ST day of October, 2013.

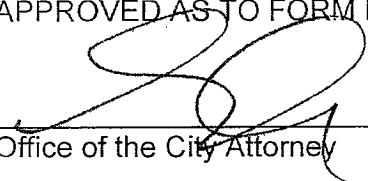
ATTEST/AUTHENTICATED:



Christy O'Flaherty, MMC, City Clerk



Jim Haggerton, Mayor

APPROVED AS TO FORM BY:


Office of the City Attorney

Filed with the City Clerk: 10-15-13
Passed by the City Council: 10-21-13
Published: 10-24-13
Effective Date: 10-29-13
Ordinance Number: 2412

Attachment: Revised Final Assessment Roll—adopted 10/21/13

City of Tukwila L.I.D. No. 33 - Tukwila Urban Center Access (R0leldat) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	County	Assessor's Parcel ID	Gross Land Area (SF)	Gross Land Area (Acres)	Usehold/Other Area	Buildable Land Area (SF)	Building Area (SF)	Year Built	Zoning	IRRB without LID	IRRB with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	IRRB with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF
1	City of Seattle	0603240921	510 Tukwila Parkway	PO BOX 34018 SEATTLE WA 98124	WA	06124	69,129	1.59	Yes	69,129	0	N/A	TUC			\$2.00	\$138,240	\$0	\$138,000	TUC		\$2.00	\$138,240	\$0	\$138,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
2	City of Tukwila	0603240922	510 Tukwila Parkway	6200 SOUTHCENTER BLVD TUKWILA WA 98188	WA	06188	44,674	1.03	Yes	44,674	0	N/A	TUC			\$2.60	\$39,748	\$0	\$99,000	TUC		\$2.60	\$49,743	\$0	\$49,000	\$0	\$0.00	\$0	\$0.00	\$0.00	
3	Westfield Corporation Inc	9302470110	Southeastern Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	124,739	2.86	No	124,739	9,900	1975	TUC			\$35.00	\$4,305,905	\$0	\$4,366,000	TUC		\$39.00	\$4,884,821	\$0	\$4,365,000	\$499,000	\$4.00	\$92,742	\$0.74	\$95,921.56	\$0.78
4	Westfield Corporation Inc	9302470120	Southeastern Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	184,336	4.23	No	184,336	0	N/A	TUC			\$35.00	\$6,451,799	\$0	\$6,452,000	TUC		\$39.00	\$7,189,104	\$0	\$7,189,000	\$797,000	\$4.00	\$136,976	\$0.74	\$141,148.38	\$0.78
5	Westfield Corporation Inc	9302470020	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	16,676	0.38	No	16,676	0	N/A	TUC			\$35.00	\$583,660	\$0	\$584,000	TUC		\$39.00	\$659,364	\$0	\$650,000	\$66,000	\$3.96	\$12,267	\$0.74	\$12,819.25	\$0.77
6	Westfield Corporation Inc	9397940245	Southeastern Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	499,863	11.43	No	499,863	0	N/A	TUC			\$35.00	\$17,495,205	\$0	\$17,495,000	TUC		\$39.00	\$19,494,657	\$0	\$19,495,000	\$2,000,000	\$4.00	\$371,715	\$0.74	\$384,452.37	\$0.78
7	Westfield Corporation Inc	9302470099	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	329,069	7.55	No	329,069	15,115	1989	TUC			\$35.00	\$11,517,100	\$4,961,000	\$16,478,000	TUC		\$39.00	\$12,333,340	\$4,961,000	\$17,294,000	\$1,316,000	\$4.00	\$24,557	\$0.74	\$25,009.24	\$0.78
8	Westfield Corporation Inc	9302470019	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	1,351,919	31.15	No	1,351,919	553,380	1989	TUC			\$35.00	\$47,457,165	\$345,000,000	\$392,457,000	TUC		\$39.00	\$52,899,841	\$345,000,000	\$597,841,000	\$54,244,000	\$4.00	\$1,008,085	\$0.74	\$1,055,999.95	\$0.78
9	Westfield Corporation Inc	9302470110	510 Strander Blvd	PO BOX 130940 CARLSBAD CA 92013	CA	92013	221,571	5.09	No	221,571	270,113	1989	TUC			\$35.00	\$7,734,085	\$42,600,000	\$50,355,000	TUC		\$39.00	\$8,641,259	\$42,600,000	\$51,241,000	\$86,000	\$4.00	\$164,660	\$0.74	\$172,068.83	\$0.78
10	Westfield Corporation Inc	9302470159	Southeastern Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	289,203	6.64	No	289,203	0	N/A	TUC			\$35.00	\$10,125,355	\$0	\$10,125,000	TUC		\$39.00	\$11,242,427	\$0	\$11,242,000	\$1,157,000	\$4.00	\$215,086	\$0.74	\$224,725.48	\$0.78
11	Westfield Corporation Inc	9302470109	210 Strander Blvd	PO BOX 130940 CARLSBAD CA 92013	CA	92013	234,764	5.39	No	234,764	10,000	2006	TUC			\$35.00	\$8,216,740	\$0	\$8,217,000	TUC		\$39.00	\$9,155,796	\$0	\$9,155,000	\$89,000	\$4.60	\$124,510	\$0.74	\$124,763.98	\$0.78
12	Westfield Corporation Inc	9302470049	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	71,019	1.64	No	71,019	7,405	1990	TUC			\$35.00	\$2,600,350	\$795,000	\$2,911,000	TUC		\$39.00	\$2,792,799	\$305,000	\$3,098,000	\$297,000	\$4.00	\$53,341	\$0.74	\$55,744.35	\$0.78
13	Westfield Corporation Inc	9302470089	225 Andover Park W	PO BOX 130940 CARLSBAD CA 92013	CA	92013	25,099	0.57	No	25,099	4,540	1950	TUC			\$35.00	\$875,600	\$185,000	\$1,060,000	TUC		\$39.00	\$975,089	\$185,000	\$1,160,000	\$100,000	\$4.00	\$18,536	\$0.74	\$19,425.12	\$0.78
14	Federated Dept Store Inc	3597940246	1/2 of Macy's	7 W 7TH ST CINCINNATI OH 45202	OH	45202	90,959	2.07	No	90,959	130,245	1968	TUC			\$35.00	\$3,151,750	\$21,750,000	\$24,902,000	TUC		\$39.00	\$3,511,050	\$21,750,000	\$25,262,000	\$599,000	\$4.00	\$56,908	\$0.74	\$60,925.23	\$0.78
15	Federated Dept Store Inc	2627040085	1/2 of Macy's	7 W 7TH ST CINCINNATI OH 45202	OH	45202	38,923	0.89	No	38,923	130,245	1968	TUC			\$35.00	\$1,362,305	\$21,750,000	\$23,112,000	TUC		\$39.00	\$1,517,997	\$21,750,000	\$23,268,000	\$156,000	\$4.00	\$28,994	\$0.74	\$30,300.66	\$0.78
16	Westfield Corporation Inc	9302470109	225 Tukwila Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	129,922	2.98	No	129,922	12,997	1989	TUC			\$35.00	\$4,547,270	\$2,250,000	\$6,797,000	TUC		\$39.00	\$5,966,953	\$2,250,000	\$8,217,000	\$528,000	\$4.00	\$96,645	\$0.74	\$101,760.22	\$0.78
17	Ben Holdings LTD	0223090019	301 Tukwila Parkway	18322 BOTHELL WAY NE BOTHELL WA 98011	WA	98011	141,136	3.24	No	141,136	43,512	1995	TUC			\$25.00	\$3,528,499	\$7,720,000	\$11,248,000	TUC		\$27.50	\$3,841,249	\$7,720,000	\$11,601,000	\$553,000	\$2.50	\$58,607	\$0.46	\$66,565.01	\$0.49
18	Open Frame LLC	0223090020	160 Andover Park W	PO BOX 88198 TUKWILA WA 98188	WA	98188	145,209	3.33	No	145,209	60,806	1953	TUC			\$25.00	\$3,630,650	\$11,300,000	\$14,930,000	TUC		\$27.50	\$3,993,609	\$11,300,000	\$15,293,000	\$763,000	\$2.50	\$57,466	\$0.46	\$70,605.02	\$0.49
19	Open Frame LLC	0223100020	No site address	PO BOX 88198 TUKWILA WA 98188	WA	98188	51,363	1.18	No	51,363	0	N/A	TUC			\$25.00	\$1,234,075	\$0	\$1,234,000	TUC		\$27.50	\$1,412,483	\$0	\$1,412,000	\$126,000	\$2.49	\$35,790	\$0.46	\$24,861.99	\$0.48
20	Open Frame LLC	0223100019	550 Baker Blvd	PO BOX 88198 TUKWILA WA 98188	WA	98188	149,547	3.43	No	149,547	36,627	2009	TUC			\$25.00	\$3,736,375	\$6,350,000	\$10,096,000	TUC		\$27.50	\$4,112,543	\$6,350,000	\$10,963,000	\$374,000	\$2.50	\$69,519	\$0.46	\$72,642.46	\$0.49
21	Low's HW INC	0223090099	401 Tukwila Parkway	101 ANDOVER PARK E 4209 TUKWILA WA 98188	WA	98188	392,053	9.12	No	392,053	131,343	1961	TUC			\$24.00	\$9,529,272	\$7,590,000	\$17,020,000	TUC		\$26.00	\$10,323,373	\$7,590,000	\$17,923,000	\$794,000	\$2.00	\$147,570	\$0.37	\$154,219.56	\$0.39
22	Westfield Corporation Inc	9302470089	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	92,524	2.12	No	92,524	255,334	1989	TUC			\$35.00	\$3,278,340	\$42,000,000	\$45,278,000	TUC		\$39.00	\$3,606,436	\$42,000,000	\$45,606,000	\$370,000	\$4.00	\$68,767	\$0.74	\$71,665.54	\$0.78
23	Westfield Corporation Inc	9302470110	400 Southeastern Parkway	PO BOX 130940 CARLSBAD CA 92013	CA	92013	75,249	1.73	No	75,249	174,650	1989	TUC			\$35.00	\$2,633,400	\$39,500,000	\$33,133,000	TUC		\$39.00	\$2,934,399	\$39,500,000	\$33,434,000	\$301,000	\$4.00	\$55,043	\$0.74	\$58,468.59	\$0.78
24	Westfield Corporation Inc	9302470099	No site address	PO BOX 130940 CARLSBAD CA 92013	CA	92013	44,894	1.03	No	44,894	11,850	1970	TUC			\$35.00	\$1,571,290	\$1,041,000	\$2,612,000	TUC		\$39.00	\$1,753,656	\$1,041,000	\$2,792,000	\$180,000	\$4.00	\$38,454	\$0.75	\$39,951.61	\$0.78
25	Rainbow Associates LTD	0223100033	401 Evans Blvd Drive	22820 148TH SE KENT WA 98042	WA	98042	74,500	0.30	No	74,500	18,766	1965	TUC			\$18.00	\$526,400	\$750,000	\$1,276,000	TUC		\$19.50	\$678,600	\$750,000	\$1,429,000	\$53,000	\$1.52	\$9,850	\$0.28	\$10,294.25	\$0.30
26	Bank of America	0223100035	406 Evans Blvd Drive	PO BOX 34020 LEBEDE SEATTLE WA 98124	WA	98124	40,202	0.92	No	40,202	15,040	1967	TUC			\$18.00	\$723,636	\$755,000	\$1,479,000	TUC		\$19.50	\$783,939	\$755,000	\$1,539,000	\$90,000	\$1.49	\$11,151	\$0.29	\$11,653.87	\$0.29
27	McLaughlin & Day LLP	0223100035	131 Andover Park E	7450 W MERCER WY MERCER ISLAND WA 98040	WA	98040	95,576	2.19	No	95,576	8,464	1995	TUC			\$20.00	\$797,540	\$440,000	\$1,237,000	TUC		\$21.50	\$846,161	\$440,000	\$1,287,000	\$59,000	\$1.50	\$10,066	\$0.29	\$11,491.64	\$0.29
28	US Bank Corporate Progs	0223100038	151 Andover Park E	2903 E LAKE ST MINNEAPOLIS MN 55406	MN	55406	32,557	0.75	No	32,557	4,560	1968	TUC			\$22.00	\$715,814	\$315,000	\$1,031,000	TUC		\$24.00	\$780,488	\$315,000	\$1,095,000	\$56,000	\$2.00	\$12,031	\$0.37	\$12,525.03	\$0.39
29	ICG Realty, LLC	0223100037	405 Baker Blvd	1420 5TH AVE #2200 SEATTLE WA 98101	WA	98101	12,530	0.29	No	12,530	15,740	1967	TUC			\$20.00	\$659,600	\$2,640,000	\$3,291,000	TUC		\$22.00	\$715,600	\$2,640,000	\$3,356,000	\$65,000	\$2.00	\$12,091	\$0.37	\$12,525.03	\$0.39
30	Davidson, Donald E	0223100032	404 Baker Blvd	11199 SUMMIT DR LAGUNA BEACH CA 92651	CA	92651	14,820	0.34	No	14,820	0	N/A	TUC			\$20.00	\$296,400	\$0	\$296,000	TUC		\$22.25	\$329,743	\$0	\$330,000	\$34,000	\$2.29	\$6,319	\$0.43	\$6,693.86	\$0.45
31	Davidson, Donald E	0223100031	402 Baker Blvd	11199 SUMMIT DR LAGUNA BEACH CA 92651	CA	92651	12,099	0.28	No	12,099	14,825	1963	TUC			\$20.00	\$653,500	\$400,000	\$1,054,000	TUC		\$22.25	\$727,139	\$400,000	\$1,127,000	\$73,000	\$2.23	\$13,558	\$0.42	\$14,179.38	\$0.43
32	Davidson, Donald E	0223100034	404 Baker Blvd	11199 SUMMIT DR LAGUNA BEACH CA 92651	CA	92651	6,009	0.14	No	6,009	0	N/A	TUC			\$20.00	\$120,000	\$0	\$120,000	TUC		\$22.25	\$133,509	\$0	\$134,000	\$14,000	\$2.33	\$2,602	\$0.43	\$2,710.24	\$0.45
33	OB Eric Property II LLC	0223100035	400 Baker Blvd	PO BOX 726 BELLEVUE WA 98006	WA	98006	212,237	4.87	No	212,237	81,256	1968	TUC			\$18.00	\$5,305,925	\$2,875,000	\$8,181,000	TUC		\$27.50	\$5,836,518	\$2,875,000	\$8,712,000	\$331,000	\$2.50	\$98,690	\$0.46	\$103,186.76	\$0.49
34	Paul, Alvin S and Carol R	0223100085	401 Baker Blvd	4304 HUNTS POINT RD BELLEVUE WA 98004	WA	98004																									

City of Tukwila I.T.D. No. 33 - Tukwila Urban Center Access (R0lehdn) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	Green Land Area (SF)	Green Land Area (Acres)	Unbuildable Area	Buildable Land Area (SF)	Building Site (SF)	Year Built	Zoning with LID	11&B without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	11&B with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF
42	Argus Group LTD	53920-0299	16425 Southcenter Parkway	225 108TH AVE NE #529	BELLEVUE WA 98004	38,080	0.87	No	38,080	6,102	1978	TUC-C	\$30.00	\$1,142,400	\$550,000	\$1,692,000	TUC-C		\$32.50	\$1,232,500	\$550,000	\$1,782,500	\$95,000	\$2.52	\$17,842	\$0.47	\$18,646.19	\$0.49
43	McDonald's Corporation	53920-0292	16590 Southcenter Parkway	PO BOX 162371	COLUMBIUS OH 43128	57,959	1.33	No	57,959	4,312	1979	TUC-C	\$30.00	\$1,738,500	\$170,000	\$1,908,000	TUC-C		\$32.50	\$1,883,375	\$170,000	\$2,053,000	\$144,000	\$2.48	\$26,763	\$0.46	\$27,969.29	\$0.48
44	Swaling Plaster of Wash	53920-0300	16515 Southcenter Parkway	348 EAST 9400 S #206	MURRAY UT 84107	47,240	1.10	No	47,240	4,945	1978	TUC-C	\$30.00	\$1,438,200	\$200,000	\$1,638,000	TUC-C		\$32.50	\$1,558,950	\$200,000	\$1,758,000	\$120,000	\$2.50	\$22,303	\$0.47	\$23,507.74	\$0.49
45	Legacy Partners I Takelns	262304-0921	16400 Southcenter Parkway	4070 E 9ND AVE #500	FOSTER CITY CA 94404	34,975	1.95	No	34,975	56,955	1979	TUC-C	\$35.00	\$2,974,125	\$918,000	\$3,892,000	TUC-C		\$35.50	\$3,186,563	\$918,000	\$4,104,000	\$213,000	\$2.51	\$39,597	\$0.47	\$41,371.24	\$0.49
46	Cherom Tenor	262304-0104	230 Strander Blvd	PO BOX 1302	Bakersfield CA 93302	50,260	0.69	No	70,000	2,044	1972	TUC-C	\$35.00	\$1,880,600	\$300,000	\$1,380,000	TUC-C		\$35.50	\$1,955,900	\$300,000	\$1,455,000	\$75,000	\$2.50	\$13,959	\$0.46	\$14,567.54	\$0.49
47	A 4 LLC	262304-0102	235 Strander Blvd	117 E LOUISIA ST #230	SEATTLE WA 98102	40,000	0.92	No	40,000	11,100	1976	TUC-C	\$35.00	\$1,400,000	\$2,270,000	\$3,670,000	TUC-C		\$37.50	\$1,500,000	\$2,270,000	\$3,770,000	\$100,000	\$2.50	\$18,586	\$0.46	\$19,423.12	\$0.49
48	CHA Southcenter LLC	643704-0020	16500 Southcenter Parkway	16500 SOUTHCENTER PKWY	TUKWILA WA 98148	291,927	6.70	No	291,927	196,679	1979	TUC-C	\$25.00	\$7,298,175	\$16,000,000	\$23,298,000	TUC-C		\$27.50	\$9,027,903	\$16,000,000	\$24,027,000	\$730,000	\$2.50	\$135,675	\$0.46	\$141,788.77	\$0.49
49	CHA Southcenter LLC	643704-0019	16510 Southcenter Parkway	16500 SOUTHCENTER PKWY	TUKWILA WA 98148	42,495	0.94	No	42,495	6,163	1977	TUC-C	\$27.00	\$1,147,365	\$580,000	\$1,727,000	TUC-C		\$29.50	\$1,253,603	\$580,000	\$1,834,000	\$107,000	\$2.52	\$19,837	\$0.47	\$20,782.74	\$0.49
50	Target Corporation T 0527	262304-0905	301 Strander Blvd	PO BOX 0456	MINNEAPOLIS MN 55440	352,460	8.09	No	352,460	113,373	1980	TUC-C	\$25.00	\$7,352,600	\$4,950,000	\$12,703,000	TUC-C		\$24.50	\$3,633,309	\$4,950,000	\$13,584,000	\$331,000	\$2.50	\$163,740	\$0.46	\$171,117.67	\$0.49
51	Regency Census LP	262304-0954	321 Strander Blvd	PO BOX 70830	SAN ANTONIO TX 78279	260,419	5.98	No	260,419	59,695	1993	TUC-C	\$35.00	\$6,510,250	\$9,360,000	\$15,870,000	TUC-C		\$37.50	\$7,161,235	\$9,360,000	\$16,521,000	\$651,000	\$2.50	\$120,893	\$0.46	\$126,444.50	\$0.49
52	Seale Properties LLC	262304-0904	505 Andover Park W	PO BOX 38024	TUKWILA WA 98148	384,563	8.83	No	384,563	122,315	1984	TUC-C	\$24.00	\$9,229,512	\$11,700,000	\$20,930,000	TUC-C		\$26.25	\$10,994,779	\$11,700,000	\$21,795,000	\$655,000	\$2.25	\$100,766	\$0.42	\$106,000.96	\$0.44
53	Medical Centers Co LLC	022304-0052	411 Strander Blvd	STRANDER BLVD STE 107	TUKWILA WA 98148	78,874	1.69	No	78,874	33,780	1978	TUC-C	\$18.00	\$1,320,012	\$3,360,000	\$5,120,000	TUC-C		\$19.50	\$1,470,763	\$3,360,000	\$5,240,000	\$111,000	\$1.50	\$29,596	\$0.28	\$31,559.65	\$0.29
54	M 4 M Management LLC	022304-0051	401 Andover Park E	21631 SE 8TH ST	SAMMAMISH WA 98074	22,668	0.51	No	22,668	7,229	1994	TUC-C	\$20.00	\$441,560	\$74,000	\$1,175,000	TUC-C		\$21.50	\$475,462	\$74,000	\$1,203,000	\$33,000	\$1.50	\$8,131	\$0.23	\$6,400.63	\$0.29
57	Union Pacific Railroad	262304-0112	Various railroad right-of-way	DOODGE ST #325	OMAHA NE 68179	133,191	3.06	Yes	133,191	0	N/A	TUC-C	\$5.00	\$665,955	\$0	\$666,000	TUC-C		\$5.00	\$665,955	\$0	\$666,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
58	Wells Fargo Bank	022304-0016	743 Andover Park E	PO BOX 2069	CARLEBAD CA 92018	54,495	1.24	No	54,495	5,293	1972	TUC-C	\$18.00	\$988,110	\$200,000	\$1,188,000	TUC-C		\$19.00	\$1,043,005	\$200,000	\$1,243,000	\$55,000	\$1.00	\$10,322	\$0.19	\$10,682.72	\$0.19
59	Parkatz Holdings LLC	022304-0047	No site address	PO BOX 5438	TUKWILA WA 98148	20,837	0.48	No	20,837	0	N/A	TUC-C	\$15.00	\$312,555	\$0	\$313,000	TUC-C		\$16.00	\$333,392	\$0	\$333,000	\$28,000	\$0.86	\$3,717	\$0.18	\$3,884.62	\$0.18
60	Parkatz Forest Industries Inc	022304-0045	359 Trook Drive	PO BOX 5838	TUKWILA WA 98148	53,984	1.24	No	53,984	25,365	1975	TUC-C	\$15.00	\$808,450	\$1,100,000	\$1,908,000	TUC-C		\$16.00	\$362,464	\$1,100,000	\$1,862,000	\$53,000	\$0.99	\$9,859	\$0.18	\$10,204.25	\$0.19
61	SKO Properties Inc	022304-0040	345 Andover Park E	1411 4TH AVE #1515	SEATTLE WA 98101	49,972	1.15	No	49,972	16,828	1980	TUC-C	\$18.00	\$899,408	\$770,000	\$1,669,000	TUC-C		\$19.00	\$949,458	\$770,000	\$1,719,000	\$90,000	\$1.00	\$8,203	\$0.19	\$9,711.56	\$0.19
62	Jenkins Properties Inc	022304-0042	355 Trook Drive	PO BOX 52200	BELLEVUE WA 98015	69,027	1.59	No	69,027	36,795	1989	TUC-C	\$15.00	\$1,020,405	\$1,940,000	\$2,960,000	TUC-C		\$16.00	\$1,088,432	\$1,940,000	\$3,028,000	\$58,000	\$1.00	\$12,693	\$0.19	\$13,207.72	\$0.19
63	Hospitality Investments Inc	262304-0916	401 Andover Park W	2550 CEDAR SPRINGS RD #459	DALLAS TX 75201	196,225	4.50	No	196,225	82,410	1985	TUC-C	\$21.00	\$4,120,740	\$9,100,000	\$13,221,000	TUC-C		\$22.75	\$4,464,142	\$9,100,000	\$13,564,000	\$143,000	\$1.75	\$43,749	\$0.32	\$46,621.30	\$0.34
64	Galvan Properties LLC	022304-0909	401 Andover Park E	PO BOX 89906	SEATTLE WA 98118	174,104	4.00	No	174,104	120,427	1989	TUC-C	\$15.00	\$441,560	\$7,100,000	\$8,712,000	TUC-C		\$16.90	\$2,785,664	\$7,100,000	\$9,886,000	\$174,000	\$1.00	\$32,339	\$0.19	\$33,799.23	\$0.19
66	City of Tukwila	262304-0952	Tukwila Pwdk Park	6300 SOUTHCENTER BLVD	TUKWILA WA 98148	1,078,981	24.77	Yes	1,078,981	0	N/A	TUC-C	\$1.75	\$1,888,217	\$0	\$1,888,000	TUC-C		\$1.75	\$1,888,217	\$0	\$1,888,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
66	Parkway Square	262304-0128	16700 Southcenter Parkway	PO BOX 5003	BELLEVUE WA 98009	136,216	3.13	No	136,216	50,997	1980	TUC-C	\$25.00	\$3,405,400	\$2,345,000	\$5,750,000	TUC-C		\$27.00	\$3,677,832	\$2,345,000	\$6,022,000	\$278,000	\$2.00	\$90,730	\$0.37	\$93,025.11	\$0.39
67	Parkway Square	262304-0137	16500 Southcenter Parkway	PO BOX 5003	BELLEVUE WA 98009	29,507	0.68	No	29,507	9,185	1980	TUC-C	\$27.00	\$796,689	\$1,615,000	\$2,412,000	TUC-C		\$29.00	\$855,708	\$1,615,000	\$2,471,000	\$50,000	\$2.00	\$10,956	\$0.37	\$11,459.64	\$0.39
68	Parkway Square	262304-0129	16400 Southcenter Parkway	PO BOX 5003	BELLEVUE WA 98009	144,347	3.31	No	144,347	37,001	1980	TUC-C	\$25.00	\$3,606,675	\$5,880,000	\$9,490,000	TUC-C		\$27.00	\$3,897,369	\$5,880,000	\$9,787,000	\$288,000	\$2.00	\$53,527	\$0.37	\$55,938.58	\$0.39
69	Skurba Holdings LLC	53920-0310	16705 Southcenter Parkway	PO BOX 88668	TUKWILA WA 98148	35,499	0.84	No	36,480	23,422	1978	TUC-C	\$30.00	\$1,094,400	\$1,785,000	\$2,879,000	TUC-C		\$32.00	\$1,167,363	\$1,785,000	\$2,952,000	\$78,000	\$2.00	\$13,558	\$0.37	\$14,178.38	\$0.39
70	Paper Stone Energy Elec	53920-0315	16715 Southcenter Parkway	PO BOX 99868	BELLEVUE WA 98009	72,745	1.67	Yes	72,745	0	N/A	TUC-C	\$11.90	\$800,195	\$0	\$800,000	TUC-C		\$11.00	\$800,195	\$0	\$800,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
71	Mosama LLC - Robert Scholt	262304-0908	16415 Southcenter Parkway	4212 HUNTS POINT DR	BELLEVUE WA 98004	87,091	2.02	No	87,091	28,997	1985	TUC-C	\$28.00	\$2,463,748	\$3,715,000	\$6,179,000	TUC-C		\$30.00	\$2,639,730	\$3,715,000	\$6,355,000	\$176,000	\$2.00	\$32,711	\$0.37	\$34,184.69	\$0.39
72	Schmidt LLC	262304-0911	16901 Southcenter Parkway	1901 MAIN STREET STE 1300	KANSAS CITY MO 64105	66,646	1.53	No	66,646	24,225	1989	TUC-C	\$28.00	\$1,866,088	\$3,475,000	\$5,341,000	TUC-C		\$30.00	\$1,999,530	\$3,475,000	\$5,474,000	\$133,000	\$2.00	\$24,719	\$0.37	\$25,832.75	\$0.39
73	Federated Dept Stores Inc	262304-0977	17000 Southcenter Parkway	7 W 7TH ST	CINCINNATI OH 45202	405,543	9.31	No	405,543	527,118	1983	TUC-C	\$19.00	\$7,705,217	\$4,360,000	\$12,065,000	TUC-C		\$21.00	\$3,516,403	\$4,360,000	\$12,876,000	\$311,000	\$2.00	\$159,730	\$0.37	\$157,521.49	\$0.39
74	Federated Dept Stores Inc	262304-0976	17000 Southcenter Parkway	7 W 7TH ST	CINCINNATI OH 45202	445,188	10.22	No	445,188	0	N/A	TUC-C	\$18.00	\$8,013,204	\$0	\$8,013,000	TUC-C		\$20.00	\$3,993,669	\$0	\$3,994,000	\$391,000	\$2.00	\$165,599	\$0.37	\$173,059.98	\$0.39
75	Kohl's Depty Tax Department	784892-0010	17200 Southcenter Parkway	PO BOX 2148	MILWAUKEE WI 53201	258,482	5.93	No	258,482	97,991	2007	TUC-C	\$19.00	\$4,911,158	\$13,970,000	\$18,881,000	TUC-C		\$21.25	\$5,495,327	\$13,970,000	\$19,465,000	\$584,000	\$2.25	\$108,540	\$0.42	\$113,481.01	\$0.44
76	Wig Properties LLC/CS	784892-0020	17200 Southcenter Parkway	4811 134TH PL SE	BELLEVUE WA 98006	516,516	11.86	No	516,516	140,845	2007	TUC-C	\$20.00	\$10,330,320	\$33,440,000	\$43,770,000	TUC-C		\$22.25	\$11,492,481	\$33,440,000	\$44,932,000	\$1,162,000	\$2.25	\$215,955	\$0.42	\$225,696.64	\$0.44
78	RTM Group LLC	262304-0971	17047 Southcenter Parkway	655 HIGH SCHOOL RD NE	BADENBRIDGE ISLAND WA 98110	161,607	3.71	Yes	161,607	44,580	1982	TUC-C	\$18.50	\$2,998,730	\$3,135,000	\$6,125,000	TUC-C		\$19.85	\$3,207,899	\$3,135,000	\$6,343,000	\$218,000	\$1.35	\$49,517	\$0.25	\$42,343.40	\$0.26
79	RTM Group LLC	262304-0970	17047 Southcenter Parkway	655 HIGH SCHOOL RD NE	BADENBRIDGE ISLAND WA 98110	117,176	2.69	Yes	117,176	0	N/A	TUC-C	\$16.50	\$1,953,404	\$0	\$1,9												

City of Tukwila L.I.D. No. 33 - Tukwila Urban Center Access (Khehidat) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	Green Land Area (SF)	Gross Land Area (Acres)	Unsubdivided Area	Buildable Land Area (SF)	Building Area (SF)	Year Built	Zoning without LID	LID with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	LID with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit Ver SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF	
85	Gibson Properties LLC	022304-0069	455 Andover Park E	PO BOX 8899 SEATTLE WA 98138	153,247	3.52	No	153,247	83,900	1978	TUC		\$15.00	\$2,298,705	\$2,000,000	\$4,320,000	TUC-W		\$16.00	\$2,451,952	\$2,000,000	\$4,482,000	\$153.00	\$1.00	\$28,456	\$9.19	\$29,713.37	\$9.19
86	Hughland Park Properties LLC	262304-9994	485 Andover Park E	485 ANDOVER PARK BLVD E TUKWILA WA 98188	255,413	5.86	No	255,413	155,936	1974	TUC		\$15.00	\$3,831,195	\$5,020,000	\$8,851,000	TUC-W		\$16.00	\$4,045,604	\$5,020,000	\$9,107,000	\$256.00	\$1.00	\$47,579	\$9.19	\$49,723.18	\$9.19
87	Red Dev Corporation	262304-9115	745 Andover Park E	485 ANDOVER PARK E TUKWILA WA 98188	207,477	4.76	No	207,477	113,940	1974	TUC		\$16.00	\$3,319,632	\$4,330,000	\$7,650,000	TUC-W		\$17.00	\$3,527,109	\$4,330,000	\$8,057,000	\$207.00	\$1.00	\$38,432	\$9.19	\$40,295.86	\$9.19
88		262304-9123	600 Andover Park W	600 ANDOVER PARK W TUKWILA WA 98188	54,000	1.24	No	54,000	19,210	1989	TUC		\$15.00	\$810,000	\$1,300,000	\$2,400,000	TUC-W		\$16.00	\$891,000	\$1,300,000	\$2,481,000	\$91.00	\$1.50	\$15,054	\$9.28	\$15,782.78	\$9.28
89		262304-9124	760 Andover Park W	600 ANDOVER PARK W TUKWILA WA 98188	114,610	2.63	No	114,610	75,280	1978	TUC		\$17.00	\$1,948,370	\$1,755,000	\$3,703,000	TUC-W		\$18.50	\$2,120,285	\$1,755,000	\$3,875,000	\$172.00	\$1.50	\$31,557	\$9.28	\$33,407.76	\$9.28
90	NB Properties LLC	262304-9919	1001 Andover Park E	555 S KENTON VILLAGE PL #100 KENTON WA 98055	313,482	7.20	No	313,482	130,800	1975	TUC		\$15.00	\$4,702,230	\$5,000,000	\$9,702,000	TUC-W		\$16.00	\$5,015,712	\$5,000,000	\$10,015,000	\$314.00	\$1.00	\$58,359	\$9.19	\$60,988.59	\$9.19
91	Andover West LLC - Powell D	262304-9118	1000 Andover Park W	PO BOX 97070 BIRKLAND WA 98003	231,370	5.31	No	231,370	125,335	1975	TUC		\$16.00	\$3,701,920	\$4,250,000	\$7,952,000	TUC-W		\$17.50	\$4,048,935	\$4,250,000	\$8,299,000	\$347.00	\$1.50	\$64,492	\$9.28	\$39,933.00	\$9.17
92		262304-9106	1071 Andover Park E	20415 72ND AVE S #210 KENT WA 98032	210,969	4.84	No	210,969	99,240	1978	TUC		\$15.00	\$3,164,400	\$2,975,000	\$5,830,000	TUC-W		\$18.50	\$3,269,899	\$2,975,000	\$5,945,000	\$106.00	\$9.50	\$19,701	\$9.09	\$20,588.51	\$9.10
93	Lincoln Centre Holdings	332304-9915	1109 Andover Park W	2310 130TH AVE NE STE D-108 BELLEVUE WA 98005	244,816	5.62	No	244,816	134,560	1974	TUC		\$15.00	\$3,672,540	\$4,500,000	\$8,262,000	TUC-W		\$15.50	\$3,794,648	\$4,500,000	\$8,385,000	\$123.00	\$9.50	\$22,890	\$9.09	\$23,890.44	\$9.10
94	Hayda Properties LLC	343650-0020	1015 Andover Park W	1015 ANDOVER PARK W TUKWILA WA 98188	53,665	1.24	No	53,665	5,245	1978	TUC		\$17.00	\$896,645	\$185,000	\$1,081,000	TUC-W		\$18.50	\$995,873	\$185,000	\$1,382,000	\$81.00	\$1.50	\$15,054	\$9.28	\$15,782.75	\$9.28
95	IPFS North American Inc	383650-0010	1055 Andover Park W	1015 ANDOVER PARK W TUKWILA WA 98188	61,340	1.41	No	61,340	18,345	1979	TUC		\$16.00	\$981,440	\$1,250,000	\$2,231,000	TUC-W		\$17.00	\$1,042,780	\$1,250,000	\$2,293,000	\$62.00	\$1.01	\$11,523	\$9.19	\$12,842.33	\$9.20
96	MVJ Tukwila 1 LLC	262304-9122	1051 Andover Park W	3067 WEBSTER POINT RD NE SEATTLE WA 98105	76,221	1.75	No	76,221	25,250	1978	TUC		\$16.00	\$1,219,596	\$1,200,000	\$2,420,000	TUC-W		\$18.99	\$1,345,757	\$1,200,000	\$2,445,000	\$76.00	\$1.00	\$14,125	\$9.19	\$14,761.57	\$9.19
97	MVJ Tukwila 2 LLC	262304-9123	1071 Andover Park W	3067 WEBSTER POINT RD NE SEATTLE WA 98105	125,969	2.87	No	125,969	35,579	1978	TUC		\$15.00	\$1,875,000	\$370,000	\$2,245,000	TUC-W		\$15.50	\$1,937,500	\$370,000	\$2,307,000	\$65.00	\$9.50	\$11,709	\$9.09	\$12,236.56	\$9.10
98	G-Tree Associates LLC	343650-0111	1101 Andover Park W	2995 MONT BLANC PL NW ISSAQUAH WA 98027	45,641	1.05	No	45,641	12,207	1965	TUC		\$16.00	\$730,256	\$950,000	\$1,680,000	TUC-W		\$16.50	\$785,077	\$950,000	\$1,703,000	\$23.00	\$9.50	\$4,235	\$9.09	\$4,467.32	\$9.10
99	Tukwila Hotel Ownership, LLC	383650-0070	300 Upland Drive	2731 77TH AVE SE #206 MERCER ISLAND WA 98040	119,157	2.74	No	119,157	0	N/A	TUC		\$15.50	\$1,845,034	\$0	\$1,847,000	TUC-W		\$17.50	\$2,085,248	\$0	\$2,085,000	\$258.00	\$2.00	\$44,234	\$9.37	\$46,227.02	\$9.39
100	Triple H Development	383650-0070	300 Upland Drive	1095 SPRAGUE ST EDWARDS WA 98020	105,162	2.41	No	105,162	55,505	1978	TUC		\$15.00	\$1,577,430	\$2,740,000	\$4,317,000	TUC-W		\$15.50	\$1,630,011	\$2,740,000	\$4,370,000	\$53.00	\$9.50	\$9,850	\$9.09	\$10,294.25	\$9.10
101	ADP Property Corp	383650-0100	350 Upland Drive	69 STATE ST STE 1209 CO RE TAX BOSTON MA 02109	144,473	3.32	No	144,473	75,524	1985	TUC		\$15.00	\$2,167,095	\$3,300,000	\$5,467,000	TUC-W		\$15.50	\$2,239,332	\$3,300,000	\$5,539,000	\$72.00	\$9.50	\$13,362	\$9.09	\$13,984.65	\$9.10
102.01	Wemille S A Trust	383650-0010	340 Upland Drive Unit A	10400 1940 SUNRISE BEACH DR NW GIG HARBOR WA 98332	14,839	0.34	No	14,839	4,940	1978	TUC		\$12.00	\$178,068	\$380,000	\$508,000	TUC-W		\$13.00	\$192,007	\$370,000	\$523,000	\$15.00	\$1.91	\$2,718	\$9.19	\$2,913.47	\$9.20
102.02	D G J LLC	383650-0020	340 Upland Drive Unit B	364 UPLAND DR TUKWILA WA 98332	14,414	0.33	No	14,414	4,940	1978	TUC		\$12.00	\$172,968	\$330,000	\$503,000	TUC-W		\$13.00	\$187,382	\$330,000	\$517,000	\$14.00	\$9.97	\$2,002	\$9.18	\$2,719.24	\$9.19
102.03	CF Properties LLC	383650-0030	340 Upland Drive Unit C	374 UPLAND DR TUKWILA WA 98332	14,414	0.33	No	14,414	4,940	1978	TUC		\$12.00	\$172,968	\$330,000	\$503,000	TUC-W		\$13.00	\$187,382	\$330,000	\$517,000	\$14.00	\$9.97	\$2,002	\$9.18	\$2,719.24	\$9.19
102.04	Land Family Const Props LLC	383650-0040	340 Upland Drive Unit D	13913 209TH AVE NE WOODINVILLE WA 98077	16,432	0.38	No	16,432	5,510	1974	TUC		\$12.00	\$197,154	\$480,000	\$587,000	TUC-W		\$13.00	\$213,616	\$480,000	\$664,000	\$17.00	\$1.03	\$3,100	\$9.19	\$3,301.93	\$9.20
102.05	Land Family Const Props LLC	383650-0050	340 Upland Drive Unit E	13913 209TH AVE NE WOODINVILLE WA 98077	16,432	0.38	No	16,432	5,760	1974	TUC		\$12.00	\$197,154	\$420,000	\$517,000	TUC-W		\$13.00	\$213,616	\$420,000	\$634,000	\$17.00	\$1.03	\$3,100	\$9.19	\$3,301.93	\$9.20
102.06	Finson Clarence W Doris E	383650-0060	340 Upland Drive Unit F	11131 SE 57TH ST BELLEVUE WA 98006	13,393	0.32	No	13,393	6,130	1978	TUC		\$12.00	\$220,776	\$460,000	\$531,000	TUC-W		\$13.00	\$230,174	\$460,000	\$690,000	\$18.00	\$9.93	\$3,345	\$9.18	\$3,496.16	\$9.19
102.07	Carol Joseph J Gyle M	383650-0070	340 Upland Drive Unit G	359 UPLAND DR TUKWILA WA 98332	17,872	0.41	No	17,872	6,140	1978	TUC		\$12.00	\$214,464	\$460,000	\$674,000	TUC-W		\$13.00	\$232,336	\$460,000	\$692,000	\$18.00	\$1.01	\$3,345	\$9.19	\$3,496.16	\$9.20
102.08	Carol Joseph J	383650-0090	340 Upland Drive Unit H	359 UPLAND DR TUKWILA WA 98332	14,414	0.33	No	14,414	4,940	1978	TUC		\$12.00	\$172,968	\$330,000	\$503,000	TUC-W		\$13.00	\$187,382	\$330,000	\$517,000	\$14.00	\$9.97	\$2,002	\$9.18	\$2,719.24	\$9.19
102.09	KRW Enterprises LLC	383650-0099	340 Upland Drive Unit I	PO BOX 1201 MAPLE VALLEY WA 98038	14,414	0.33	No	14,414	4,940	1978	TUC		\$12.00	\$172,968	\$330,000	\$503,000	TUC-W		\$13.00	\$187,382	\$330,000	\$517,000	\$14.00	\$9.97	\$2,002	\$9.18	\$2,719.24	\$9.19
102.10	Finson Clarence W Doris E	383650-0110	340 Upland Drive Unit J	11131 SE 57TH ST BELLEVUE WA 98006	14,601	0.34	No	14,601	4,990	1978	TUC		\$12.00	\$175,212	\$330,000	\$485,000	TUC-W		\$13.99	\$190,815	\$330,000	\$590,000	\$15.00	\$1.03	\$2,718	\$9.19	\$2,913.47	\$9.20
102.11	Kir Tukwila 950 LLC RIMCO	383650-0010	340 Upland Drive Unit K	353 NEW HYDE PARK RD NEW HYDE PARK NY 11042	36,628	0.84	No	36,628	9,999	1974	TUC		\$12.00	\$439,536	\$750,000	\$1,190,000	TUC-W		\$13.00	\$476,154	\$750,000	\$1,226,000	\$36.00	\$9.98	\$6,001	\$9.18	\$6,992.32	\$9.19
103	ADP Property Corp	383650-0059	305 Upland Drive	69 STATE ST STE 1209 CO RE TAX BOSTON MA 02109	144,693	3.32	No	144,693	68,494	1979	TUC		\$14.00	\$2,025,202	\$1,600,000	\$3,625,000	TUC-W		\$14.50	\$2,098,040	\$1,600,000	\$3,698,000	\$72.00	\$9.50	\$13,362	\$9.09	\$13,984.65	\$9.10
104	ADP Property Corp	383650-0069	335 Upland Drive	69 STATE ST STE 1209 CO RE TAX BOSTON MA 02109	145,224	3.33	No	145,224	66,555	1979	TUC		\$14.50	\$2,105,248	\$1,500,000	\$3,500,000	TUC-W		\$15.00	\$2,178,360	\$1,500,000	\$3,678,000	\$72.00	\$9.50	\$13,362	\$9.09	\$13,984.65	\$9.10
105	Kir Tukwila 950 LLC RIMCO	262304-9079	No site address	3333 NEW HYDE PK RD STE 100 NEW HYDE PARK NY 11042	94,915	7.23	No	94,915	0	N/A	TUC		\$12.00	\$3,738,900	\$0	\$3,738,000	TUC-CC		\$14.00	\$4,405,810	\$0	\$4,405,000	\$69,000	\$2.00	\$117,099	\$9.37	\$122,265.65	\$9.39
106	Kir Tukwila 950 LLC RIMCO	262304-9110	301 Midlake Blvd	3333 NEW HYDE PK RD STE 101 NEW HYDE PARK NY 11042	71,621	16.41	No	71,621	297,364	1972, 1989	TUC		\$19.00	\$13,377,270	\$35,000,000	\$48,578,000	TUC-CC		\$21.00	\$15,907,041	\$35,000,000	\$50,907,000	\$1,420,000	\$2.00	\$255,589	\$9.37	\$277,556.36	\$9.39
107	ICM Group LLC	262304-9069	17151 Southcenter Parkway	635 HIGH SCHOOL RD NE BAINBRIDGE ISLAND WA 98110	62,265	1.43	Yes	62,265	0	N/A	TUC		\$12.85	\$800,105	\$0	\$800,000	TUC-CC		\$13.75	\$856,144	\$0	\$856,000	\$56.00	\$9.30	\$10,478	\$9.17	\$10,876.95	\$9.17
108	Chen Ting-Yin	912520-0350	Vacant land - Plat of Surveys View (future)	4384 BEACON AVE S SEATTLE WA 98108	7,917	0.18	Yes	7,917	0	N/A	LDR		\$1.50	\$11,576	\$0	\$12,000	LDR		\$1.50	\$11,576	\$0	\$12,000	\$0	\$9.00	\$0	\$9.00	\$0.00	\$9.00
109	Mark Callahan A	912520-0390	Vacant land - Plat of Surveys View (future)	4769 183RD AVE SW ROCHESTER WA 98579	7,009	0.17	Yes	7,009	0	N/A	LDR		\$1.50	\$11,490	\$0	\$11,900	LDR		\$1.50	\$11,490	\$0	\$11,900	\$0	\$9.00				

City of Tukwila L.L.D. No. 33 - Tukwila Urban Center Access (Hillcliff) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	Gross Land Area (SQ)	Unsubdivided Area (Acres)	Buildable Land Area (SQ)	Building Size (SQ)	Year Built	Zoning without LID	IR&B without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	IR&B with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assesment Per SF	Revised Assesment Per SF	Assesment Per SF	
116	Ethan Alma Home Interests	262304-9126	17355 Southcenter Parkway	20120 72ND AVE S	NEBT WA 98102	45,100	1.04	No	45,100	19,922	1977	TUC	\$28.00	\$1,262,800	\$2,700,000	\$3,960,000	TUC-CC	\$30.00	\$1,353,000	\$2,700,000	\$4,050,000	\$00.00	\$2.00	\$16,727	\$9.37	\$17,480.81	\$9.39
116	Wanans 7 LLC	262304-9129	17401 Southcenter Parkway	117 E LOURSA #250	SEATTLE WA 98102	47,043	1.08	No	47,043	16,757	2006	TUC	\$26.00	\$1,317,204	\$3,225,000	\$4,542,000	TUC-CC	\$30.25	\$1,423,051	\$3,225,000	\$4,648,000	\$106,000	\$2.25	\$19,701	\$9.42	\$26,588.51	\$9.44
117	CLIFP-Tukwila LP	262304-9197	17405 Southcenter Parkway	16555 NE 4TH ST #360	BELLEVEUE WA 98004	515,998	11.85	No	515,998	153,910	1996	TUC	\$23.00	\$11,867,724	\$25,900,000	\$35,168,000	TUC-CC	\$23.00	\$12,899,700	\$25,900,000	\$36,200,000	\$1,020,000	\$2.00	\$191,404	\$9.37	\$26,446.58	\$9.39
118	CLIFP-Tukwila LP	262304-9136	17555 Southcenter Parkway	16555 NE 4TH ST #360	BELLEVEUE WA 98004	169,875	4.29	Yes	166,875	0	N/A	LDR	\$0.85	\$158,844	\$0	\$159,000	LDR	\$1.00	\$195,815	\$0	\$197,000	\$28,000	\$0.15	\$5,204	\$9.03	\$5,438.47	\$9.03
119	Castella Land Co Inc	262304-9096	Vacant land between Southcenter Parkway & I-5	PO BOX 1095	MENKIN ISLAND WA 98040	43,560	1.50	Yes	43,560	0	N/A	LDR	\$1.50	\$65,340	\$0	\$65,000	LDR-TSO	\$1.50	\$65,340	\$0	\$65,000	\$0	\$0.00	\$0	\$9.00	\$9.00	\$9.00
120	Segale Properties LLC*	262304-9085	17557 Southcenter Parkway	PO BOX 8928	TUKWILA WA 98138	23,087	0.53	Yes	23,087	0	N/A	LDR	\$1.50	\$34,631	\$0	\$35,000	LDR-TSO	\$1.50	\$34,631	\$0	\$35,000	\$0	\$0.00	\$0	\$9.00	\$9.00	\$9.00
121	Segale Properties LLC	352304-9025	5315 S 173th Street	PO BOX 8928	TUKWILA WA 98138	297,902	6.84	Yes	297,902	0	N/A	LDR	\$2.45	\$729,860	\$0	\$730,000	LDR-TSO	\$2.85	\$940,021	\$0	\$940,000	\$119,000	\$0.40	\$22,117	\$9.07	\$13,156.52	\$9.04
122	Segale Properties LLC	352304-9010	5315 S 173th Street	PO BOX 8929	TUKWILA WA 98138	121,400	2.79	Yes	121,400	0	N/A	TUC	\$1.80	\$218,520	\$0	\$219,000	LDR-TSO	\$2.10	\$254,840	\$0	\$255,000	\$36,000	\$0.70	\$6,091	\$9.95	\$2,547.27	\$9.92
123	City of Tukwila	352304-9034	18000 Southcenter Parkway	PO BOX 8928	TUKWILA WA 98138	255,200	5.86	Yes	255,200	0	N/A	MHO	\$7.40	\$1,888,547	\$0	\$1,889,000	MHO-TSO	\$9.10	\$2,067,199	\$0	\$2,067,000	\$178,000	\$0.70	\$33,032	\$9.13	\$34,573.15	\$9.14
124	Segale Properties LLC*	352304-9027	S 173th Street	PO BOX 8928	TUKWILA WA 98138	6,944	0.16	Yes	6,944	0	N/A	LDR	\$1.00	\$6,944	\$0	\$7,000	LDR-TSO	\$1.00	\$6,944	\$0	\$7,000	\$0	\$0.00	\$0	\$9.00	\$9.00	\$9.00
125	Rames Properties LLC	262304-9101	17555 Southcenter Parkway	133 SW 154TH ST	BURDEN WA 98160	42,981	0.99	No	42,981	8,762	1980	TUC	\$23.00	\$988,650	\$950,000	\$1,910,000	TUC-CC	\$25.00	\$1,974,525	\$950,000	\$2,905,000	\$86,000	\$2.00	\$15,984	\$9.37	\$16,708.38	\$9.39
126	Levin Tukwila LLC	352304-9087	17601 Southcenter Parkway	1311 NAMARONECK AVE STE 200	WHITE PLAINS NY 10995	361,112	8.29	No	361,112	155,289	1970	TUC	\$15.00	\$5,400,166	\$1,425,000	\$7,225,000	TUC-CC	\$20.00	\$7,222,540	\$1,425,000	\$8,647,000	\$722,000	\$2.00	\$34,118	\$9.37	\$40,234.92	\$9.39
127	Levin Tukwila LLC	352304-9088	17601 Southcenter Parkway	1311 NAMARONECK AVE STE 200	WHITE PLAINS NY 10995	72,615	1.57	No	72,615	0	see 126	TUC	\$15.00	\$1,307,070	\$0	\$1,307,000	TUC-CC	\$20.00	\$1,452,500	\$0	\$1,452,000	\$145,000	\$2.00	\$26,049	\$9.37	\$28,103.32	\$9.39
128	Andover Property Management	352304-9107	17655 Southcenter Parkway	415 BAKER BLVD #206	TUKWILA WA 98138	64,200	1.47	No	64,200	34,714	1978	TUC	\$18.00	\$1,155,600	\$2,900,000	\$4,055,000	TUC-CC	\$20.00	\$1,284,000	\$2,900,000	\$4,184,000	\$128,000	\$1.99	\$25,730	\$9.37	\$28,861.50	\$9.39
129	City of Tukwila	352304-9018	17800 Southcenter Parkway	PO BOX 8928	TUKWILA WA 98138	17,000	0.41	No	17,000	0	N/A	MHO	\$11.00	\$195,000	\$0	\$197,000	MHO-TSO	\$12.00	\$214,400	\$0	\$215,000	\$18,000	\$1.01	\$3,345	\$9.19	\$4,496.16	\$9.20
130	Kir Tukwila 050 LLC/KDC/KDC	352304-9095	17670 Southcenter Blvd	3333 NEW HYDE PK RD STE 100	NEW HYDE PARK NY 11042	264,083	6.06	No	264,083	274,113	1974	TUC	\$22.00	\$5,889,828	\$2,900,000	\$7,890,000	TUC-CC	\$23.50	\$6,258,851	\$2,900,000	\$9,159,000	\$378,000	\$1.50	\$71,399	\$9.23	\$76,915.55	\$9.29
131	Madison Investments LLC	352304-9128	17850 Southcenter Parkway	PO BOX 1922	BOZEMAN MT 59711	98,092	2.27	No	98,082	16,350	1969	TUC	\$24.00	\$2,368,368	\$700,000	\$3,068,000	TUC-CC	\$26.00	\$2,585,712	\$700,000	\$3,285,000	\$198,000	\$2.01	\$36,000	\$9.37	\$38,457.77	\$9.39
132	Urban Pacific Railroad	352304-9101	Hedraed R W S 140th Street	1416 DODGE ST #325	OMAHA NE 68109	118,550	2.64	Yes	110,550	0	N/A	TUC	\$5.00	\$582,750	\$0	\$593,000	TUC-W	\$5.00	\$582,750	\$0	\$593,000	\$0	\$0.00	\$0	\$9.00	\$9.00	\$9.00
133	AMB Property Corp	352304-9130	1115 Andover Park W	60 STATE ST STE 1200 CO RE TAX	BOSTON MA 02109	191,427	4.39	No	191,427	109,200	1979	TUC	\$14.00	\$2,670,978	\$2,900,000	\$5,480,000	TUC-W	\$14.50	\$2,735,400	\$2,900,000	\$5,578,000	\$96,000	\$0.50	\$17,842	\$9.09	\$19,946.10	\$9.10
134	AMB Property Corp	352304-9102	1121 Andover Park W	60 STATE ST STE 1200 CO RE TAX	BOSTON MA 02109	175,960	4.04	No	175,960	88,440	1977	TUC	\$15.00	\$2,651,420	\$2,100,000	\$4,651,000	TUC-W	\$15.00	\$2,699,400	\$2,100,000	\$4,730,000	\$88,000	\$0.50	\$16,355	\$9.09	\$19,942.34	\$9.10
135	Walton CWVA Southcenter 4 L	352304-9098	1141 Andover Park W	4673 WORLD PARKWAY CIR	ST LOUIS MO 63134	172,949	3.97	No	172,949	95,810	1973	TUC	\$14.50	\$2,507,701	\$4,210,000	\$6,723,000	TUC-W	\$15.00	\$2,944,255	\$4,210,000	\$6,859,000	\$36,000	\$0.50	\$15,984	\$9.09	\$16,793.85	\$9.10
136	Walton CWVA Southcenter 4 L	352304-9097	1161 Andover Park W	4673 WORLD PARKWAY CIR	ST LOUIS MO 63134	176,528	4.19	No	178,529	95,310	1975	TUC	\$14.50	\$2,538,656	\$4,210,000	\$6,804,000	TUC-W	\$15.00	\$2,972,420	\$4,210,000	\$6,839,000	\$39,000	\$0.50	\$16,341	\$9.09	\$17,286.58	\$9.10
137	Walton CWVA Southcenter 4 L	352304-9093	1185 Andover Park W	4673 WORLD PARKWAY CIR	ST LOUIS MO 63134	215,913	4.94	No	215,915	107,660	1972	TUC	\$15.00	\$3,235,225	\$4,735,000	\$7,960,000	TUC-W	\$15.50	\$3,322,733	\$4,735,000	\$8,058,000	\$108,000	\$0.50	\$20,033	\$9.09	\$20,979.97	\$9.10
138	Phillips James W MR and MRS	352304-9099	1129 Andover Park W	PO BOX 603	MEDINA WA 98039	84,455	1.94	No	84,456	55,326	1973	TUC	\$15.00	\$1,266,840	\$2,915,000	\$4,182,000	TUC-W	\$15.50	\$1,309,498	\$2,915,000	\$4,224,000	\$42,000	\$0.50	\$7,836	\$9.09	\$8,157.71	\$9.10
139	Hill Investment Company	352304-9091	1201 Andover Park E	PO BOX 700	MENKIN ISLAND WA 98040	292,086	6.71	No	292,086	162,041	1972	TUC	\$15.00	\$4,381,290	\$3,000,000	\$7,381,000	TUC-W	\$15.50	\$4,527,333	\$3,000,000	\$7,527,000	\$146,000	\$0.50	\$27,135	\$9.09	\$28,357.75	\$9.10
140	National Beverage Corp	352304-9072	1227 Andover Park E	8160 SW 10TH ST STE 4000	PLANTATION FL 33524	182,073	4.18	No	182,073	67,644	1968	TUC	\$15.00	\$2,731,095	\$2,900,000	\$4,731,000	TUC-W	\$15.50	\$2,822,152	\$2,900,000	\$4,822,000	\$91,000	\$0.50	\$16,918	\$9.09	\$17,625.04	\$9.10
141	Houghton Harbor LLC	352304-9084	1233 Andover Park E	1233 ANDOVER PARK E	TUKWILA WA 98138	39,204	0.93	No	39,204	13,948	1959	TUC	\$18.00	\$705,872	\$1,200,000	\$1,906,000	TUC-W	\$18.50	\$725,274	\$1,200,000	\$1,925,000	\$19,000	\$0.43	\$5,511	\$9.09	\$3,694.30	\$9.09
142	Houghton Harbor LLC	352304-9122	No site address	1233 ANDOVER PARK E	TUKWILA WA 98138	150	0.60	No	150	0	N/A	TUC	\$15.00	\$2,250	\$0	\$2,000	TUC-W	\$15.50	\$2,325	\$0	\$2,000	\$0	\$0.00	\$0	\$9.00	\$9.00	\$9.00
143	AMU Family LLC	352304-9095	6789 S 140th Street	PO BOX 2120	PORTLAND OR 97208	85,111	2.02	No	88,111	50,206	1972	TUC	\$15.00	\$1,271,665	\$2,110,000	\$3,482,000	TUC-W	\$15.50	\$1,348,721	\$2,110,000	\$3,476,000	\$44,000	\$0.50	\$1,178	\$9.09	\$8,546.17	\$9.10
144	Dandies LLC	352304-9085	1130 Andover Park W	4664 95TH AVE NE	YARROW POINT WA 98004	197,241	4.44	No	167,241	81,935	1970	TUC	\$16.00	\$2,675,456	\$3,675,000	\$6,350,000	TUC-W	\$16.50	\$2,759,477	\$3,675,000	\$6,434,000	\$81,000	\$0.50	\$15,426	\$9.09	\$16,122.19	\$9.10
145	CWC Realty LLC	352304-9074	1232 Andover Park W	1232 ANDOVER PARK W	TUKWILA WA 98138	109,754	2.52	No	109,754	60,400	1963	TUC	\$18.00	\$1,975,572	\$2,250,000	\$4,225,000	TUC-W	\$18.50	\$2,050,449	\$2,250,000	\$4,300,000	\$84,000	\$0.49	\$10,036	\$9.09	\$10,483.48	\$9.10
147	WACO Enterprise	352304-9092	1205 Andover Park W	PO BOX 8216	TUKWILA WA 98138	73,573	1.69	No	73,575	40,320	1972	TUC	\$16.00	\$1,177,200	\$1,975,000	\$3,152,000	TUC-W	\$16.50	\$1,213,338	\$1,975,000	\$3,189,000	\$37,000	\$0.50	\$6,877	\$9.09	\$7,186.55	\$9.10
148	Tri-Land Corporation	352304-9103	1251 Andover Park W	1325 4TH AVE SUITE #1940	SEATTLE WA 98101	183,899	4.22	No	183,899	100,036	1977	TUC	\$17.00	\$3,126,283	\$2,625,000	\$5,751,000	TUC-W	\$17.50	\$3,218,233	\$2,625,000	\$5,843,000	\$92,000	\$0.50	\$17,069	\$9.09	\$17,809.27	\$9.10
149	Boring Oregon Maasbi Trust	352304-9105	8929 S 140th Street	1325 4TH AVE SUITE #1940	SEATTLE WA 98101	138,473	3.18	No	138,478	57,432	1976	TUC	\$16.00	\$2,215,364	\$2,565,000	\$4,801,000	TUC-W	\$16.50	\$2,244,405	\$2,565,000	\$4,870,000	\$69,000	\$0.50	\$12,424	\$9.09	\$13,401.95	\$9.10
150	Madison Investments LLC	352304-9091	17800 Southcenter Parkway	PO BOX 1922	BOZEMAN MT 59711	260,475	5.96	No	260,436	53,060	1989	TUC	\$15.50	\$4,076,758	\$2,310,000	\$6,892,000	TUC-W	\$16.00	\$4,166,976	\$2,310,000	\$6,942,000	\$139,000	\$0.50	\$24,161	\$9.09	\$25,230.93	\$9.10
151	John C Radwisch LLC	022304-9049	No site address	2835 #2ND AVE SE STE 100	MENKIN ISLAND WA 98040	50,415	1.16	No	50,415	0	N/A	TUC	\$21.00	\$1,0													

City of Tukwila L.L.D. No. 33 -Tukwila Urban Center Access (Kilicklat) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	Area (SF)	Unbuildable Area	Buildable Land Area (SF)	Building Site (SF)	Year Built	Zoning without LID	H&BU without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	H&BU with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF
156	City of Seattle	252514-9072	Between Andover Park E & Christmas Rd	PO BOX 34014 SEATTLE WA 98124	8310	0.12	8310	0	N/A	TUC		\$5.00	\$41,550	\$0	\$42,000	TUC-TOD		\$5.00	\$41,550	\$0	\$42,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
157	City of Seattle	252504-9048	Between Christmas Rd and the river	PO BOX 34014 SEATTLE WA 98124	20,938	0.45	20,938	0	N/A	TUC		\$5.00	\$106,196	\$0	\$106,000	TUC-TOD		\$5.00	\$106,196	\$0	\$106,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
158	Park East Real Estate	02219-0404	139 Andover Park E	921 TERRY AVE SEATTLE WA 98104	80,599	1.85	80,599	44,594	1970	TUC		\$29.00	\$1,610,000	\$3,080,000	\$4,700,000	TUC-TOD		\$21.50	\$1,730,750	\$3,090,000	\$4,821,000	\$121,000	\$1.50	\$22,439	\$0.2X	\$23,591.97	\$9.29
159	City of Tukwila	068320-0920	Between Christmas Rd and the river	6200 SOUTH CENTER BLVD TUKWILA WA 98148	1,655	0.04	1,655	0	N/A	TUC		\$2.00	\$3,270	\$0	\$3,000	TUC-TOD		\$2.00	\$3,270	\$0	\$3,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
160	City of Tukwila	252504-9989	Between Christmas Rd and the river	6200 SOUTH CENTER BLVD TUKWILA WA 98148	63,598	1.45	63,598	0	N/A	TUC		\$2.00	\$127,196	\$0	\$127,000	TUC-TOD		\$2.00	\$127,196	\$0	\$127,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
161	City of Tukwila	252504-9991	Riverside trail	6200 SOUTH CENTER BLVD TUKWILA WA 98148	20,700	0.45	20,700	0	N/A	TUC		\$2.00	\$41,400	\$0	\$41,000	TUC-TOD		\$2.00	\$41,400	\$0	\$41,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
162	City of Tukwila	252504-9928	Between Christmas Rd and the river	6200 SOUTH CENTER BLVD TUKWILA WA 98148	51,661	1.19	51,661	0	N/A	TUC		\$2.00	\$103,322	\$0	\$103,000	TUC-TOD		\$2.00	\$103,322	\$0	\$103,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
168	BCRP Riverside Plaza LLC	252504-9977	18600 Christmas Road	248 HOMER AVE PALO ALTO CA 94301	106,286	2.44	106,286	48,550	1982	TUC		\$15.00	\$1,594,290	\$5,005,000	\$7,199,000	TUC-TOD		\$16.00	\$1,760,570	\$5,005,000	\$7,505,000	\$107,000	\$1.01	\$19,837	\$0.19	\$20,782.74	\$0.20
169	BCRP Riverside Plaza LLC	252504-9980	16940 Christmas Road	248 HOMER AVE PALO ALTO CA 94301	110,642	2.54	110,642	48,950	1981	TUC		\$15.00	\$1,659,630	\$5,520,000	\$7,180,000	TUC-TOD		\$16.00	\$1,770,272	\$5,520,000	\$7,290,000	\$110,000	\$0.99	\$20,444	\$0.18	\$21,365.43	\$0.19
170	BCRP Riverside Plaza LLC	252504-9978	16940 Christmas Road	248 HOMER AVE PALO ALTO CA 94301	152,896	3.51	152,896	77,810	1982	TUC		\$15.00	\$2,293,440	\$9,225,000	\$11,518,000	TUC-TOD		\$16.00	\$2,465,336	\$9,225,000	\$11,671,000	\$153,000	\$1.03	\$28,436	\$0.19	\$29,717.37	\$0.19
172	Andover Plaza LLC	02219-0499	220 Andover Park E	1591 N 207TH ST SHORELINE WA 98133	113,977	2.52	113,977	52,185	1995	TUC		\$29.00	\$2,279,540	\$4,170,000	\$6,450,000	TUC-TOD		\$21.50	\$2,450,596	\$4,170,000	\$6,621,000	\$171,000	\$1.50	\$31,731	\$0.2X	\$33,213.53	\$0.29
173	Rosellina Properties LLC	02219-0106	230 Andover Park E	340 ANDOVER PARK E SEATTLE WA 98188	29,829	0.68	29,829	20,934	1984	TUC		\$29.00	\$858,580	\$1,090,000	\$1,697,000	TUC-TOD		\$21.50	\$641,324	\$1,100,000	\$1,741,000	\$44,000	\$1.43	\$8,178	\$0.27	\$8,549.17	\$0.29
174	Rosellina Properties LLC	02219-0932	340 Andover Park E	340 ANDOVER PARK E TUKWILA WA 98188	15,545	0.35	15,545	0	N/A	TUC		\$29.00	\$39,900	\$0	\$39,000	TUC-TOD		\$21.50	\$35,571.6	\$0	\$35,000	\$25,000	\$1.51	\$4,646	\$0.28	\$4,855.78	\$0.29
175	RWP LLC	02219-0010	200 Andover Park E	7312 SE CLIFTONS DR SNOHOMISH WA 98065	67,668	1.55	67,668	25,380	1971	TUC		\$21.00	\$1,421,028	\$1,910,000	\$3,331,000	TUC-TOD		\$22.50	\$1,522,530	\$1,910,000	\$3,433,000	\$102,000	\$1.51	\$18,357	\$0.28	\$19,811.58	\$0.29
176	Strander Associates LLC	022520-0940	510 Strander Blvd	1550 S 24TH PL DES MOINES WA 98198	49,344	1.13	49,344	25,600	1975	TUC		\$18.00	\$888,192	\$900,000	\$1,788,000	TUC-TOD		\$19.00	\$957,536	\$900,000	\$1,838,000	\$50,000	\$1.01	\$9,293	\$0.19	\$9,711.58	\$0.20
177	Chm. Bob	022520-0941	512 Strander Blvd	512 STRANDER BLVD TUKWILA WA 98188	30,168	0.69	30,168	16,900	1969	TUC		\$18.00	\$543,824	\$1,450,000	\$1,991,000	TUC-TOD		\$19.00	\$593,192	\$1,450,000	\$2,023,000	\$30,000	\$0.99	\$5,576	\$0.18	\$5,825.94	\$0.19
178	North Family Trust	022520-0942	510 Strander Blvd	415 BAKER BLVD #250 TUKWILA WA 98188	20,114	0.45	20,114	4,500	1972	TUC		\$18.00	\$362,052	\$210,000	\$372,000	TUC-TOD		\$19.00	\$421,166	\$210,000	\$392,000	\$20,000	\$0.99	\$3,717	\$0.18	\$3,884.62	\$0.19
179	Wellness Properties LLC	022520-0951	505 Strander Blvd	415 BAKER BLVD #200 TUKWILA WA 98188	46,683	1.07	46,683	16,130	1959	TUC		\$20.00	\$353,600	\$395,000	\$1,529,000	TUC-TOD		\$21.50	\$1,063,685	\$395,000	\$1,559,000	\$70,000	\$1.50	\$13,019	\$0.2X	\$13,596.18	\$0.29
180	WA Civil Insurance Authority	022520-0666	320 Andover Park E	14900 INTERURBAN AVE S #210 SEATTLE WA 98148	54,325	1.25	54,325	26,024	1975	TUC		\$18.00	\$327,850	\$2,580,000	\$3,528,000	TUC-TOD		\$19.00	\$1,002,175	\$2,580,000	\$3,582,000	\$54,000	\$0.99	\$10,006	\$0.18	\$10,488.48	\$0.19
183	Blue Dog Properties	022440-0910	596 Industry Drive	C/O THOMPSON REUTERS PTS PO BOX 847 CARLSBAD CA 92018	162,122	3.25	162,122	65,634	1973	TUC		\$14.00	\$2,259,708	\$3,640,000	\$5,910,000	TUC-TOD		\$15.00	\$2,431,330	\$3,640,000	\$5,972,000	\$162,000	\$1.00	\$30,109	\$0.19	\$31,465.45	\$0.19
184	Blue Dog Properties	022440-0909	515 Industry Drive	C/O THOMPSON REUTERS PTS PO BOX 847 CARLSBAD CA 92018	140,265	3.22	140,265	0	N/A	TUC		\$14.50	\$2,032,973	\$1,930,000	\$3,063,000	TUC-W		\$14.00	\$4,097,658	\$5,500,000	\$10,193,000	\$376,000	\$1.00	\$52,448	\$0.19	\$65,201.68	\$0.19
185	Blue Dog Properties	252504-9908	610 Industry Drive	C/O THOMPSON REUTERS PTS PO BOX 847 CARLSBAD CA 92018	335,547	7.70	335,547	112,975	1972	TUC		\$13.00	\$4,352,111	\$5,500,000	\$9,062,000	TUC-W		\$14.00	\$4,697,658	\$5,500,000	\$10,193,000	\$376,000	\$1.00	\$52,448	\$0.19	\$65,201.68	\$0.19
186		022336-0010	551 Strander Blvd	17TH ST 17TH FLX DENVER CO 80202	333,597	7.66	333,597	162,450	1965	TUC		\$14.00	\$4,670,355	\$3,650,000	\$7,300,000	TUC-TOD		\$15.00	\$5,003,955	\$3,650,000	\$8,654,000	\$334,000	\$1.00	\$52,076	\$0.19	\$64,373.22	\$0.19
187	Walton CWVA Tukwila 1 LLC	022336-0020	611 Strander Blvd	4679 WORLD PARKWAY CIR ST LOUIS MO 63134	247,500	5.48	247,500	101,432	1974-1996	TUC		\$14.00	\$3,465,000	\$7,145,000	\$10,610,000	TUC-TOD		\$15.00	\$3,712,500	\$7,145,000	\$10,859,000	\$248,000	\$1.00	\$46,092	\$0.19	\$48,169.33	\$0.19
188	King County	252504-9909	79th Ave	590 KC ADMIN BLDG SEATTLE WA 98104	12,258	0.28	12,258	0	N/A	TUC		\$2.00	\$24,516	\$0	\$25,000	TUC-W		\$2.00	\$24,516	\$0	\$25,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
189	Union Pacific Railroad	252504-9972	6800 Industry Drive	1415 DODDGE ST #325 OMAHA NE 68179	143,498	3.59	143,498	0	N/A	TUC		\$5.00	\$719,740	\$0	\$719,000	TUC-TOD		\$5.00	\$719,040	\$0	\$719,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
190	Union Pacific Railroad	252504-9149	No site address	1400 DOUGLAS ST #140 OMAHA NE 68179	126,665	0.45	126,665	0	N/A	TUC		\$5.00	\$629,230	\$0	\$629,000	TUC-W		\$5.00	\$629,230	\$0	\$629,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
192	R2K Investments LLC	022340-0971	413 Andover Park E	9779 S 167TH ST KENT WA 98032	49,440	1.13	49,440	27,900	1959	TUC		\$15.50	\$766,320	\$825,000	\$1,591,000	TUC-W		\$16.50	\$815,769	\$825,000	\$1,641,000	\$59,000	\$1.01	\$9,293	\$0.19	\$9,711.55	\$0.20
193	City of Tukwila	022440-0999	444 Andover Park E	6200 SOUTH CENTER BLVD TUKWILA WA 98188	81,000	1.86	81,000	15,519	1975	TUC		\$15.50	\$1,255,200	\$2,000,000	\$3,250,000	TUC-W		\$16.50	\$1,336,300	\$2,000,000	\$3,337,000	\$81,000	\$1.00	\$15,054	\$0.19	\$15,752.73	\$0.19
194		252504-9903	480 Andover Park E	PO BOX 420 STAMFORD CT 06904	60,759	1.39	60,759	44,993	1970	TUC		\$15.50	\$941,625	\$2,425,000	\$3,367,000	TUC-W		\$16.50	\$1,002,375	\$2,425,000	\$3,427,000	\$99,000	\$0.99	\$11,151	\$0.18	\$11,653.87	\$0.19
195	Comco Inc Tax Dept	252504-9907	560 Andover Park E	PO BOX 420 STAMFORD CT 06904	45,909	1.03	45,909	27,384	1971	TUC		\$15.50	\$711,450	\$1,900,000	\$2,211,000	TUC-W		\$16.50	\$757,349	\$1,900,000	\$2,257,000	\$46,000	\$1.00	\$5,540	\$0.19	\$6,994.63	\$0.19
196	Union Pacific Railroad	252504-9118	Andover Park E	1415 DODDGE ST #325 OMAHA NE 68179	125,996	2.89	125,996	0	N/A	TUC		\$2.00	\$251,992	\$0	\$252,000	TUC-W		\$2.00	\$251,992	\$0	\$252,000	\$0	\$0.00	\$0	\$0.00	\$0.00	\$0.00
197	Walton CWVA Tukwila 1 LLC	252504-9904	825 Industry Drive	4678 WORLD PARKWAY CIR ST LOUIS MO 63134	251,238	5.77	251,238	92,900	1973	TUC		\$13.00	\$3,266,004	\$3,970,000	\$7,236,000	TUC-W		\$13.50	\$3,591,713	\$3,970,000	\$7,362,000	\$126,000	\$0.50	\$23,418	\$0.09	\$24,473.13	\$0.10
198	Walton CWVA Tukwila 1 LLC	252504-9915	800 Industry Drive	4678 WORLD PARKWAY CIR ST LOUIS MO 63134	338,897	7.76	338,897	114,112	1975	TUC		\$13.00	\$4,405,861	\$4,980,000	\$9,386,000	TUC-W		\$13.50	\$4,575,110	\$4,980,000	\$9,475,000	\$169,000	\$0.50	\$31,410	\$0.06	\$32,825.07	\$0.10
199	Walton CWVA Tukwila 1 LLC	252504-9971	1000 Industry Drive	4678 WORLD PARKWAY CIR ST LOUIS MO 63134	468,729	10.58	468,729	170,695	1973	TUC		\$13.00	\$5,508,477	\$5,720,000	\$11,399,000	TUC-W		\$13.50	\$6,219,842	\$5,720,000	\$11,940,000	\$231,000	\$0.50	\$42,933	\$0.06	\$44,867.40	\$0.10
200	Densky, Howard V	252504-9190	600 Andover Park E	4000 ANDOVER PARK E TUKWILA WA 98188	40,590	0.93	40,590	24,900	1974	TUC		\$14.00	\$567,000	\$975,000	\$1,542,000	TUC-W		\$15.00	\$607,500	\$975,000	\$1,585,000	\$41,000	\$1.01	\$7,620	\$0.19	\$7,965.48	\$0.20
201	790 Andover LLC	252504-9995	790 Andover Park E	PO BOX 287 MEDINA WA 98039	113,475	2.61	113,475	63,720	1974	TUC		\$15.00	\$1,702,125	\$3,860,000													

City of Tukwila L.L.D. No. 33 - Tukwila Urban Center Access (RiteRite) Project - Revised Final Assessment Roll - Adopted 10/21/13

Map No.	Ownership	Tax Parcel Number	Site Address	Mailing Address	Gross Land Area (SF)	Gross Land Area (Acres)	Unbuildable Areas	Buildable Land Area (SF)	Building Size (SF)	Year Built	Zoning without LID	HABR without LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Zoning with LID	HABR with LID	Land Value Per SF	Land Value	ECV Improvements	Probable Market Value	Special Benefit	Special Benefit Per SF	February 2013 Assessment	Assessment Per SF	Revised Assessment	Assessment Per SF
205	1095 Andover Associates	262304-9105	950 Andover Park E	5620 S 192ND PL BLDG J KENT WA 98022	80,340	1.84	No	30,349	41,266	1975	TUC		\$15.00	\$1,205,235	\$1,745,000	\$2,950,000	TUC-W		\$14.00	\$1,285,484	\$1,745,000	\$3,051,000	\$81,000	\$1.01	\$15,654	\$9.10	\$15,752.73	\$9.20
206	1095 Andover Associates	262304-9101	1060 Andover Park E	9444 40TH AVE SE SEATTLE WA 98116	97,215	2.23	No	97,215	51,699	1971	TUC		\$14.00	\$1,361,600	\$1,790,000	\$3,151,000	TUC-W		\$14.50	\$1,409,618	\$1,799,000	\$3,260,000	\$49,000	\$0.50	\$9,107	\$9.09	\$9,517.31	\$9.10
207	Costco Wholesale Corp	262304-9087	70th Avenue S	993 LAKE DRIVE ISSAQUAH WA 98027	111,949	2.57	No	111,949	0	N/A	TUC		\$12.00	\$1,343,738	\$0	\$1,343,000	TUC-W		\$12.50	\$1,399,363	\$0	\$1,399,000	\$56,000	\$0.50	\$19,408	\$9.99	\$19,858.99	\$9.10
208	Costco Wholesale Corp	262304-9085	400 Costco Drive	585 POINT SAN PEDRO RD SAN RAFAEL CA 94901	471,755	10.83	No	471,755	222,968	1970	TUC		\$12.00	\$5,661,669	\$8,200,000	\$18,351,000	TUC-W		\$12.50	\$5,826,258	\$8,229,000	\$14,007,000	\$246,000	\$0.50	\$43,602	\$9.09	\$45,358.56	\$9.10
209	Costco Wholesale Corp	262304-9089	1200 Andover Park E	585 POINT SAN PEDRO RD SAN RAFAEL CA 94901	14,893	0.34	Yes	14,893	0	N/A	TUC		\$6.00	\$89,358	\$0	\$89,000	TUC-W		\$6.00	\$89,358	\$0	\$89,000	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
210	Anchorstar	262304-9083	1024 Andover Park E	585 POINT SAN PEDRO RD SAN RAFAEL CA 94901	45,478	1.11	No	48,478	10,258	1974	TUC		\$12.00	\$581,736	\$590,000	\$1,082,000	TUC-W		\$12.50	\$605,975	\$590,000	\$1,105,000	\$24,000	\$0.50	\$4,461	\$9.09	\$4,661.55	\$9.10
211	Lenhold, Donald W	262304-9088	1120 Andover Park E	7233 W MERCER WAY MERCER ISLAND WA 98040	46,161	1.06	No	46,161	24,001	1971	TUC		\$13.00	\$609,093	\$1,200,000	\$1,300,000	TUC-W		\$13.50	\$623,174	\$1,209,000	\$1,825,000	\$23,000	\$0.50	\$4,275	\$9.09	\$4,407.32	\$9.10
212	Kohn Ann M and Lynn M	262304-9081	1150 Andover Park E	14915 29TH PL SE ISSAQUAH WA 98027	25,096	0.58	No	25,096	13,658	1970	TUC		\$16.00	\$401,370	\$790,000	\$1,101,000	TUC-W		\$16.50	\$413,919	\$799,000	\$1,114,000	\$13,000	\$0.52	\$2,416	\$9.10	\$2,525.01	\$9.10
213	Pesch, William J	262304-9089	1150 Andover Park E	1150 ANNOVER PARK E TUNWILA WA 98138	31,218	0.72	No	31,218	13,824	1970, 1999	TUC		\$16.00	\$499,488	\$790,000	\$1,129,000	TUC-W		\$16.50	\$515,697	\$790,000	\$1,215,000	\$16,000	\$0.53	\$2,974	\$9.10	\$3,107.70	\$9.10
215	Gray Cat Collective LLC	262304-9077	1200 Andover Park E	5430 45TH AVE W SEATTLE WA 98199	35,877	0.82	No	35,877	0	N/A	TUC		\$14.00	\$502,278	\$0	\$502,000	TUC-W		\$14.50	\$520,217	\$0	\$520,000	\$18,000	\$0.50	\$3,345	\$9.09	\$3,496.15	\$9.10
216	Gray Cat Collective LLC	262304-9075	1210 Andover Park E	5430 45TH AVE W SEATTLE WA 98199	85,546	1.96	No	85,546	93,740	1968	TUC		\$14.00	\$1,197,644	\$1,160,000	\$2,356,000	TUC-W		\$14.50	\$1,240,417	\$1,160,000	\$2,400,000	\$42,000	\$0.40	\$7,806	\$9.09	\$8,056.16	\$9.10
217	Gray Cat Collective LLC	262304-9079	1228 Andover Park E	5430 45TH AVE W SEATTLE WA 98199	35,020	0.80	No	35,020	18,952	1957	TUC		\$14.00	\$499,289	\$590,000	\$999,000	TUC-W		\$14.50	\$507,799	\$590,000	\$1,099,000	\$18,000	\$0.51	\$3,345	\$9.10	\$3,496.16	\$9.10
218	Gray Cat Collective LLC	262304-9069	1200 Andover Park E	5430 45TH AVE W SEATTLE WA 98199	63,202	1.45	No	63,202	20,735	1967	TUC		\$15.00	\$948,600	\$540,000	\$1,488,000	TUC-W		\$15.50	\$979,631	\$540,000	\$1,520,000	\$33,000	\$0.51	\$5,947	\$9.09	\$6,215.40	\$9.10
219	Costco Wholesale Corp	262304-9107	441 Costco Drive	999 LAKE DRIVE ISSAQUAH WA 98027	194,105	4.46	No	194,105	97,823	1997	TUC		\$12.00	\$2,329,260	\$2,200,000	\$4,529,000	TUC-W		\$12.50	\$2,426,313	\$2,200,000	\$4,625,000	\$97,000	\$0.50	\$18,028	\$9.09	\$18,540.43	\$9.10
220	City of Tukwila	262304-9046	Christian Greenbark Blvd	6260 SOUTH CENTER BLVD TUNWILA WA 98138	89,298	2.05	Yes	89,298	0	N/A	TUC		\$2.00	\$178,596	\$0	\$179,000	TUC-W		\$2.00	\$178,596	\$0	\$179,000	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
222	UD Development of Maryland Inc	262304-9074	6410 S 180th Street	PO BOX 105442 ATLANTA GA 30338	602,743	13.84	No	602,743	149,524	1969	TUC		\$12.50	\$7,232,916	\$6,615,000	\$13,848,000	TUC-W		\$12.50	\$7,514,298	\$6,615,000	\$11,449,000	\$304,000	\$0.50	\$55,943	\$9.09	\$58,453.50	\$9.10
223	Maria Harris	262304-9071	1224 Andover Park E	5360 LANSOWNE LN MERCER ISLAND WA 98040	44,283	1.02	No	44,283	26,574	1957	TUC		\$15.00	\$664,245	\$1,900,000	\$1,954,000	TUC-W		\$15.50	\$686,397	\$1,909,000	\$1,985,000	\$22,000	\$0.50	\$4,039	\$9.09	\$4,278.00	\$9.10
224	SEF D L P L Y D P T N R S I P	262304-9106	6404 S 180th Street	PO BOX 5350 BEND OR 97708	50,094	1.15	No	50,094	13,799	1968	TUC		\$15.00	\$751,410	\$1,000,000	\$1,751,000	TUC-W		\$15.50	\$776,457	\$1,000,000	\$1,775,000	\$25,000	\$0.50	\$4,645	\$9.09	\$4,855.78	\$9.10
225	Heartland Auto Service	262304-9020	6818 S 180th Street	11700 DAVENPORT ST OMAHA NE 68154	13,971	0.32	No	13,971	1,944	1999	TUC		\$16.00	\$223,556	\$400,000	\$524,000	TUC-W		\$16.50	\$230,522	\$400,000	\$631,000	\$7,000	\$0.50	\$1,301	\$9.09	\$1,399.02	\$9.10
226	Tukwila TT LLC	262304-9110	6823 S 180th Street	3930 MAPLE VALLEY HWY KEYTOWN WA 98058	22,712	0.52	No	22,712	2,256	1999	TUC		\$16.00	\$163,392	\$450,000	\$401,000	TUC-W		\$16.50	\$173,718	\$450,000	\$525,000	\$12,000	\$0.53	\$2,330	\$9.10	\$2,397.77	\$9.10
227	Wells Fargo Bank	262304-9070	6847 S 180th Street	PO BOX 2060 CARLSBAD CA 92018	65,862	1.51	No	65,862	15,560	1963	TUC		\$15.00	\$987,930	\$520,000	\$1,608,000	TUC-W		\$15.50	\$1,020,851	\$520,000	\$1,641,000	\$33,000	\$0.50	\$6,133	\$9.09	\$6,499.93	\$9.10
228	First Interstate Bank	262304-9085	6845 S 180th Street	PO BOX 2060 CARLSBAD CA 92018	55,500	1.27	No	55,500	16,653	2009	TUC		\$15.00	\$82,269	\$1,875,000	\$2,708,000	TUC-W		\$15.50	\$86,259	\$1,475,000	\$2,735,000	\$27,000	\$0.49	\$5,011	\$9.09	\$5,241.24	\$9.09
229	City of Tukwila	262304-9062	6919 S 180th Street	5290 SOUTH CENTER BLVD TUNWILA WA 98138	17,424	0.40	Yes	17,424	0	N/A	TUC		\$3.00	\$87,120	\$0	\$87,000	TUC-W		\$3.00	\$87,120	\$0	\$87,000	\$0	\$0.00	\$0.00	\$0.00	\$0.00	
230	City of Tukwila	262304-9093	6791 S 180th Street	5290 SOUTH CENTER BLVD TUNWILA WA 98138	13,058	0.30	Yes	13,058	0	N/A	TUC		\$3.00	\$65,340	\$0	\$65,000	TUC-W		\$3.00	\$65,340	\$0	\$65,000	\$0	\$0.00	\$0.00	\$0.00	\$0.00	
231	Segale Properties LLC	262304-9055	18009 Andover Park W	PO BOX 88028 TUNWILA WA 98138	70,594	1.62	No	70,594	26,670	1987	TUC		\$15.00	\$1,058,910	\$2,600,000	\$3,658,000	TUC-TSO		\$15.50	\$1,094,237	\$2,600,000	\$3,724,000	\$35,000	\$0.50	\$6,505	\$9.09	\$7,099.40	\$9.10
232	Segale Properties LLC	262304-9120	6101 S 180th Street	PO BOX 88028 TUNWILA WA 98138	329,742	7.57	No	329,742	216,348	1995, 2001	TUC		\$15.00	\$4,946,130	\$5,975,000	\$10,921,000	TUC-TSO		\$15.50	\$5,111,001	\$5,975,000	\$11,085,000	\$165,000	\$0.50	\$30,665	\$9.09	\$32,974.20	\$9.10
233	Segale Properties LLC	262304-9043	No site address	PO BOX 53026 TUNWILA WA 98138	534,679	12.25	Yes	534,679	0	N/A	LDR		\$5.50	\$2,941,490	\$0	\$2,941,500	LDR-TSO		\$5.20	\$3,315,799	\$0	\$3,315,000	\$375,000	\$0.70	\$99,095	\$9.11	\$41,450.70	\$9.08
235	Segale Properties LLC	262304-9078	5555 S 170th Street	PO BOX 88028 TUNWILA WA 98138	41,191	0.95	Yes	41,191	1,380	1963	LDR		\$4.80	\$197,717	\$290,000	\$478,000	LDR-TSO		\$5.00	\$230,670	\$280,000	\$511,000	\$33,000	\$0.80	\$6,133	\$9.15	\$3,192.59	\$9.08
236	Segale Properties LLC	262304-9090	5555 S 170th Street	PO BOX 88028 TUNWILA WA 98138	8,409	0.19	No	8,409	1,010	1923	LDR		\$6.00	\$59,400	\$150,000	\$200,000	LDR-TSO		\$7.00	\$58,600	\$150,000	\$209,000	\$9,000	\$1.07	\$1,675	\$9.20	\$61.05	\$9.03
237	Segale Properties LLC	262304-9109	No site address	PO BOX 88028 TUNWILA WA 98138	155,309	3.57	No	155,309	0	N/A	LDR		\$5.00	\$776,545	\$0	\$777,000	LDR-TSO		\$5.85	\$988,558	\$0	\$990,000	\$132,000	\$0.85	\$24,533	\$9.16	\$12,107.55	\$9.08
238	URE Management Services Inc	262304-9091	5901 S 180th Street	4260 ROCKLIN RD #9 ROCKLIN CA 95677	208,652	4.79	No	208,652	61,658	1995, 2000	TUC		\$15.00	\$3,120,780	\$4,040,000	\$11,170,000	TUC-TSO		\$16.00	\$3,338,432	\$4,040,000	\$11,378,000	\$208,000	\$1.00	\$38,658	\$9.10	\$40,400.09	\$9.19
239	City of Tukwila	262304-9040	No site address	PO BOX 88028 TUNWILA WA 98138	71,002	1.63	Yes	71,002	0	N/A	MCO		\$19.45	\$741,971	\$0	\$742,000	MCO-TSO		\$11.40	\$809,423	\$0	\$809,000	\$57,000	\$0.84	\$12,452	\$9.13	\$13,013.45	\$9.13
240	Wells Fargo Bank	262304-9017	6845 S 180th Street	PO BOX 2060 CARLSBAD CA 92018	35,902	0.82	No	35,902	0	N/A	TUC		\$10.00	\$359,020	\$0	\$359,000	TUC-W		\$10.25	\$367,996	\$0	\$368,000	\$9,000	\$0.25	\$1,375	\$9.05	\$1,748.04	\$9.05
241	Wells Fargo Bank	262304-9017	6845 S 180th Street	PO BOX 2060 CARLSBAD CA 92018	39,264	0.90	No	39,264	20,250	1977	TUC		\$11.00	\$471,464	\$1,220,000	\$2,692,000	TUC-W		\$11.25	\$491,720	\$1,220,000	\$2,711,000	\$29,000	\$0.25	\$3,717	\$9.05	\$3,884.62	\$9.05
242	Zilberstein, Joseph	262304-9087	6801 S 180th Street	710 9TH AVE SEATTLE WA 98104	251,390	5.77	No	251,390	62,250	1975, 2000	TUC		\$12.00	\$3,015,600	\$545,000	\$3,560,000	TUC-W		\$12.25	\$3,078,423	\$545,000	\$3,623,000	\$62,000	\$0.25	\$11,223	\$9.03	\$12,042.33	\$9.05
245	Segale Properties LLC	262304-9116	18500 Andover Park West	PO BOX 88028 TUNWILA WA 98138	232,770	5.34	Yes	232,770	3,465	1972	HI		\$4.75	\$1,055,658														

City of Tukwila Public Notice of Ordinance Adoption for Ordinances 2412-2416.

On October 21, 2013 the City Council of the City of Tukwila, Washington, adopted the following ordinances, the main points of which are summarized by title as follows:

Ordinance 2412: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2408 RELATING TO THE ASSESSMENT ROLL FOR KLUCKITAT LOCAL IMPROVEMENT DISTRICT NO. 33, BY THE REPLACEMENT OF THE FINAL ASSESSMENT ROLL ATTACHED THERETO AS EXHIBIT B WITH A REVISED EXHIBIT B REFLECTING THE UPDATED PROPERTY OWNER INFORMATION; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2413: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING THE CITY OF TUKWILA COMPREHENSIVE PLAN IN COMPLIANCE WITH THE REQUIREMENTS OF THE GROWTH MANAGEMENT ACT, PER RCW 36.70A.130; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2414: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NO. 1018, AS CODIFIED AT TUKWILA MUNICIPAL CODE CHAPTER 2.32; REENACTING TUKWILA MUNICIPAL CODE CHAPTER 2.32, "PARK COMMISSION," TO UPDATE AND ESTABLISH REGULATIONS REGARDING MEMBERSHIP, FUNCTION, OBJECTIVES, AND MEETINGS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2415: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, GRANTING A NON-EXCLUSIVE FRANCHISE TO ELECTRIC LIGHTWAVE, LLC, A DELAWARE STATE LIMITED LIABILITY COMPANY LEGALLY AUTHORIZED TO CONDUCT BUSINESS IN THE STATE OF WASHINGTON, FOR THE PURPOSES OF CONSTRUCTING, OPERATING, AND MAINTAINING A TELECOMMUNICATIONS SYSTEM IN CERTAIN PUBLIC RIGHTS-OF-WAY IN THE CITY; REPEALING ORDINANCE NO. 1968; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2416: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING TUKWILA MUNICIPAL CODE SECTION 2.05.010 TO FIX THE AMOUNT OF COMPENSATION FOR COUNCILMEMBERS FOR YEARS 2014 THROUGH 2017; REPEALING ORDINANCE NO. 2357; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of these ordinances will be provided upon request.

Christy O'Flaherty, MMC, City Clerk

Published Seattle Times: October 24, 2013



Tukwila City Council

City Hall Council Chambers

Regular Meeting

October 21, 2013– 7:00 P.M.

MINUTES

REGULAR MEETING

CALL TO ORDER/PLEDGE OF ALLEGIANCE/ROLL CALL

Mayor Haggerton called the Regular Meeting of the Tukwila City Council to order at 7:05 p.m. and led the audience in the Pledge of Allegiance.

ROLL CALL

Christy O'Flaherty, City Clerk, called the roll of the Council. Present were Councilmembers Joe Duffie, Dennis Robertson, Allan Ekberg, Kathy Hougardy, De'Sean Quinn and Kate Kruller.

MOVED BY DUFFIE, SECONDED BY KRULLER TO EXCUSE COUNCILMEMBER SEAL FROM THE MEETING. MOTION CARRIED 6-0.

CITY OFFICIALS

Jim Haggerton, Mayor; David Cline, City Administrator; Shelley Kerslake, City Attorney; Peggy McCarthy, Finance Director; Vicky Carlsen, Deputy Finance Director; Rick Still, Parks and Recreation Director; Dave Johnson, Parks and Recreation Superintendent; Nora Gierloff, Community Development Deputy Director; Bob Giberson, Public Works Director; Chris Flores, Acting Fire Chief; Bruce Linton, Assistant Police Chief; Evie Boykan, Human Services Manager; Mary Miotke, IT Director; Laurel Humphrey, Council Analyst; Christy O'Flaherty, City Clerk.

CITIZEN COMMENTS

Ron Lamb, 4251 South 139th Street, asked the Council to consider naming the pea patch at Southgate Park **Gully Gardens** in memory of Betty and Paul Gully. Some of their many accomplishments include being both scout and school leaders, and Betty ran school levies and was involved in the Rainier Symphony. She was also a part of Vision Tukwila and the Tukwila Children's Foundation, and both Betty and Paul worked on annexing their area into the City of Tukwila. They operated their own business here and also put down their roots here and contributed continually to the community. Betty and Paul were constantly available to tend to the needs of Tukwila. Mr. Lamb has spoken to Betty and Paul's family members and they are supportive of the name change.

The Councilmembers spoke highly of Betty and Paul Gully and were supportive of the name change and inquired about the process for renaming the pea patch.

Dave Johnson, Parks and Recreation Superintendent, explained that naming of park-related properties is a function of the Parks Commission, and then a recommendation is forwarded to the City Council. The next meeting of the Parks Commission is November 20, 2013. A request was made to expedite the process, and Mr. Johnson said he would explore options.

CONSENT AGENDA

- a. Approval of Minutes: 10/7/13 (Regular Mtg.)
- b. Approval of Vouchers: #364569-364680; #130900 in the amount of \$1,457,713.42
- c. Accept as complete the Tukwila Levee Repair and Maintenance Project related to the Howard Hanson Dam flood response (contract #12-093) with Goodfellow Bros., Inc., and authorize release of retainage, subject to the standard claim and lien release procedures (final contract total: \$1,255,044.42).
[Reviewed and forwarded to Consent by Utilities Committee on 10/7/13.]

d. A resolution authorizing the cancellation of outstanding General Fund claims and payroll checks.
[Reviewed and forwarded to Consent by Finance and Safety Committee on 10/8/13.]

RESOLUTION 1801

e. An ordinance amending Ordinance No. 2408 relating to the assessment roll for Klickitat Local Improvement District No. 33 by replacement of the final assessment roll. *[Reviewed and forwarded to Consent by Finance and Safety Committee on 10/8/13.]* **ORDINANCE 2412**

f. Authorize the Mayor to sign a contract with King County for Community Development Block Grant (CDBG) funds for the 2013 Minor Home Repair Program.

[Reviewed and forwarded to Consent by Community Affairs and Parks Committee on 10/14/13.]

g. Authorize the Mayor to sign a five-year lease with the Way Back Inn for the Kennedy's Cottage property located at 15421 42nd Avenue S.

[Reviewed and forwarded to Consent by Community Affairs and Parks Committee on 10/14/13.]

MOVED BY DUFFIE, SECONDED BY ROBERTSON THAT THE CONSENT AGENDA BE APPROVED AS SUBMITTED. MOTION CARRIED 6-0.

UNFINISHED BUSINESS

a. An ordinance amending the City of Tukwila Comprehensive Plan in compliance with the requirements of the Growth Management Act, per RCW 36.70A.130.

MOVED BY DUFFIE, SECONDED BY ROBERTSON THAT THE PROPOSED ORDINANCE BE READ BY TITLE ONLY. MOTION CARRIED 6-0.

Christy O'Flaherty, City Clerk, read the proposed ordinance by title only.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING THE CITY OF TUKWILA COMPREHENSIVE PLAN IN COMPLIANCE WITH THE REQUIREMENTS OF THE GROWTH MANAGEMENT ACT, PER RCW 36.70A.130; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

MOVED BY DUFFIE, SECONDED BY ROBERTSON THAT THE PROPOSED ORDINANCE BE ADOPTED AS READ.*

Nora Gierloff, Community Development Deputy Director, relayed that the changes requested at the prior Committee of the Whole meeting were included in the packet for this evening's meeting.

***MOTION CARRIED 6-0, TO ADOPT ORDINANCE NUMBER 2413.**

b. An ordinance repealing Ordinance No. 1018, as codified at Tukwila Municipal Code Chapter 2.32, reenacting Tukwila Municipal Code Chapter 2.32, "Park Commission," to update and establish regulations regarding membership, function, objectives, and meetings.

MOVED BY EKBERG, SECONDED BY DUFFIE THAT THE PROPOSED ORDINANCE BE READ BY TITLE ONLY. MOTION CARRIED 6-0.

Christy O'Flaherty, City Clerk, read the proposed ordinance by title only.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NO. 1018, AS CODIFIED AT TUKWILA MUNICIPAL CODE CHAPTER 2.32; REENACTING TUKWILA MUNICIPAL CODE CHAPTER 2.32, "PARK COMMISSION," TO UPDATE AND ESTABLISH REGULATIONS REGARDING MEMBERSHIP, FUNCTION, OBJECTIVES, AND MEETINGS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

MOVED BY DUFFIE, SECONDED BY HOUGARDY THAT THE PROPOSED ORDINANCE BE ADOPTED AS READ. MOTION CARRIED 6-0, TO ADOPT ORDINANCE NUMBER 2414.

c. An ordinance granting a non-exclusive franchise to Electric Lightwave, LLC, for the purpose of constructing, operating, and maintaining a telecommunications system in certain public rights-of-way in the City.

MOVED BY DUFFIE, SECONDED BY ROBERTSON THAT THE PROPOSED ORDINANCE BE READ BY TITLE ONLY. MOTION CARRIED 6-0.

Christy O'Flaherty, City Clerk, read the proposed ordinance by title only.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, GRANTING A NON-EXCLUSIVE FRANCHISE TO ELECTRIC LIGHTWAVE, LLC, A DELAWARE STATE LIMITED LIABILITY COMPANY LEGALLY AUTHORIZED TO CONDUCT BUSINESS IN THE STATE OF WASHINGTON, FOR THE PURPOSES OF CONSTRUCTING, OPERATING, AND MAINTAINING A TELECOMMUNICATIONS SYSTEM IN CERTAIN PUBLIC RIGHTS-OF-WAY IN THE CITY; REPEALING ORDINANCE NO. 1968; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

MOVED BY DUFFIE, SECONDED BY HOUGARDY THAT THE PROPOSED ORDINANCE BE ADOPTED AS READ. MOTION CARRIED 6-0, TO ADOPT ORDINANCE NUMBER 2415.

d. Accept as complete the Southcenter Parkway Extension Project (contract #10-065) with Scarsella Brothers, Inc., and authorize release of retainage bond, subject to the standard claim and lien release procedures (final contract total: \$18,602,159.72).

MOVED BY KRULLER, SECONDED BY HOUGARDY TO ACCEPT AS COMPLETE THE SOUTHCENTER PARKWAY EXTENSION PROJECT (CONTRACT #10-065) WITH SCARSELLA BROTHERS, INC., AND AUTHORIZE RELEASE OF RETAINAGE BOND, SUBJECT TO THE STANDARD CLAIM AND LIEN RELEASE PROCEDURES (FINAL CONTRACT TOTAL: \$18,602,159.72). MOTION CARRIED 6-0.

e. Authorize the Mayor to accept a Washington State Regional Mobility Grant in the amount of \$6,870,000 for the Tukwila Urban Center Pedestrian/Bicycle Bridge.

MOVED BY KRULLER, SECONDED BY HOUGARDY TO AUTHORIZE THE MAYOR TO ACCEPT A WASHINGTON STATE REGIONAL MOBILITY GRANT IN THE AMOUNT OF \$6,870,000 FOR THE TUKWILA URBAN CENTER PEDESTRIAN/BICYCLE BRIDGE. MOTION CARRIED 6-0.

f. An ordinance amending Tukwila Municipal Code Section 2.05.010 to fix the amount of compensation for Councilmembers for years 2014 through 2017.

MOVED BY ROBERTSON, SECONDED BY DUFFIE THAT THE PROPOSED ORDINANCE BE READ BY TITLE ONLY. MOTION CARRIED 6-0.

Christy O'Flaherty, City Clerk, read the proposed ordinance by title only.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING TUKWILA MUNICIPAL CODE SECTION 2.05.010 TO FIX THE AMOUNT OF COMPENSATION FOR COUNCILMEMBERS FOR YEARS 2014 THROUGH 2017; REPEALING ORDINANCE NO. 2357; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

MOVED BY ROBERTSON, SECONDED BY DUFFIE THAT THE PROPOSED ORDINANCE BE ADOPTED AS READ. MOTION CARRIED 6-0, TO ADOPT ORDINANCE NUMBER 2416.

REPORTS

a. Mayor

On October 16, 2013, Mayor Haggerton attended a Diamond Awards Ceremony, which recognized 3 businesses in Tukwila that utilize innovative methods to get cars off the road and conserve gas through CTR (or Commute Trip Reduction). The 3 businesses are BECU, Boeing and Group Health. On October 17, 2013, the Mayor attended the Raisbeck Aviation High School grand opening. There are 350 students at the high school located in the City of Tukwila, and speakers included Governor Jay Inslee, King County Executive Dow Constantine, the CEO of Boeing, the CEO of Alaska Airlines and James Raisbeck, the namesake of the school.

b. City Council

Councilmember Duffie attended the Raisbeck Aviation High School grand opening and hopes that people will remember that this school is in Tukwila, as is the Museum of Flight. Mr. Duffie reported on items discussed at this evening's Utilities Committee meeting.

Councilmember Hougardy attended the October 16, 2013 Foster High School Hall of Fame event where Walt Wagner was inducted. He was a 1961 graduate of Foster who went on to become an accomplished pianist. Additionally, she attended the Tukwila Rotary Club meeting on October 17, 2013. She also attended the 40th birthday event for the Tukwila Pool on October 19, 2013.

Councilmember Ekberg also attended the 40th birthday event for the Tukwila Pool on October 19, 2013.

Councilmember Kruller attended the South County Area Transportation Board (SCATBd) meeting on October 15, 2013. A transportation package will go before the legislature again, and it is important to secure funding as soon as possible. She also attended the Sound Cities Association (SCA) Women in Leadership Network and the Raisbeck Aviation High School grand opening. Ms. Kruller also attended the 40th birthday event for the Tukwila Pool on October 19, 2013. Additionally, she submitted nomination paperwork through SCA for transportation and law and justice related positions.

Mayor Haggerton expressed thanks to Councilmembers Kruller and Hougardy for submitting applications through SCA.

c. Staff

David Cline, City Administrator, referenced the City Administrator Report in the packet and offered to answer any questions. Additionally, he relayed that he was the featured speaker at the October 17, 2013 Rotary Club meeting. The members are excited about possible housing in the Urban Center and the opening of the new road.

Councilmember Hougardy inquired as to the location of the Seattle City Light (SCL) restoration. Mr. Cline indicated he would get back to Ms. Hougardy with that information.

Councilmember Ekberg commented that his family is excited about the Red Lobster coming to Tukwila. Additionally, he is appreciative of the information in the City Administrator Report regarding the public safety update to address the chronic nuisance properties.

d. City Attorney

There was no report.

e. Intergovernmental

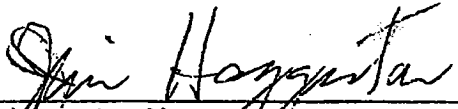
There was no report.

MISCELLANEOUS

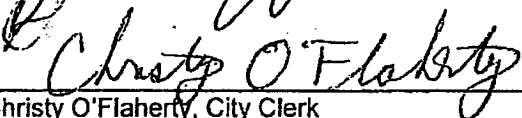
Councilmember Duffie thanked Councilmember Robertson for being available to sit in for meetings as requested.

ADJOURNMENT

7:33 p.m. MOVED BY DUFFIE, SECONDED BY ROBERTSON THAT THE TUKWILA CITY COUNCIL MEETING BE ADJOURNED. MOTION CARRIED 6-0.



Jim Haggerton, Mayor



Christy O'Flaherty, City Clerk

APPROVED BY THE CITY COUNCIL: 11/4/13
AVAILABLE ON CITY WEBSITE: 11/5/13

The Seattle Times

City of Tukwila, Finance
Dana Almborg
6200 Southcenter Blvd

Tukwila, WA 98188

Re: Advertiser Account # 107510

Ad #: 374355

Agency Account #: 0

Agency Name:

Affidavit of Publication

STATE OF WASHINGTON
Counties of King and Snohomish

The undersigned, on oath states that he/she is an authorized representative of The Seattle Times Company, publisher of The Seattle Times of general circulation published daily in King and Snohomish Counties, State of Washington. The Seattle Times has been approved as a legal newspaper by others of the Superior Court of King and Snohomish Counties.

The notice, in the exact form annexed, was published in the regular and entire issue of said paper or papers and distributed to its subscribers during all of the said period.

Newspaper and Publication Date(s)	
Seattle Times	10/24/13

Agent MAUREEN E. DUGGAN Signature Maureen E. Duggan



Subscribed and sworn to before me on Oct 24, 2013
DATE
Christina C. McKenna
Notary Public in and for the State of Washington, residing at Seattle

The Seattle Times

Re: Advertiser Account # 107510

Ad #: 374355

Agency Account #: 0

Agency Name:

AD TEXT

City of Tukwila Public Notice of Ordinance Adoption for Ordinances 2412-2416.

On October 21, 2013 the City Council of the City of Tukwila, Washington, adopted the following ordinances; the main points of which are summarized by title as follows:

Ordinance 2412: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2408 RELATING TO THE ASSESSMENT ROLL FOR KLIKITAI LOCAL IMPROVEMENT DISTRICT NO. 33, BY THE REPLACEMENT OF THE FINAL ASSESSMENT ROLL ATTACHED THERETO AS EXHIBIT B WITH A REVISED EXHIBIT B REFLECTING THE UPDATED PROPERTY OWNER INFORMATION; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2413: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING THE CITY OF TUKWILA COMPREHENSIVE PLAN IN COMPLIANCE WITH THE REQUIREMENTS OF THE GROWTH MANAGEMENT ACT PER RCW 36.70A.130; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2414: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NO. 1018, AS CODIFIED AT TUKWILA MUNICIPAL CODE CHAPTER 2.32; REENACTING TUKWILA MUNICIPAL CODE CHAPTER 2.32, "PARK COMMISSION," TO UPDATE AND ESTABLISH REGULATIONS REGARDING MEMBERSHIP, FUNCTION, OBJECTIVES AND MEETINGS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2415: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, GRANTING A NON-EXCLUSIVE FRANCHISE TO ELECTRIC LIGHTWAVE, LLC, A DELAWARE STATE LIMITED LIABILITY COMPANY LEGALLY AUTHORIZED TO CONDUCT BUSINESS IN THE STATE OF WASHINGTON, FOR THE PURPOSES OF CONSTRUCTING, OPERATING, AND MAINTAINING A TELECOMMUNICATIONS SYSTEM IN CERTAIN PUBLIC RIGHTS-OF-WAY IN THE CITY; REPEALING ORDINANCE NO. 1968; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.


Ordinance 2416: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING TUKWILA MUNICIPAL CODE SECTION 2.05.010 TO FIX THE AMOUNT OF COMPENSATION FOR COUNCIL MEMBERS FOR YEARS 2014 THROUGH 2017; REPEALING ORDINANCE NO. 2357; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of these ordinances will be provided upon request.

Christy O'Flaherty, MMC, City Clerk
Published Seattle Times: October 24, 2013

AFFIDAVIT OF PUBLICATION BY FINANCE DIRECTOR

I, **Peggy McCarthy, Finance Director**, City of Tukwila, Finance Department, do hereby certify that that the notice of final assessment roll is ready for collection and has been published. Notices that the final assessment roll is ready for collection were mailed to owners of lots, tracts, and parcels of land or other property that were specially benefited by the improvement, as shown on the rolls of the County Assessor, directed to the address thereon shown. Said mailing occurred on September 13, 2013.

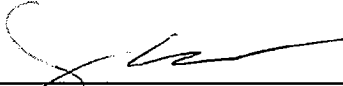


Peggy McCarthy, Finance Director

*The Notice that the assessment roll has been filed for collection was published in the Seattle Times on September 16, 2013 and September 23, 2013 and was also posted in the lobby of City Hall and placed on the City's.

CERTIFICATION OF MAILING

I, **Vicky Carlsen, Deputy Finance Director**, City of Tukwila, Finance Department, do hereby certify that I sent prepayment letters and notice that the assessment roll has been filed for collection related to Local Improvement District No. 33, improvement of urban access for the Southcenter Area, all in accordance with Ordinance No. 2408, to owners of lots, tracts, and parcels of land or other property that were specially benefited by the improvement, as shown on the rolls of the County Assessor, directed to the address thereon shown (address list is attached). Said mailing occurred on September 13, 2013.



Vicky Carlsen

*The Notice that the assessment roll has been filed for collection was published in the Seattle Times on September 16, 2013 and September 23, 2013 and was also posted in the lobby of City Hall and placed on the City's.

LID Address List

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
1006 Andover Associates/c/o Cable Mgmt	262304-9101	1000 ANDOVER PARK E	5851 S 194TH ST		KENT	WA	98032				
480 Andover Park East LLC	262304-9093	480 ANDOVER PARK E	600 ANDOVER PARK E		TUKWILA	WA	98188				
790 Andover LLC	262304-9095	770 ANDOVER PARK E	PO BOX 287		MEDINA	WA	98039				
A 4 LLC	262304-9102	235 STRANDER BLVD	117 E LOUISA ST	#230	SEATTLE	WA	98102				
AMB Property Corp.c/o RE Tax	352304-9102	1121 ANDOVER PARK W	60 STATE ST	STE 1200	BOSTON	MA	02109	12720 GATEWAY DR STE 110	TUKWILA	WA	98168-3333
	352304-9110	1105 ANDOVER PARK W	60 STATE ST	STE 1200	BOSTON	MA	02109	12720 GATEWAY DR STE 110	TUKWILA	WA	98168-3333
	883650-0050	305 UPLAND DRIVE	60 STATE ST	STE 1200	BOSTON	MA	02109	12720 GATEWAY DR STE 110	TUKWILA	WA	98168-3333
	883650-0060	335 UPLAND DR	60 STATE ST	STE 1200	BOSTON	MA	02109	12720 GATEWAY DR STE 110	TUKWILA	WA	98168-3333
	883650-0100	360 MIDLAND DR	60 STATE ST	STE 1200	BOSTON	MA	02109	12720 GATEWAY DR STE 110	TUKWILA	WA	98168-3333
AMC Family LLC	352304-9095	6750 S 180TH ST	PO BOX 2720		PORTLAND	OR	98207				
Ameristar Meats	262304-9083	1024 ANDOVER PARK E	210 S MCKINNON		SPOKANE	WA	99212	PO BOX 235	NACHES	WA	98937-0235
AMP HOLDINGS LLC	262304-9105	950 ANDOVER PARK E	6620 S 192ND PL	BLDG J	KENT	WA	98032	2810 EASTLAKE AVE E	SEATTLE	WA	98102
Andover Plaza LLC/c/o Ironwood Investme	022310-0099	220 ANDOVER PARK E	1501 N 200TH ST		SHORELINE	WA	98133				
Andover Property Management	352304-9107	17855 SOUTHCENTER PKWY	415 BAKER BLVD	#200	TUKWILA	WA	98188				
Andover West LLC/c/o Powell, D	262304-9118	1000 ANDOVER PARK W	PO BOX 97070		KIRKLAND	WA	98083	PO Box 97070	Kirkland	WA	98083-9770
ARCHDIOCESE OF SEATTLE	362304-9087	6801 S 180TH ST	710 9TH AVE		SEATTLE	WA	98104	710 9TH AVE	SEATTLE	WA	98104-2017
Argus Group LTD	537920-0290	16425 SOUTHCENTER PKWY	10500 NE 8TH ST	STE 850	BELLEVUE	WA	98004				
Baker Square LLC	022310-0080	415 BAKER BLVD	1501 N 200TH ST		SHORELINE	WA	98133				
Banasky, Howard V	262304-9100	600 ANDOVER PARK E	600 ANDOVER PARK E		TUKWILA	WA	98188				
Bank of America	920247-0050	NA	1004 4TH AVE	4TH FL	SEATTLE	WA	98154				
Bank of AmericaWA1-501-15-08	022310-0036	406 EVANS BLACK DR	WA1-501-15-08	PO BOX 34029/LEEDE	SEATTLE	WA	98124				

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
BCRP Riverview Plaza LLC											
	252304-9039	16040 CHRISTENSEN RD	248 HOMER AVE		PALO ALTO	CA	94301	16040 CHRISTENSEN RD STE 100	TUKWILA	WA	98188
	252304-9077	16000 CHRISTENSEN RD	248 HOMER AVE		PALO ALTO	CA	94301	16040 CHRISTENSEN RD STE 100	TUKWILA	WA	98188
	252304-9078	16300 CHRISTENSEN RD	248 HOMER AVE		PALO ALTO	CA	94301	16040 CHRISTENSEN RD STE 100	TUKWILA	WA	98188
Beta Holdings LTD											
	022300-0010	301 Tukwila Pkwy.	18827 BOTHELL-WAY NE		BOTHELL	WA	98011				
Beta Tukwila LLC											
	022300-0045	112 ANDOVER PARK E	18827 BOTHELL WAY NE	#110	BOTHELL	WA	98011	18827 Bothell Way NE, STE 110	Bothell	WA	98011-1940
Blue Dog Properties/o Thomson Reuters											
	022340-0010	596 INDUSTRY DR	PO BOX 847		CARLSBAD	CA	92018	PO BOX 182598 MAIL STOP #15	COLUMBUS	OH	43218-2598
	022340-0070	NA	PO BOX 847		CARLSBAD	CA	92018	PO BOX 182598 MAIL STOP #15	COLUMBUS	OH	43218-2598
	252304-9008	630 INDUSTRY DR	PO BOX 847		CARLSBAD	CA	92018	PO BOX 182598 MAIL STOP #15	COLUMBUS	OH	43218-2598
Boeing Oregon Masabi Trust											
	352304-9105	5920 S 180TH ST	1325 4TH AVE	SUITE 1940	SEATTLE	WA	98101				
Bui, Vien & Tonnu, Thanh-Thie											
	352304-9039	NA	12613 38TH AVE SE		EVERETT	WA	98208				
C/F Properties LLC											
	883510-0030	340 UPLAND DR	370 UPLAND DRIVE		TUKWILA	WA	98188				
Carrol Joseph J											
	883510-0080	340 UPLAND DR	350 UPLAND DR		TUKWILA	WA	98188				
Carrol Joseph J/Gayle M											
	883510-0070	340 UPLAND DR	350 UPLAND DR		TUKWILA	WA	98188				
Castello Land Co Inc											
	262304-9096	SOUTHCENTER PKWY	7330 W MERCER WAY		MERCER ISLAND	WA	98040				
Cenveo Inc Tax Dept											
	262304-9097	500 ANDOVER PARK E	PO BOX 420		STAMFORD	CT	06904	250 S NORTHWEST HWY	PARKRIDGE	IL	60068
CHA Southcenter LLC											
	643730-0010	16510 SOUTHCENTER PKWY	16500 SOUTHCENTER PKW		TUKWILA	WA	98188				
	643730-0020	16500 SOUTHCENTER PKWY	16500 SOUTHCENTER PKW		TUKWILA	WA	98188				
Chen Ting-Wei											
	812520-0360	NA	4894 BEACON AVE S		SEATTLE	WA	98108				
Chen, Bob											
	022320-0041	512 STRANDER BLVD	512 STRANDER BLVD		TUKWILA	WA	98188				
Chevron Texaco											
	262304-9104	220 STRANDER BLVD	PO BOX 1392		BAKERSFIELD	CA	93302	PO BOX 211788	COLUMBUS	OH	29221-6788
City of Seattle/c/o SPU Real Prop Wtr											
	000320-0021	500 Tukwila Pkwy.	PO BOX 34018		SEATTLE	WA	98124				
City of SeattleSPU Real Prop WTR											
	252304-9048	NA	PO BOX 34018		SEATTLE	WA	98124				
	262304-9072	402 STRANDER BLVD	PO BOX 34018		SEATTLE	WA	98124				

Property owner name (legal)	Parcel No	Property address	Mailing address	2nd address line	City	St	Zip	SWM Street Address	SWM City	SWM S	SWM Zip	
City of Tukwila	000320-0020	120 CHRISTENSEN RD	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	000320-0022	510 Tukwila Pkwy.	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	022330-0040	70TH AVE S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	022340-0080	444 ANDOVER PARK E	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	252304-9016	70th Ave S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	252304-9028	7200 STRANDER BLVD	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	252304-9031	70TH AVE S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	252304-9070	600 MINKLER BLVD	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	252304-9074	70TH AVE S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	252304-9080	15700 68TH AVE S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	252304-9081	15700 68TH AVE S	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	262304-9062	NA	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	352304-9002	6804 S 180TH ST	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	352304-9003	6751 S 180TH ST	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	352304-9008	17800 SOUTHCENTER PKWY	5811 SEGAL PK DR C		TUKWILA	WA	98188	PO BOX 88046	TUKWILA	WA	98138-2046	
	352304-9038	18000 SOUTHCENTER PKWY	PO BOX 88028		TUKWILA	WA	98138					
	352304-9040	NA	PO BOX 88028		TUKWILA	WA	98138					
	362304-9016	7000 S 180TH ST	6200 SOUTHCENTER BLVD		TUKWILA	WA	98188					
	CLPF-Tukwila LPC/O JSH Properties	262304-9067	NA	10655 NE 4TH ST		BELLEVUE	WA	98004				
		262304-9136	17555 SOUTHCENTER PKWY	10655 NE 4TH ST	#901	BELLEVUE	WA	98004				
Costco Wholesale Corp	252304-9057	70TH AVE S	999 LAKE DR		ISSAQUAH	WA	98027	PO BOX 34788	SEATTLE	WA	98124-1788	
	252304-9063	400 COSTCO DR	999 LAKE DR		ISSAQUAH	WA	98027	PO BOX 34788	SEATTLE	WA	98124-1788	
	352304-9089	1200 ANDOVER PARK E	999 LAKE DR		ISSAQUAH	WA	98027					
	362304-9107	441 COSTCO DR	999 LAKE DR		ISSAQUAH	WA	98027	VENDOR # 26950 PO BOX 34788	SEATTLE	WA	98124-1788	
CWC Realty LLC	352304-9074	1232 ANDOVER PARK W	2855 MILLER ST		SAN LEANDRO	CA	94577					
D G I LLC	883510-0020	340 UPLAND DR	364 UPLAND DR		SEATTLE	WA	98188					
Danellie LLC	352304-9085	1180 ANDOVER PARK W	4664 95TH AVE NE		YARROW POINT	WA	98004					
Davidson, Donald ERTD Irrevocable Bldg T	022310-0031	402 BAKER BLVD	1199 SUMMIT DRIVE		LAGUNA BEACH	CA	92651					
	022310-0032	404 BAKER BLVD	1199 SUMMIT DR		LAGUNA BEACH	CA	92651					
	022310-0034	404 BAKER BLVD	1199 SUMMIT DR		LAGUNA BEACH	CA	92651					
EILAT MGMTICG Realty, LLC												

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	022310-0037	406 BAKER BLVD	650 S ORCAS	#210	SEATTLE	WA	98104				
Ethan Allen Home InteriorsAttn Lease Ad	262304-9066	17333 SOUTHCENTER PKWY	ETHAN ALLEN DR		DANBURY	CT	06811	250 KAWAIHAE ST #20E	HONOLULU	HI	96825-1909
Federated Dept Stores Inc	262304-9076	17000 SOUTHCENTER PKWY	7 W 7TH ST		CINCINNATI	OH	45202	PO BOX 182351, SOUTHCENTER #65008A	COLUMBUS	OH	43218-2351
	262304-9077	17000 SOUTHCENTER PKWY	7 W 7TH ST		CINCINNATI	OH	45202	PO BOX 182351, SOUTHCENTER #65008A	COLUMBUS	OH	43218-2351
	262304-9086	NA	7 W 7TH ST		CINCINNATI	OH	45202	PO BOX 182351, SOUTHCENTER #65008A	COLUMBUS	OH	43218-2351
	359700-0246	500 SOUTHCENTER MALL	7 W7TH ST		CINCINNATI	OH	45202		COLUMBUS	OH	43218-2351
Fidelity Northwest Assoc	022320-0010	402 STRANDER BLVD	4211 HOLLY LANE		MERCER ISLAND	WA	98040				
First Interstate Bank/o Thomson Property	362304-9095	6815 S 180TH ST	PO BOX 2609		CARLSBAD	CA	92018	C/O FACILITY IQ MS 411PO BOX 2440	SPOKANE	WA	99210-2440
Friesen Clarence	883510-0100	340 UPLAND DR	11131 SE 57TH ST		BELLEVUE	WA	98006				
Friesen Clarence W/Doris E	883510-0060	340 UPLAND DR	11131 SE 57TH ST		BELLEVUE	WA	98006				
Garfield - Southcenter LLC	022310-0070	240 ANDOVER PARK W	388 PEARL ST		EUGENE	OR	97401	PO BOX 529	EUGENE	OR	97440
G-Fore Associates LLC	883650-0110	1101 ANDOVER PARK W	5906 MONT BLANC PL NW		ISSAQUAH	WA	98027	415 BAKER BLVD STE 200	TUKWILA	WA	98188-2906
Gibson Properties LLC	022340-0050	401 ANDOVER PARK E	PO BOX 50268		BELLEVUE	WA	98015	401 ANDOVER PK E	TUKWILA	WA	98188-7605
	022340-0060	455 ANDOVER PARK E	PO BOX 50268		BELLEVUE	WA	98015	401 ANDOVER PK E	TUKWILA	WA	98188-7605
Gray Cat Collective LLC	352304-9069	1230 ANDOVER PARK E	1940 124TH AVE NE	STE A101	BELLEVUE	WA	98005	5430 45th AVE W	SEATTLE	WA	98199
	352304-9070	1228 ANDOVER PARK E	1940 124TH AVE NE	STE A101	BELLEVUE	WA	98005	5430 45th AVE W	SEATTLE	WA	98199
	352304-9075	1210 ANDOVER PARK E	1940 124TH AVE NE	STE A101	BELLEVUE	WA	98005	5430 45th AVE W	SEATTLE	WA	98199
	352304-9077	1200 ANDOVER PARK E	1940 124TH AVE NE	STE A101	BELLEVUE	WA	98005	5430 45th AVE W	SEATTLE	WA	98199
GRE Management Services Inc	352304-9031	5901 S 180TH ST	2150 DOUGLAS BLVD	#110	ROSEVILLE	CA	95661				
GWI Realty LLC	352304-9014	18700 SOUTHCENTER PKWY	200 W MERCER ST	#202	SEATTLE	WA	98119				
	352304-9081	19000 57TH AVE S	200 W MERCER ST	#202	SEATTLE	WA	98119				
Hayeks Properties LLC	883650-0020	1015 ANDOVER PARK W	1015 ANDOVER PK W		TUKWILA	WA	98188				
HD Develop of Maryland IncPropertyTax	362304-9074	6810 S 180TH ST	PO BOX 105842		ATLANTA	GA	30339	C/O ACIS MAIL STOP 222PO BOX 2440	SPOKANE	WA	99210-2440
Heartland Auto Services	343050-0020	6818 S 180TH ST	11308 DAVENPORT ST		OMAHA	NE	68154	PO BOX 2440	SPOKANE	WA	99210-2440
Highland Park Properties LLC											

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	262304-9094	495 ANDOVER PARK E	495 ANDOVER PK E		TUKWILA	WA	98188	PO BOX 58270	SEATTLE	WA	98138-1270
Hill Investment Company	352304-9091	1201 ANDOVER PARK E	PO BOX 700		MERCER ISLAND	WA	98040				
Home Electric Company	022300-0062	120 ANDOVER PARK E	3414 NE 55TH		SEATTLE	WA	98105				
Hospitality Investments	262304-9006	400 ANDOVER PARK W	2650 CEDAR SPRINGS RD	#850	DALLAS	TX	75201		SPOKANE	WA	99210-2440
Houghton Harbor LLC	352304-9084	1233 Andover Park E	6363 LAKE WA BLVD NE	#104	KIRKLAND	WA	98033				
	352304-9122	NA	6363 LAKE WA BLVD NE	#104	KIRKLAND	WA	98033				
IIT Andover DC LLC	022330-0010	551 STRANDER BLVD	518 17TH ST - 17TH FL		DENVER	CO	80202	249 SW 41st St	Renton	WA	98057-4930
IPTN North America Inc's	883650-0010	1035 ANDOVER PARK W	1035 ANDOVER PK W	#B	TUKWILA	WA	98188				
Jenkins Properties Inc	022340-0042	355 TRECK DR	1525 4TH AVE	STE 400	SEATTLE	WA	98101	PO BOX 53290	BELLEVUE	WA	98015
John C Radovich LLC	022300-0040	NA	2835 82ND AVE SE	STE 300	MERCER ISLAND	WA	98040				
King Co Housing Authority	262304-9123	600 ANDOVER PARK W	600 ANDOVER PARK W		TUKWILA	WA	98188				
	262304-9124	760 ANDOVER PARK W	600 ANDOVER PARK W		TUKWILA	WA	98188				
King CountyKC Admin Bldg	252304-9009	70TH AVE S	500 4TH AVE	ADM-ES-0800	SEATTLE	WA	98004				
	352304-9037	18800 ORILLIA RD S	500 4TH AVE	ADM-ES-0800	SEATTLE	WA	98104				
KING COUNTY-GREEN RIVER FL 325005	252304-9069	700 MINKLER BLVD	500 4TH AVE		SEATTLE	WA	98104				
Kir Tukwila 050 LLC/KIMCO	262304-9079	NA	3333 NEW HYDE PK RD, STE	PO BOX 5020	NEW HYDE PARK	NY	11042	PO BOX 743727	DALLAS	TX	75374-3727
	262304-9110	301 MINKLER BLVD	3333 NEW HYDE PK RD, STE	PO BOX 5020	NEW HYDE PARK	NY	11042	PO BOX 743727	DALLAS	TX	75374-3727
	352304-9005	17600 SOUTHCENTER PKWY	3333 NEW HYDE PK RD, STE	PO BOX 5020	NEW HYDE PARK	NY	11042	PO BOX 743727	DALLAS	TX	75374-3727
	883510-0210	340 UPLAND DR	3333 NEW HYDE PK RD, STE	PO BOX 5020	NEW HYDE PARK	NY	11042	PO BOX 743727	DALLAS	TX	75374-3727
Klein Harris	352304-9071	1224 ANDOVER PARK E	5360 LANSWONE LANE		MERCER ISLAND	WA	98040				
Kohl's Property Tax Department	788892-0010	17150 SOUTHCENTER PKWY	PO BOX 2148		MILWAUKEE	WI	93201	4811 134TH PL SE	BELLEVUE	WA	98006
Kohn Jens M and Lynn M	262304-9091	1130 ANDOVER PARK E	14915 237TH PL SE		ISSAQUAH	WA	98027	1130 ANDOVER PARK E	TUKWILA	WA	98188-3903
KTM Group LLC	262304-9069	17151 SOUTHCENTER PKWY	635 ANDOVER PK W	STE 107	TUKWILA	WA	98188	635 ANDOVER PARK W STE 107	TUKWILA	WA	98188
	262304-9070	17047 SOUTHCENTER PKWY	635 ANDOVER PK W	STE 107	TUKWILA	WA	98188	635 ANDOVER PARK W STE 107	TUKWILA	WA	98188

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	262304-9071	17047 SOUTHCENTER PKWY	635 ANDOVER PK W	STE 107	TUKWILA	WA	98188	635 ANDOVER PARK W STE 107	TUKWILA	WA	98188
Lee Albert Appliance	022320-0020	404 STRANDER BLVD	1476 ELLIOTT AVE W		SEATTLE	WA	98119	4211 HOLLY LN	MERCER ISLAND	WA	98040
Legacy Partners I Tukwila	262304-9021	16400 SOUTHCENTER PKWY	PO BOX 130639		CARLSBAD	CA	92013	NXS#29722-V1652562 PO BOX 7659	MERRIFIELD	VA	22116-7659
Leuthold, Donald W	262304-9098	1120 ANDOVER PARK E	7275 W MERCER WAY		MERCER ISLAND	WA	98040	PO BOX 489	EASTSOUND	WA	98245
Levitz Tukwila LLC	352304-9087	17601 SOUTHCENTER PKWY	180 N STETSON AVE	#324-D	CHICAGO	IL	80601	1311 MAMARONECK AVE	WHITE PLAINS	NY	10605
	352304-9088	17601 SOUTHCENTER PKWY	180 N STETSON AVE	#324-D	CHICAGO	IL	80601	1311 MAMARONECK AVE	WHITE PLAINS	NY	10605
Lincoln Center Holdings c/o Shephard Real	352304-9053	1100 ANDOVER PARK W	1940 124TH AVE NE	#A101	BELLEVUE	WA	98005	12835 BEL RED RD, STE 140	BELLEVUE	WA	98005
Lowe's HIW INC	022300-0030	401 Tukwila Pkwy.	101 ANDOVER PARK E	#200	TUKWILA	WA	98188	PO BOX 2440	SPOKANE	WA	99210-2440
Lund Family Coml Props LLC	883510-0040	340 Upland Dr.	10015 E DIAMOND DR		SUN LAKES	AZ	85248				
	883510-0050	340 UPLAND DR	10015 E DIAMOND DR		SUN LAKES	AZ	85248				
M & M Management LLC Steven D Weier I	022320-0051	331 ANDOVER PARK E	320 AUBURN WAY N		AUBURN	WA	98003	331 ANDOVER PK E	TUKWILA	WA	98188
M & P Company Elizabeth Mitchell	352304-9082	19000 57TH AVE S	PO BOX 1083		EDMONDS	WA	98020	PO BOX 88728	TUKWILA	WA	98138-2728
M3 Properties LLC c/o JSH Properties	262304-9019	1001 ANDOVER PARK E	14900 INTERURBAN AV S	#130	TUKWILA	WA	98168				
Madison Investments LLC	352304-9061	17800 SOUTHCENTER PKWY	PO BOX 1922		BOZEMAN	MT	59771				
	352304-9123	17850 SOUTHCENTER PKWY	PO BOX 1922		BOZEMAN	MT	59771				
Masao c/o SC4 LLC	262304-9063	17275 SOUTHCENTER PKWY	117 E LOUISA ST	#230	SEATTLE	WA	98102				
Matsumi LLC % Robert Schofi	262304-9068	16813 SOUTHCENTER PKWY	4212 HUNTS POINT DR		BELLEVUE	WA	98004	8901 NE 36TH ST	BELLEVUE	WA	98004-1238
McDonald's Corporation	537920-0282	16500 SOUTHCENTER PKWY	PO BOX 182571		COLUMBUS	OH	43218	ATTN DARCI LYONS PO BOX 182986	COLUMBUS	OH	43218-2986
McLaughlin & Buty LLP	022310-0035	131 ANDOVER PARK E	7430 E MERCER WAY		MERCER ISLAND	WA	98040	1150 Alki Ave SW #4	SEATTLE	WA	98116-1850
Medical Centers Co LLC	022320-0052	411 STRANDER BLVD	411 STRANDET BLVD	STE 108	TUKWILA	WA	98188				
Mock Catherine A	812520-0390	NA	8706 183RD AVE SW		ROCHESTER	WA	98579				
	812520-0400	NA	8706 183RD AVE SW		ROCHESTER	WA	98579				
MVI Tukwila 1 LLC											

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	262304-9122	1051 ANDOVER PARK W	3007 WEBSTER POINT RD N		SEATTLE	WA	98105				
MVI Tukwila 2 LLC											
	262304-9121	1071 ANDOVER PARK W	3007 WEBSTER POINT RD N		SEATTLE	WA	98105				
National Beverage Corp.											
	352304-9072	1227 ANDOVER PARK E	8100 SW 10TH ST	STE 4000	PLANTATION	FL	33324	1227 ANDOVER PK E	TUKWILA	WA	98188-3956
OB Fife Property II LLC											
	022310-0075	301 BAKER BLVD	PO BOX 726		BELLEVUE	WA	98009	PO BOX 88990 C/O Acura of Seattle	SEATTLE	WA	98138-2990
Open Frame LLC											
	022300-0020	100 Andover Park W	PO BOX 654		KIRKLAND	WA	98083				
	022310-0010	150 ANDOVER PARK W	PO BOX 654		KIRKLAND	WA	98083				
	022310-0020	NA	PO BOX 654		KIRKLAND	WA	98083				
Pankratz Forest Industries Inc											
	022340-0045	350 TRECK DR	PO BOX 58388		TUKWILA	WA	98138				
Pankratz Holdings LLC											
	022340-0047	NA	PO BOX 58388		TUKWILA	WA	98138				
Park East Real Estate/c/o Ironwood Investm											
	022310-0040	130 ANDOVER PARK E	1501 N 200TH ST		SHORELINE	WA	98133				
Parkway Square C/O Rosen Properties											
	262304-9128	16700 SOUTHCENTER PKWY	PO BOX 5003		BELLEVUE	WA	98009				
	262304-9129	16800 SOUTHCENTER PKWY	PO BOX 5003		BELLEVUE	WA	98009				
	262304-9137	16600 SOUTHCENTER PKWY	PO BOX 5003		BELLEVUE	WA	98009				
Pearl, Alvin S. and Carole R.											
	022310-0085	401 BAKER BLVD	405 BAKER BLVD		Tukwila	WA	98188	9741 E ESTANCIA WAY	SCOTTSDALE	AZ	85262
	022310-0087	405 BAKER BLVD	9741 E ESTANCIA WAY		SCOTTSDALE			9741 E ESTANCIA WAY	SCOTTSDALE	AZ	85262
Petschl, William J											
	262304-9089	1150 ANDOVER PARK E	1150 ANDOVER PARK E		TUKWILA	WA	98188				
Phillips James W MR and MRS											
	352304-9099	1120 ANDOVER PARK W	PO BOX 603		MEDINA	WA	98039				
Pietromonaco/PB LLC											
	022300-0050	100 ANDOVER PARK E	7900 SE 28TH ST	STE 310	MERCER ISLAND	WA	98040	PO BOX 700	MERCER ISLAND	WA	98040-0700
	022300-0060	116 ANDOVER PARK E	7900 SE 28TH ST	STE 310	MERCER ISLAND	WA	98040	PO BOX 700	MERCER ISLAND	WA	98040-0700
Polich Family Trust/c/o Andover Mgmt Co											
	022320-0042	530 STRANDER BLVD	415 BAKER BLVD	#200	TUKWILA	WA	98188				
ProLogis TLF (Andover), LLC											
	262304-9106	1071 ANDOVER PARK E	C/O Stockbridge Capital GP	20415 72nd Ave S, #210	Kent	WA	98032	PO Box 82503	Goleta	CA	93118-2503
Puget Sound Energy/Elec											
	537920-0315	16715 SOUTHCENTER PKWY	PO BOX 90868		BELLEVUE	WA	98009				
R2R Investments LLC											
	022340-0071	410 ANDOVER PARK E	7979 S 180TH ST		KENT	WA	98032				
	262304-9142	375 CORPORATE DRIVE S	7979 S 180TH ST		KENT	WA	98032				

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
Rainbow Associates LTD	022310-0033	401 EVANS BLACK DR	22820 148TH SE		KENT	WA	98042				
Ramos Properties LLC	262304-9134	17555 SOUTHCENTER PKWY	133 SW 158TH ST		BURIEN	WA	98166	15735 AMBAUM BLVD SW	BURIEN	WA	98166-2524
Red Dot Corporation	262304-9115	745 ANDOVER PARK E	495 ANDOVER PK E		TUKWILA	WA	98188	PO BOX 58270	SEATTLE	WA	98138-1270
Regency Centers LP	262304-9064	321 STRANDER BLVD	PO BOX 790830		SAN ANTONIO	TX	78279	PO BOX 2440	SPOKANE	WA	99210-2440
Roffe & Associates	262304-9015	510 ANDOVER PARK W	415 BAKER BLVD	# 200	TUKWILA	WA	98188				
Rosellini Properties LLC	022310-0100	230 ANDOVER PARK E	5936 6TH AVE S		SEATTLE	WA	98108	PO BOX 182598 MAIL STOP #15	COLUMBUS	OH	43218-2598
	022320-0032	340 ANDOVER PARK E	5936 6TH VE S		SEATTLE	WA	98108	PO BOX 182598 MAIL STOP #15	COLUMBUS	OH	43218-2598
RRW Enterprises LLC	883510-0090	340 UPLAND DR	PO BOX 1201		MAPLE VALLEY	WA	98038				
RWP LLCATTN JIM PETERSON	022320-0030	290 ANDOVER PARK E	7312 SE CURTIS DR		SNOQUALMIE	WA	98065	500 STRANDER BLVD	TUKWILA	WA	98188-2921
Schofield LLC	262304-9011	16901 SOUTHCENTER PKWY	911 MAIN ST	STE 1500	KANSAS CITY	MO	64105	8901 NE 36TH ST	BELLEVUE	WA	98004-1238
Segale Properties LLC	262304-9001	505 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	262304-9065	17557 SOUTHCENTER PKWY	PO BOX 88028		TUKWILA	WA	98138				
	352304-9009	5380 S 178TH ST	PO BOX 88028		TUKWILA	WA	98138				
	352304-9013	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9015	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9017	18900 57TH AVE S	PO BOX 88028		TUKWILA	WA	98138				
	352304-9018	18338 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	352304-9019	5565 S 178TH ST	PO BOX 88028		TUKWILA	WA	98138				
	352304-9025	5351 S 178TH ST	PO BOX 88028		TUKWILA	WA	98138				
	352304-9027	S 178TH ST	5811 SEGAL PK DR C		TUKWILA	WA	98188				
	352304-9032	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9034	18115 57TH AVE S	PO BOX 88028		TUKWILA	WA	98138				
	352304-9036	18400 SOUTHCENTER PKWY	PO BOX 88028		TUKWILA	WA	98138				
	352304-9045	19131 FRAGER RD S	PO BOX 88028		TUKWILA	WA	98138				
	352304-9049	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9050	19001 57TH AVE S	PO BOX 88028		TUKWILA	WA	98138				
	352304-9051	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9055	18000 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	352304-9068	18801 57TH AVE S	PO BOX 88028		TUKWILA	WA	98138				

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	352304-9090	5563 S 178TH ST	PO BOX 88028		TUKWILA	WA	98138				
	352304-9104	18271 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	352304-9109	NA	PO BOX 88028		TUKWILA	WA	98138				
	352304-9112	18240 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	352304-9115	5811 SEGALE PARK - C DRIVE	PO BOX 88028		TUKWILA	WA	98138				
	352304-9116	18500 SOUTHCENTER PKWY	PO BOX 88028		TUKWILA	WA	98138				
	352304-9118	18010 SOUTHCENTER PKWY	PO BOX 88028		TUKWILA	WA	98138				
	352304-9119	18125 ANDOVER PARK W	PO BOX 88028		TUKWILA	WA	98138				
	352304-9120	6101 S 180TH ST	PO BOX 88028		TUKWILA	WA	98138				
	352304-9121	NA	PO BOX 88028		TUKWILA	WA	98138				
SFP B LP LTD PTNRSH	362304-9106	6804 S 180TH ST	PO BOX 5350		BEND	OR	97708	6804 S 180TH ST	TUKWILA	WA	98188-4806
Sizzling Platter of Wash	537920-0300	16615 Southcenter Pkwy	348 E 6400 S	#200	MURRAY	UT	84107	PO BOX 572408	MURRAY	UT	84157
Skarbo Holdings LLC	537920-0310	16705 SOUTHCENTER PKWY	PO BOX 88668		TUKWILA	WA	98138	5354 BALLARD AVE NW	SEATTLE	WA	98107-4060
South Center WA LLC	022310-0090	223 ANDOVER PARK E	8448 N MERCER WAY		MERCER ISLAND	WA	98040				
Southcenter Corp. Square	262304-9143	575 ANDOVER PARK W	150 CALIFORNIA ST		SAN FRANCISCO	CA	94111	635 ANDOVER PARK W STE 107	TUKWILA	WA	98188
	262304-9144	NA	150 CALIFORNIA ST		SAN FRANCISCO	CA	94111	635 ANDOVER PARK W STE 107	TUKWILA	WA	98188
SRO Properties Inc	022340-0040	345 ANDOVER PARK E	1411 4TH AVE	#1315	SEATTLE	WA	98101				
Strander Associates LLC	022320-0040	510 STRANDER BLVD	1650 S 244TH PL		DES MOINES	WA	98198				
Tanaka Holding LLC	262304-9075	ANDOVER PARK W	1105 PORTER WAY		MILTON	WA	98354				
Target Corporation T 0627c/o Property Tax	262304-9005	301 STRANDER BLVD	PO BOX 9456		MINNEAPOLIS	MN	55440	PO BOX 908	MANDAN	ND	58554
TR5 LLC	262304-9024	17305 SOUTHCENTER PKWY	117 E LOUISA ST	#230	SEATTLE	WA	98102				
Tri-Land Corporation	352304-9103	1251 ANDOVER PARK W	1325 4TH AVE	SUITE 1940	SEATTLE	WA	98101				
Triple H Development	883650-0070	365 UPLAND DRIVE	1006 SPRAGUE ST		EDMONDS	WA	98020	365 UPLAND DR	TUKWILA	WA	98188
TUKWILA HOTEL OWNERSHIP LLC	883650-0030	300 UPLAND DRIVE	5786 WIDEWATERS PKWY		DEWITT	NY	13214	5786 WIDEWATERS PKWY	DEWITT	NY	13214
Tukwila TT LLC	343050-0010	6820 S 180TH ST	3300 MAPLE VALLEY HWY		RENTON	WA	98058				
Tukwila View Estates LLC											

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	262304-9135	17301 SOUTHCENTER PKWY	117 E LOUISA ST	#230	SEATTLE	WA	98102				
	812520-0410	NA	117 E LOUISA ST	#230	SEATTLE	WA	98102				
UNION PACIFIC CORP											
Union Pacific RailroadATTN Jim Billings	262304-9113	ANDOVER PARK E	PO BOX 2500		BROOMFIELD	CO	80020				
	252304-9072	6800 INDUSTRY DR	1416 DODGE ST	#325	OMAHA	NE	68179				
	262304-9112	NA	1416 DODGE ST	#325	OMAHA	NE	68179				
	352304-9101	S 180TH ST	1416 DODGE ST	#325	OMAHA	NE	68179				
	352304-9108	S 180TH ST	1416 DODGE ST	#325	OMAHA	NE	68179				
Union Pacific RailroadProperty Tax											
	262304-9140	NA	1400 DOUGLAS	STOP 1640	OMAHA	NE	68179				
US Bank Corporate Props											
	022310-0038	151 ANDOVER PARK E	2800 E LAKE ST	LAKE0012	MINNEAPOLIS	MN	55406	PO BOX 9300	SPOKANE	WA	99209-9300
WA Cities Insurance Authorityc/o JSH Prop											
	022320-0060	320 ANDOVER PARK E	14900 INTERURBAN AV S	#130	TUKWILA	WA	98168				
WACO Enterprise											
	352304-9092	1205 ANDOVER PARK W	PO BOX 88216		TUKWILA	WA	98138				
Walton CWWA Southcenter 4 Lc/o CTMT -											
	352304-9093	1185 ANDOVER PARK W	PO BOX A-3879		CHICAGO	IL	60690	4678 WORLD PKWY CIR	ST LOUIS	MO	63134
	352304-9097	1161 ANDOVER PARK W	PO BOX B-3879		CHICAGO	IL	60690	4678 WORLD PKWY CIR	ST LOUIS	MO	63134
	352304-9098	1141 ANDOVER PARK W	PO BOX A-3879		CHICAGO	IL	60690	4678 WORLD PKWY CIR	ST LOUIS	MO	63134
Walton CWWA Tukwila 1 LLCc/o CTMT W											
	022330-0020	631 STRANDER BLVD	PO BOX A-3879		CHICAGO	IL	60690	PO BOX 681944	CHARLOTTE	NC	28216
	252304-9015	800 INDUSTRY DR	PO BOX A-3879		CHICAGO	IL	60690	PO BOX 681944	CHARLOTTE	NC	28216
	252304-9034	825 INDUSTRY DR	PO BOX A-3879		CHICAGO	IL	60690	PO BOX 681944	CHARLOTTE	NC	28216
	252304-9071	1000 INDUSTRY DR	PO BOX A-3879		CHICAGO	IL	60690	PO BOX 681944	CHARLOTTE	NC	28216
Wells Fargo Bankc/o Thomson Property Ta											
	022340-0046	343 ANDOVER PARK E	PO BOX 2069		CARLSBAD	CA	92018	PO BOX 2440 C/O IQ MS 411	SPOKANE	WA	99210-2440
	362304-9017	6845 S 180TH ST	PO BOX 2609		CARLSBAD	CA	92018	PO BOX 2440 C/O IQ MS 411	SPOKANE	WA	99210-2440
	362304-9079	6847 S 180TH ST	PO BOX 2609		CARLSBAD	CA	92018		SPOKANE	WA	99210-2440
	362304-9094	6835 S 180TH ST	PO BOX 2609		CARLSBAD	CA	92018	PO BOX 2440 C/O IQ MS 411	SPOKANE	WA	99210-2440
Westfield Corporation Inc											
	359700-0245	SOUTHCENTER PKWY	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0010	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0020	No site address	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0030	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0040	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0060	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0070	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440

<u>Property owner name (legal)</u>	<u>Parcel No</u>	<u>Property address</u>	<u>Mailing address</u>	<u>2nd address line</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>SWM Street Address</u>	<u>SWM City</u>	<u>SWM S</u>	<u>SWM Zip</u>
	920247-0080	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0090	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0100	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0110	15700 Southcenter Pkwy.	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0120	Southcenter Pkwy.	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0130	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0140	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0150	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
	920247-0160	NA	PO BOX 130940		CARLSBAD	CA	92013	PO BOX 2440	SPOKANE	WA	99210-2440
Weymiller S A Trust	883510-0010	340 UPLAND DR	10409 SUNRISE BEACH DR		GIG HARBOR	WA	98332				
Wig Properties LLC-SS	788892-0020	17200 SOUTHCENTER PKWY	4811 134TH PL SE		BELLEVUE	WA	98006				
Winners 3 LLC	262304-9220	17401 SOUTHCENTER PKWY	117 E LOUISA ST	#230	SEATTLE	WA	98102				
Wolverine Properties LLC	022320-0061	505 STRANDER BLVD	415 BAKER BLVD	Ste 200	TUKWILA	WA	98188				

CERTIFICATE REGARDING PREPAYMENT OF ASSESSMENTS

**CITY OF TUKWILA, WASHINGTON
LOCAL IMPROVEMENT DISTRICT NO. 33**

I, Peggy McCarthy, Finance Director of the City of Tukwila, Washington, certify that the amount of assessments levied within Local Improvement District No. 33 and the amount remaining outstanding after the collection of prepayments are as follows:

<u>Original Assessment</u>	<u>Amount Paid Without Interest</u>	<u>Unpaid Assessments in District</u>
\$9,475,893.89	\$2,788,349.57	\$6,687,544.32

DATED November 19, 2013.

CITY OF TUKWILA, WASHINGTON

By Peggy McCarthy
Peggy McCarthy, Finance Director



City of Tukwila

Washington

Ordinance No. 2411

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, RELATING TO CONTRACTING INDEBTEDNESS; PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF NOT TO EXCEED \$9,475,893.89 AGGREGATE PRINCIPAL AMOUNT OF LOCAL IMPROVEMENT DISTRICT BONDS TO PROVIDE FUNDS TO FINANCE THE PUBLIC IMPROVEMENTS IN LOCAL IMPROVEMENT DISTRICT NO. 33 ("LID No. 33"), BY REIMBURSING THE CITY FOR PROJECT COSTS, INCLUDING MAKING A DEPOSIT TO THE CITY'S LOCAL IMPROVEMENT GUARANTY FUND AND PAYING THE COSTS OF ISSUANCE OF THE BONDS; FIXING OR SETTING PARAMETERS WITH RESPECT TO CERTAIN TERMS AND COVENANTS OF THE BONDS; APPOINTING THE CITY'S DESIGNATED REPRESENTATIVE TO APPROVE THE FINAL TERMS OF THE SALE OF THE BONDS; FIXING THE INTEREST RATE ON ASSESSMENTS WITHIN LID NO. 33; AND PROVIDING FOR OTHER RELATED MATTERS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Tukwila, Washington (the "City"), created Local Improvement District (LID) No. 33 by Ordinance No. 2260, adopted on November 16, 2009, for the purpose of financing improvements to urban access for the Southcenter area ("Project"); and

WHEREAS, the City is in need of funds to pay or reimburse the City for the costs of the improvements in LID No. 33, including making a deposit to the City's Local Improvement Guaranty Fund and paying the cost of issuance of the bonds, not to exceed \$9,475,893.89 aggregate principal amount; and

WHEREAS, the City Council deems it to be in the best interest of the City to issue local improvement district bonds to finance these costs;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. Findings and Determinations. The City takes note of the following facts and makes the findings and determinations set forth below. Capitalized terms have the meanings given in Section 2.

(a) *Authority and Description of Project.* By Ordinance No. 2260, adopted on November 16, 2009, the City created LID No. 33 for the purpose of carrying out the Project and authorized the issuance of local improvement district bonds to finance the costs of the Project by reimbursing the City for all Project costs including, without limitation, making a deposit to the City's Guaranty Fund and paying the costs of issuance of the bonds.

(b) *Plan of Financing.* On September 3, 2013, the City Council adopted Ordinance No. 2408, confirming the final assessment roll for LID No. 33 and authorizing the collection of the special assessments levied within the district. The notice of collection of assessments was first published on September 16, 2013 and the last day for prepayment of assessments without penalties or interest is October 16, 2013. The amount of Bonds to be issued will equal the balance of assessments unpaid after the expiration of the 30-day prepayment period, and the Bonds shall be repaid from the assessments to be paid in 15 annual installments of approximately equal principal, plus interest on the unpaid balance accrued to the Interest Payment Date.

(c) *The Bonds.* For the purpose of providing the funds necessary to pay or reimburse the City for the costs of the Project including, without limitation, making a deposit to the Guaranty Fund and paying the costs of issuance of the Bonds, the City Council finds that it is in the best interests of the City to issue and sell the Bonds to the Purchaser, pursuant to the terms set forth in the Bond Purchase Contract as approved by the City's Designated Representative consistent with this ordinance.

Section 2. Definitions. As used in this ordinance, the following capitalized terms shall have the following meanings:

(a) *"Authorized Denomination,"* notwithstanding Section 13.04.160 of the Tukwila Municipal Code, means \$5,000 or any integral multiple thereof within an estimated redemption date within a Series, except that if the aggregate principal amount of the Series of the Bonds is not an integral multiple of \$5,000, then the first Bond of that Series shall be in such principal amount as the Designated Representative shall determine.

(b) *"Beneficial Owner"* means, with respect to a Bond, the owner of any beneficial interest in that Bond.

(c) *"Bond"* means each bond issued pursuant to and for the purposes provided in this ordinance.

(d) *"Bond Counsel"* means the firm of Foster Pepper PLLC, its successor, or any other attorney or firm of attorneys selected by the City with a nationally recognized standing as bond counsel in the field of municipal finance.

(e) *"Bond Purchase Contract"* means an offer to purchase a Series of the Bonds, setting forth certain terms and conditions of the issuance, sale and delivery of that

Series, which offer is authorized to be accepted by the Designated Representative on behalf of the City, if consistent with this ordinance.

(f) *"Bond Register"* means the books or records maintained by the Bond Registrar for the purpose of identifying ownership of the each Bond.

(g) *"Bond Registrar"* means the Fiscal Agent, or any successor bond registrar selected by the City.

(h) *"City"* means the City of Tukwila, Washington, a municipal corporation duly organized and existing under the laws of the State.

(i) *"City Council"* means the legislative authority of the City, as duly and regularly constituted from time to time.

(j) *"Code"* means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

(k) *"Designated Representative"* means the officer of the City appointed in Section 4 of this ordinance to serve as the City's designated representative in accordance with RCW 39.46.040(2).

(l) *"DTC"* means The Depository Trust Company, New York, New York, or its nominee.

(m) *"Final Terms"* means the terms and conditions for the sale of a Series of the Bonds including, but not limited to, the amount, date or dates, denominations, interest rate or rates (or mechanism for determining interest rate or rates), payment dates, final maturity, redemption rights, price, and other terms or covenants.

(n) *"Finance Officer"* means the Finance Director or such other officer of the City who succeeds to substantially all of the responsibilities of that office.

(o) *"Fiscal Agent"* means the fiscal agent of the State, as the same may be designated by the State from time to time.

(p) *"Government Obligations"* has the meaning given in RCW 39.53.010, as now in effect or as may hereafter be amended.

(q) *"Guaranty Fund"* or *"Local Improvement Guaranty Fund"* means the Local Improvement Guaranty Fund of the City created by Ordinance No. 323 as codified at Tukwila Municipal Code 3.64.

(r) *"Interest Payment Date"* means each annual date on which interest on a Bond is due and payable, as set forth in the Bond Purchase Contract.

(s) *"Issue Date"* means, with respect to a Bond, the date of initial issuance and delivery of that Bond to the Purchaser in exchange for the purchase price of that Bond.

(t) *“Letter of Representations”* means the Blanket Issuer Letter of Representations between the City and DTC, dated October 18, 1999, as it may be amended from time to time, or any successor or substitute letter relating to the operations procedures of the Securities Depository.

(u) *“LID Bond Fund”* means the Local Improvement Fund, District No. 33 of the City created for the payment of the principal of and interest on the Bonds.

(v) *“LID No. 33”* means Local Improvement District No. 33, established by Ordinance No. 2260 of the City, passed November 16, 2009, for the purpose of carrying out the Project.

(w) *“MSRB”* means the Municipal Securities Rulemaking Board.

(x) *“Owner”* means, without distinction, the Registered Owner and the Beneficial Owner.

(y) *“Project”* means the Tukwila Urban Access Improvement Project, more fully described in Exhibit A of Ordinance No. 2260. For purposes of this ordinance, costs of the Project include all costs of constructing the Project and all other costs permitted for inclusion under RCW 35.44.020 and related statutes, including without limitation, all costs for legal, financial, and appraisal services and any other expenses incurred by the City on behalf of or in the formation of LID No. 33, or in connection with such construction or improvement and in the financing thereof, including the costs of issuance of the Bonds and the cost of providing for increases in the Local Improvement Guaranty Fund.

(z) *“Project Fund”* means the Arterial Street Fund of the City used for the purpose of carrying out the Project.

(aa) *“Purchaser”* means the person, bank, corporation, firm, association, partnership, trust, or other legal entity or group of entities selected by the Designated Representative to serve as underwriter or purchaser for a negotiated sale of a Series of the Bonds.

(bb) *“Rating Agency”* means any nationally recognized rating agency then maintaining a rating on the Bonds at the request of the City.

(cc) *“Record Date”* means the Bond Registrar’s close of business on the 15th day of the month preceding an Interest Payment Date. With respect to redemption of a Bond prior to its maturity, the Record Date shall mean the Bond Registrar’s close of business on the date on which the Bond Registrar sends the notice of redemption in accordance with Section 9.

(dd) *“Registered Owner”* means, with respect to a Bond, the person in whose name that Bond is registered on the Bond Register. For so long as the City utilizes the book-entry system for the Bonds under the Letter of Representations, Registered Owner shall mean the Securities Depository.

(ee) "Rule 15c2-12" means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended.

(ff) "SEC" means the United States Securities and Exchange Commission.

(gg) "Securities Depository" means DTC, any successor thereto, any substitute securities depository selected by the City that is qualified under applicable laws and regulations to provide the services proposed to be provided by it, or the nominee of any of the foregoing.

(hh) "Series of the Bonds" or "Series" means a series of the Bonds issued pursuant to this ordinance.

(ii) "State" means the State of Washington.

(jj) "System of Registration" means the system of registration for the City's bonds and other obligations set forth in Ordinance No. 1338 of the City.

(kk) "Tax-Exempt Bonds" means any Bond, the interest on which is intended on its Issue Date to be excluded from gross income for federal income tax purposes.

(ll) "Undertaking" means the undertaking to provide continuing disclosure entered into pursuant to Section 15 of this ordinance.

Section 3. Authorization of Bonds. To provide the funds necessary to pay or reimburse the costs of the Project, including without limitation making a deposit to the Guaranty Fund and paying the costs of issuance of the Bonds, the City is authorized to issue the Bonds evidencing indebtedness in an amount of not to exceed the lesser of (a) the amount of the confirmed assessment roll for LID No. 33 (\$9,475,893.89), or (b) the balance of such assessment roll remaining unpaid at the expiration of the 30-day prepayment period.

Section 4. Description of the Bonds; Appointment of Designated Representative. The Finance Officer is appointed as the Designated Representative of the City and is authorized and directed to conduct the sale of the Bonds, in one or more Series bearing the same Issue Date, in the manner and upon the terms deemed most advantageous to the City, and to approve the Final Terms of the Bonds, with such additional terms and covenants as the Designated Representative deems advisable, within the parameters set forth in Exhibit A, which is attached to this ordinance and incorporated by this reference.

Section 5. Bond Registrar; Registration and Transfer of Bonds.

(a) *Registration of Bonds.* Notwithstanding Section 13.04.170 of the Tukwila Municipal Code, each Bond shall be issued only in registered form as to both principal and interest and the ownership of each Bond shall be recorded on the Bond Register.

(b) *Bond Registrar; Duties.* Notwithstanding Section 13.04.170 of the Tukwila Municipal Code, the Fiscal Agent is appointed as initial Bond Registrar. The Bond Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of the Bonds, which shall be open to inspection by the City at all times. The

Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of the Bonds and this ordinance, to serve as the City's paying agent for the Bonds and to carry out all of the Bond Registrar's powers and duties under this ordinance and the System of Registration. The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on each Bond. The Bond Registrar may become an Owner with the same rights it would have if it were not the Bond Registrar and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as members of, or in any other capacity with respect to, any committee formed to protect the rights of Owners.

(c) *Bond Register; Transfer and Exchange.* The Bond Register shall contain the name and mailing address of each Registered Owner and the principal amount and number of each Bond held by each Registered Owner. A Bond surrendered to the Bond Registrar may be exchanged for a Bond or Bonds of an equal aggregate principal amount and of the same Series, interest rate, estimated redemption date and maturity. A Bond may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to the Owner or transferee. The Bond Registrar shall not be obligated to exchange any Bond or transfer registered ownership during the period between the applicable Record Date and the next upcoming interest payment or redemption date.

(d) *Securities Depository; Book-Entry Only Form.* The Designated Representative may determine whether the Bonds are to be issued in certificated or fully immobilized book-entry only form. If the Bonds are issued in book-entry form, DTC shall be appointed as initial Securities Depository. Each Bond initially shall be registered in the name of Cede & Co., as the nominee of DTC. Each Bond registered in the name of the Securities Depository shall be held in accordance with the provisions of the Letter of Representations. Registered ownership of any Bond registered in the name of the Securities Depository may not be transferred except: (i) to any successor Securities Depository; (ii) to any substitute Securities Depository appointed by the City; or (iii) to any person if the Bond is no longer to be held in book-entry only form. Upon the resignation of the Securities Depository, or upon a termination of the services of the Securities Depository by the City, the City may appoint a substitute Securities Depository. If (i) the Securities Depository resigns and the City does not appoint a substitute Securities Depository, or (ii) the City terminates the services of the Securities Depository, the Bonds no longer shall be held in book-entry only form and the registered ownership of each Bond may be transferred to any person as provided in this ordinance. Neither the City nor the Bond Registrar shall have any obligation to participants of any Securities Depository or the persons for whom they act as nominees regarding accuracy of any records maintained by the Securities Depository or its participants. Neither the City nor the Bond Registrar shall be responsible for any notice that is permitted or required to be given to a Registered Owner except such notice as is required to be given by the Bond Registrar to the Securities Depository.

Section 6. Form and Execution of Bonds.

(a) *Form of Bonds; Signatures and Seal.* Each Bond shall be prepared in a form consistent with the provisions of this ordinance and State law, and shall not be required to be in the form set forth in Section 13.04.170 or any other section of the Tukwila Municipal Code. The Bonds shall be issued in registered form and no coupons representing interest on the Bonds need be attached. Each Bond shall be signed by the Mayor and the City Clerk, either or both of whose signatures may be manual or in facsimile, and the seal of the City or a facsimile reproduction thereof shall be impressed or printed thereon. If any officer whose manual or facsimile signature appears on a Bond ceases to be an officer of the City authorized to sign bonds before the Bond bearing his or her manual or facsimile signature is authenticated by the Bond Registrar, or issued or delivered by the City, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the City as though that person had continued to be an officer of the City authorized to sign bonds. Any Bond also may be signed on behalf of the City by any person who, on the actual date of signing of the Bond, is an officer of the City authorized to sign bonds, although he or she did not hold the required office on its Issue Date.

(b) *Authentication.* Only a Bond bearing a Certificate of Authentication in substantially the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance: "Certificate Of Authentication. This Bond is one of the fully registered City of Tukwila, Washington, Local Improvement District No. 33 Bonds." The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this ordinance.

Section 7. Payment of Bonds. Principal of and interest on each Bond shall be payable in lawful money of the United States of America solely out of the LID Bond Fund or from the Local Improvement Guaranty Fund of the City. Principal of and interest on each Bond registered in the name of the Securities Depository is payable in the manner set forth in the Letter of Representations. Interest on each Bond not registered in the name of the Securities Depository is payable by electronic transfer on each Interest Payment Date, or by check or draft of the Bond Registrar mailed on such Interest Payment Date to the Registered Owner at the address appearing on the Bond Register on the Record Date. However, the City is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received at least ten days prior to the Record Date and at the sole expense of the Registered Owner. Principal of each Bond not registered in the name of the Securities Depository is payable upon presentation and surrender of the Bond by the Registered Owner to the Bond Registrar. The Bonds are not subject to acceleration under any circumstances.

Section 8. Funds and Accounts.

(a) *LID Bond Fund; Deposit of Assessments.* The LID Bond Fund has been previously created as a special fund of the City for the sole purpose of paying principal of and interest on the Bonds. All collections pertaining to payments of assessments on

the assessment roll of LID No. 33, including prepayments, installment payments, and interest and penalties thereon, shall be deposited in the LID Bond Fund. Prior to the Issue Date, any money on hand in the LID Bond Fund may be used to pay or reimburse costs of the Project, may be transferred to the Guaranty Fund, or may be retained therein for the payment of principal of or interest on the Bonds, as determined by the Finance Officer. After the Issue Date, money on hand in the LID Bond Fund shall be used solely to pay interest on the Bonds, to redeem a portion of the outstanding principal amount of the Bonds in accordance with Section 9, or to pay for costs of collecting delinquent assessments. Until needed for such purposes, the City may invest money in the LID Bond Fund temporarily in any legal investment, and the investment earnings shall be retained in the LID Bond Fund and used for the purposes of that fund.

(b) *Project Fund; Deposit of Bond Proceeds.* The principal proceeds received from the sale and delivery of each Series of the Bonds, which amounts are not needed to fund the Guaranty Fund deposit described below, shall be paid into or allocated to the Project Fund, and thereafter may be allocated or transferred to such other funds, accounts, or subaccounts of the City as the Director of Finance may determine, in order to pay or reimburse the City for all or part of the costs of the Project and to pay the costs of issuance of the Bonds. Until needed for such purposes, the City may invest the principal proceeds of the Bonds temporarily in any legal investment, and the investment earnings shall be deposited in the LID Bond Fund. Earnings subject to a federal tax or rebate requirement may be withdrawn from any such fund or account and used for those tax or rebate purposes. Any proceeds of Bonds remaining in the Project Fund after paying the costs of the Project, the costs of issuing the Bonds, and for the purposes set forth in this section, or after the City Council has determined that the expenditure of such bond proceeds for those purposes is no longer necessary or appropriate, may be used to pay principal of and interest on the Bonds consistent with applicable law.

(c) *Guaranty Fund.* On the Issue Date, proceeds of each Series of Bonds equal to not more than 10% of the issue price of such Series shall be deposited into the Guaranty Fund such that the balance in the Guaranty Fund equals not less than the balance required to be maintained under this subsection. For so long as any of the Bonds remain outstanding, the City shall take such actions as may be necessary, consistent with Chapter 3.64 of the Tukwila Municipal Code, Chapter 35.54 RCW and other applicable state law, to maintain such balance in the Guaranty Fund as the Finance Officer determines, in her sole discretion, is reasonable. Interest and earnings from the Local Improvement Guaranty Fund shall be retained within the Guaranty Fund. The Finance Officer may establish subaccounts within the Guaranty Fund, from time to time as the Finance Officer deems necessary or desirable for purposes of accounting for the investment of money therein. Money in the Guaranty Fund shall be used solely for the payment of bonds secured by such fund and as otherwise set forth in chapters 35.49 and 35.54 RCW and other applicable law.

Section 9. Maturity; Redemption Provisions and Purchase of Bonds.

(a) *Maturity.* All Bonds shall bear a maturity date and estimated redemption date approved by the Designated Representative in accordance with Section 4.

(b) *Redemption Provisions.* The City shall call Bonds for redemption in whole or in part in Authorized Denominations in the order set forth on the estimated redemption schedule (which shall be set forth in the Bond Purchase Contract) on each Interest Payment Date when there is money in the LID Bond Fund from assessment payments (including principal, interest, and penalties thereon) and other money of the City sufficient to pay the Bond (or portion thereof) so called over and above the amount required for the payment of the interest payable on all unpaid Bonds on that Interest Payment Date. Bonds shall be redeemed at a redemption price equal to the stated principal amount to be redeemed plus interest accrued thereon to the redemption date.

(c) *Selection of Bonds for Redemption; Partial Redemption.* For so long as a Bond is registered in the name of the Securities Depository, if less than all of the principal amount of that Bond is to be redeemed, the Securities Depository shall select the proportion of that Bond to be redeemed in accordance with the Letter of Representations. If a Bond is not registered in the name of the Securities Depository, the Bond Registrar shall select the proportion of that Bond to be redeemed randomly in such manner as the Bond Registrar shall determine. All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in any Authorized Denomination. If less than all of the outstanding principal amount of any Bond is redeemed, upon surrender of that Bond to the Bond Registrar, there shall be issued to the Registered Owner, without charge, a new Bond, bearing the same Series, estimated redemption date and interest rate, in the aggregate principal amount to remain outstanding.

(d) *Notice of Redemption.* Notice of redemption of each Bond registered in the name of the Securities Depository shall be given in accordance with the Letter of Representations. Notice of redemption of each other Bond, unless waived by the Registered Owner, shall be given by the Bond Registrar not less than 15 nor more than 45 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Registered Owner at the address appearing on the Bond Register on the Record Date. The requirements of the preceding sentence shall be satisfied when notice has been mailed as so provided, whether or not it is actually received by an Owner. In addition, the redemption notice shall be mailed or sent electronically within the same period to the MSRB (if required under the Undertaking), to each Rating Agency, and to such other persons and with such additional information as the Finance Officer shall determine, but these additional mailings shall not be a condition precedent to the redemption of any Bond.

(e) *Rescission of Redemption Notice.* In the case of any redemption, the notice of redemption may state that the City retains the right to rescind the redemption notice by giving a notice of rescission to the affected Registered Owner(s) at any time on or prior to the date fixed for redemption. Any notice of redemption that is so rescinded shall be of no effect, and each Bond for which a notice of redemption has been rescinded shall remain outstanding.

(f) *Effect of Redemption.* Interest on the principal portion of each Bond called for redemption shall cease to accrue on the date fixed for redemption, unless the notice of redemption is rescinded as set forth above.

(g) *Purchase of Bonds.* The City reserves the right to purchase any or all of the Bonds at any time at any price acceptable to the City plus accrued interest to the date of purchase.

Section 10. Failure to Pay Bonds. If the principal of any Bond is not paid when the Bond is properly presented at its maturity date or date fixed for redemption, the City shall be obligated to pay interest on the unpaid principal amount of that Bond at the same rate provided in the Bond from and after its maturity or date fixed for redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the LID Bond Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.

Section 11. Pledge of Assessment Payments. Assessments collected in LID No. 33, together with interest and penalties, if any, are pledged to the payment of the Bonds which are payable solely out of the LID Bond Fund and the Local Improvement Guaranty Fund of the City, all in the manner provided by law. The Bonds are not general obligations of the City. The City covenants that it will diligently commence and pursue the collection of all delinquent assessments in LID No. 33.

Section 12. Tax Covenants.

(a) *Preservation of Tax Exemption for Interest on Tax-Exempt Bonds.* The City covenants that it will take all actions necessary to prevent interest on the Tax-Exempt Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Tax-Exempt Bonds or other funds of the City treated as proceeds of the Tax-Exempt Bonds that will cause interest on the Tax-Exempt Bonds to be included in gross income for federal income tax purposes. The City also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Tax-Exempt Bonds, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Tax-Exempt Bonds.

(b) *Post-Issuance Compliance.* The Finance Officer is authorized and directed to review and update the City's written procedures to facilitate compliance by the City with the covenants in this ordinance and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Bonds from being included in gross income for federal tax purposes.

Section 13. Refunding or Defeasance of the Bonds. The City may issue refunding bonds pursuant to State law or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (a) paying when due the principal of and interest on any or all of the Bonds (the "defeased Bonds"); (b) redeeming the defeased Bonds prior to their maturity; and (c) paying the costs of the refunding or defeasance. If the City sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the "trust account"), money and/or Government Obligations maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bonds in accordance with their terms, then all right and interest of the Owners of the defeased Bonds in the

covenants of this ordinance and in the funds and accounts obligated to the payment of the defeased Bonds shall cease and become void. Thereafter, the Owners of defeased Bonds shall have the right to receive payment of the principal of and interest on the defeased Bonds solely from the trust account and the defeased Bonds shall be deemed no longer outstanding. In that event, the City may apply money remaining in any fund or account (other than the trust account) established for the payment or redemption of the defeased Bonds to any lawful purpose.

Unless otherwise specified by the City in a refunding or defeasance plan, notice of refunding or defeasance shall be given, and selection of Bonds for any partial refunding or defeasance shall be conducted, in the manner prescribed in this ordinance for the redemption of Bonds.

Section 14. Sale and Delivery of the Bonds.

(a) *Manner of Sale of Bonds; Delivery of Bonds.* The Designated Representative is authorized to sell each Series of the Bonds by negotiated sale based on the assessment of the Designated Representative of market conditions, in consultation with appropriate City officials and staff, Bond Counsel and other advisors.

(b) *Procedure for Negotiated Sale.* The Designated Representative shall select one or more Purchasers with which to negotiate the sale of a Series of the Bonds. A Bond Purchase Contract shall set forth the Final Terms of the sale of each Series. The Designated Representative is authorized to execute the Bond Purchase Contract on behalf of the City, so long as the terms provided therein are consistent with the terms of this ordinance.

(c) *Preparation, Execution and Delivery of the Bonds.* The Bonds will be prepared at City expense and will be delivered to the Purchaser in accordance with the Bond Purchase Contract, together with the approving legal opinion of Bond Counsel regarding the Bonds.

Section 15. Official Statement; Continuing Disclosure.

(a) *Preliminary Official Statement Deemed Final.* The Designated Representative shall review the form of the preliminary official statement prepared in connection with the sale of each Series of the Bonds to the public. For the sole purpose of the Purchaser's compliance with paragraph (b)(1) of Rule 15c2-12, the Designated Representative is authorized to deem that preliminary official statement final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12. The City approves the distribution to potential purchasers of the Bonds of a preliminary official statement that has been deemed final in accordance with this subsection.

(b) *Approval of Final Official Statement.* The City approves the preparation of a final official statement for each Series of the Bonds to be sold to the public in the form of the preliminary official statement, with such modifications and amendments as the Designated Representative deems necessary or desirable, and further authorizes the Designated Representative to execute and deliver such final official statement to the

Purchaser. The City authorizes and approves the distribution by the Purchaser of that final official statement to purchasers and potential purchasers of the Bonds.

(c) *Undertaking to Provide Continuing Disclosure.* To meet the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds, the Designated Representative is authorized and directed to execute a written undertaking to provide continuing disclosure for the benefit of holders of the Bonds in substantially the form attached as Exhibit B.

Section 16. Supplemental and Amendatory Ordinances. The City may supplement or amend this ordinance for any one or more of the following purposes without the consent of any Owners of the Bonds:

(a) To add covenants and agreements that do not materially adversely affect the interests of Owners, or to surrender any right or power reserved to or conferred upon the City.

(b) To cure any ambiguities, or to cure, correct or supplement any defective provision contained in this ordinance in a manner that does not materially adversely affect the interest of the Beneficial Owners of the Bonds.

Section 17. Fixing Interest Rate on Assessments. The interest rate on the installment payments of the special assessments in LID No. 33 is fixed at a rate equal to 0.5% plus the all-in true interest cost of the Bonds, as set forth in the Bond Purchase Contract, carried out to two decimal places. If the Bonds are issued in more than one Series, the all-in true interest cost shall be a blended rate of all Series of the Bonds.

Section 18. General Authorization and Ratification. The Designated Representative and other appropriate officers of the City are severally authorized to take such actions and to execute such documents as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this ordinance, and to do everything necessary for the prompt delivery of the Bonds to the Purchaser and for the proper application, use and investment of the proceeds of the Bonds. All actions taken prior to the effective date of this ordinance in furtherance of the purposes described in this ordinance and not inconsistent with the terms of this ordinance are ratified and confirmed in all respects.

Section 19. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 20. Severability. The provisions of this ordinance are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this ordinance to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and

void with respect to the particular person or circumstance, and all other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 21. Conflicts with Tukwila Municipal Code. Notwithstanding Tukwila Municipal Code Section 13.04.180, to the extent that anything contained in this ordinance is inconsistent with any provision set forth in the Tukwila Municipal Code, this ordinance and state law shall be deemed to be the controlling law for the narrow and specific purpose of authorizing the Bonds described herein, and such provisions of the Tukwila Municipal Code shall not apply.


Section 22. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force five days after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this 5TH day of October, 2013.

ATTEST/AUTHENTICATED:

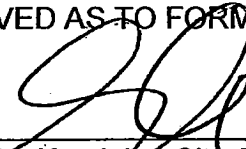


Christy O'Flaherty, MMC, City Clerk



Jim Haggerton, Mayor

APPROVED AS TO FORM BY:



Shelley M. Kerlake, City Attorney

Filed with the City Clerk: 10-2-13
Passed by the City Council: 10-7-13
Published: 10-10-13
Effective Date: 10-15-13
Ordinance Number: 2411

Attachments:

Exhibit A – Description of the Bonds

Exhibit B – Form of Undertaking to Provide Continuing Disclosure

EXHIBIT A

DESCRIPTION OF THE BONDS

- (i) **Principal Amount.** The Bonds may be issued in one or more Series and the aggregate principal amount of the Bonds shall not exceed the total amount on the assessment roll remaining uncollected after the expiration of the 30-day prepayment period, and in any event shall not exceed the total amount of the assessment roll (\$9,475,893.89). To facilitate delivery of the Bonds through the Securities Depository, the principal amount may be rounded down to the nearest \$100.
- (ii) **Date or Dates.** Each Bond shall be dated the Issue Date, which date may not be later than one year after the effective date of this ordinance and may not occur prior to 20 days after the expiration of the 30-day prepayment period for paying assessments. All Series of Bonds shall bear the same Issue Date.
- (iii) **Denominations, Name, etc.** The Bonds shall be issued in Authorized Denominations, with one Bond corresponding to each estimated redemption date within a Series. The Bonds of each Series shall be numbered consecutively in the order of the estimated redemption schedule, and shall bear any name and additional designation as deemed necessary or appropriate by the Designated Representative.
- (iv) **Interest Rate(s).** Each Bond shall bear interest at a fixed rate per annum (computed on the basis of a 360-day year of twelve 30-day months) from the Issue Date or from the most recent date for which interest has been paid or duly provided for, whichever is later. One or more rates of interest may be fixed for the Bonds. No rate of interest for any Bond may exceed 6.00%, and the all-in true interest cost to the City for each Series of the Bonds may not exceed 6.00%.
- (v) **Payment Dates.** Interest shall be payable at fixed rates annually on such Interest Payment Dates as are acceptable to the Designated Representative, commencing no later than 6 months after the first assessment installment payment date following the Issue Date.

EXHIBIT A
DESCRIPTION OF THE BONDS
Page 2

- (vi) Final Maturity. The Bonds shall mature on the Interest Payment Date next occurring after the date that is 2 years after the final assessment installment payment due date.
- (vii) Redemption Rights. The Bonds shall be subject to redemption on Interest Payment Dates, as set forth in Section 9 of this ordinance. The Designated Representative shall approve an estimated redemption schedule, which shall set forth the expected dates and amounts of such redemptions and which shall determine the order in which Bonds shall be called for such redemption.
- (viii) Price. The purchase price for each Series of the Bonds shall be equal to the stated aggregate principal amount of that Series.
- (ix) Other Terms & Conditions. The Designated Representative may determine whether it is in the City's best interest to provide for bond insurance or other credit enhancement; may designate a Series of the Bonds as Tax-Exempt Bonds or as taxable Bonds; and may accept such additional terms, conditions and covenants as he or she may determine are in the best interests of the City, consistent with this ordinance.

EXHIBIT B

Form of UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

City of Tukwila, Washington Local Improvement District No. 33 Bonds

The City of Tukwila, Washington (the "City"), makes the following written Undertaking for the benefit of holders of the above-referenced bonds (the "Bonds"), for the sole purpose of assisting the Purchaser in meeting the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds. Capitalized terms used but not defined below shall have the meanings given in Ordinance No. ____ of the City (the "Bond Ordinance").

(a) Undertaking to Provide Annual Financial Information and Notice of Listed Events. The City undertakes to provide or cause to be provided, either directly or through a designated agent, to the MSRB, in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

- (i) Annual financial information and operating data of the type included in the final official statement for the Bonds and described in paragraph (b) ("annual financial information");
- (ii) Timely notice (not in excess of 10 business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds:
 - (1) principal and interest payment delinquencies;
 - (2) non-payment related defaults, if material;
 - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (4) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (5) substitution of credit or liquidity providers, or their failure to perform;
 - (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds;
 - (7) modifications to rights of holders of the Bonds, if material;
 - (8) bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers;
 - (9) defeasances;

- (10) release, substitution, or sale of property securing repayment of the Bonds, if material;
 - (11) rating changes;
 - (12) bankruptcy, insolvency, receivership or similar event of the City, as such "Bankruptcy Events" are defined in Rule 15c2-12;
 - (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
 - (14) appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (iii) Timely notice of a failure by the City to provide required annual financial information on or before the date specified in paragraph (b).

(b) Type of Annual Financial Information Undertaken to be Provided. The annual financial information that the City undertakes to provide in paragraph (a):

- (i) Shall consist of:
 - (1) annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles applicable to local governmental units of the State such as the City, as such principles may be changed from time to time, which statements may be unaudited, provided, that if and when audited financial statements are prepared and available they will be provided;
 - (2) a statement of the outstanding balance of obligations secured by the Local Improvement Guaranty Fund;
 - (3) the balance of cash and investments in the Local Improvement Guaranty Fund at fiscal year end; and
 - (4) a statement of the amount of assessments that the City billed and collected in that fiscal year;
- (ii) Shall be provided not later than the last day of the ninth month after the end of each fiscal year of the City (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law, commencing with the City's fiscal year ending December 31, 2013; and
- (iii) May be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

(c) Amendment of Undertaking. This Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, Rating Agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12. The City will give notice to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

(d) Beneficiaries. This Undertaking shall inure to the benefit of the City and the holder of each Bond, and shall not inure to the benefit of or create any rights in any other person.

(e) Termination of Undertaking. The City's obligations under this Undertaking shall terminate upon the legal defeasance of all of the Bonds. In addition, the City's obligations under this Undertaking shall terminate if the provisions of Rule 15c2-12 that require the City to comply with this Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of Bond Counsel delivered to the City, and the City provides timely notice of such termination to the MSRB.

(f) Remedy for Failure to Comply with Undertaking. As soon as practicable after the City learns of any failure to comply with this Undertaking, the City will proceed with due diligence to cause such noncompliance to be corrected. No failure by the City or other obligated person to comply with this Undertaking shall constitute a default in respect of the Bonds. The sole remedy of any holder of a Bond shall be to take action to compel the City or other obligated person to comply with this Undertaking, including seeking an order of specific performance from an appropriate court.

(g) Designation of Official Responsible to Administer Undertaking. The Finance Officer or his or her designee is the person designated, in accordance with the Bond Ordinance, to carry out the Undertaking in accordance with Rule 15c2-12, including, without limitation, the following actions:

- (i) Preparing and filing the annual financial information undertaken to be provided;
- (ii) Determining whether any event specified in paragraph (a) has occurred, assessing its materiality, where necessary, with respect to the Bonds, and preparing and disseminating any required notice of its occurrence;
- (iii) Determining whether any person other than the City is an "obligated person" within the meaning of Rule 15c2-12 with respect to the Bonds, and obtaining from such person an undertaking to provide any annual financial information and notice of listed events for that person required under Rule 15c2-12;

- (iv) Selecting, engaging and compensating designated agents and consultants, including financial advisors and legal counsel, to assist and advise the City in carrying out this Undertaking; and
- (v) Effecting any necessary amendment of this Undertaking.

City of Tukwila Public Notice of Ordinance Adoption for Ordinances 2409-2411.

On October 7, 2013 the City Council of the City of Tukwila, Washington, adopted the following ordinances, the main points of which are summarized by title as follows:

Ordinance 2409: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NOS. 2375 §8 AND 2303 §5, AS CODIFIED AT TMC SECTION 19.20.050.A, TO UPDATE THE ALLOWABLE SIGN AREA FOR FLUSH-MOUNTED WALL SIGNS WITHIN THE CITY'S MANUFACTURING INDUSTRIAL CENTER/HEAVY DISTRICT; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2410: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NO. 1472, AS CODIFIED AT TUKWILA MUNICIPAL CODE SECTIONS 2.68.430, 2.68.440 AND 2.68.450, REGARDING PUBLIC DEFENSE SERVICES; ESTABLISHING TUKWILA MUNICIPAL CODE CHAPTER 2.70, "PUBLIC DEFENSE," TO INCLUDE PUBLIC DEFENSE STANDARDS FOR INDIGENT SERVICES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2411: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, RELATING TO CONTRACTING INDEBTEDNESS; PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF NOT TO EXCEED \$9,475,893.89 AGGREGATE PRINCIPAL AMOUNT OF LOCAL IMPROVEMENT DISTRICT BONDS TO PROVIDE FUNDS TO FINANCE THE PUBLIC IMPROVEMENTS IN LOCAL IMPROVEMENT DISTRICT NO. 33 ("LID No. 33"), BY REIMBURSING THE CITY FOR PROJECT COSTS, INCLUDING MAKING A DEPOSIT TO THE CITY'S LOCAL IMPROVEMENT GUARANTY FUND AND PAYING THE COSTS OF ISSUANCE OF THE BONDS; FIXING OR SETTING PARAMETERS WITH RESPECT TO CERTAIN TERMS AND COVENANTS OF THE BONDS; APPOINTING THE CITY'S DESIGNATED REPRESENTATIVE TO APPROVE THE FINAL TERMS OF THE SALE OF THE BONDS; FIXING THE INTEREST RATE ON ASSESSMENTS WITHIN LID NO. 33; AND PROVIDING FOR OTHER RELATED MATTERS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of these ordinances will be provided upon request.

Christy O'Flaherty, MMC, City Clerk

Published Seattle Times: October 10, 2013

The Seattle Times

City of Tukwila, Finance
Dana Alberg
6200 Southcenter Blvd

Tukwila, WA 98188

Re: Advertiser Account # 107510

Agency Account #: 0

Ad #: 370023

Agency Name:

Affidavit of Publication

STATE OF WASHINGTON
Counties of King and Snohomish

The undersigned, on oath states that he/she is an authorized representative of The Seattle Times Company, publisher of The Seattle Times of general circulation published daily in King and Snohomish Counties, State of Washington. The Seattle Times has been approved as a legal newspaper by others of the Superior Court of King and Snohomish Counties.

The notice, in the exact form annexed, was published in the regular and entire issue of said paper or papers and distributed to its subscribers during all of the said period.

Newspaper and Publication Date(s)	
Seattle Times	10/10/13

Agent MAUREEN E DUGAN Signature Maureen E Dugan



Subscribed and sworn to before me on Oct 10, 2013
Christina C. McKenna
Christina C. McKenna
(Notary Signature) Notary Public in and for the State of Washington, residing at Seattle

The Seattle Times

Re: Advertiser Account # 107510

Ad #: 370023

Agency Account #: 0

Agency Name:

AD TEXT

City of Tukwila Public Notice of Ordinance Adoption for Ordinances 2409-2411.

On October 7, 2013 the City Council of the City of Tukwila, Washington, adopted the following ordinances, the main points of which are summarized by title as follows:

Ordinance 2409: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NOS. 2375, 89 AND 2303 55, AS CODIFIED AT TMC SECTION 19.20.050.A, TO UPDATE THE ALLOWABLE SIGN AREA FOR FLUSH-MOUNTED WALL SIGNS WITHIN THE CITY'S MANUFACTURING INDUSTRIAL CENTER/HEAVY DISTRICT; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2410: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NO. 1472, AS CODIFIED AT TUKWILA MUNICIPAL CODE SECTIONS 2.68.430, 2.68.440 AND 2.68.450, REGARDING PUBLIC DEFENSE SERVICES; ESTABLISHING TUKWILA MUNICIPAL CODE CHAPTER 2.70, "PUBLIC DEFENSE," TO INCLUDE PUBLIC DEFENSE STANDARDS FOR INDIGENT SERVICES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2411: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, RELATING TO CONTRACTING INDEBTEDNESS; PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF NOT TO EXCEED \$9,475,893.89 AGGREGATE PRINCIPAL AMOUNT OF LOCAL IMPROVEMENT DISTRICT BONDS TO PROVIDE FUNDS TO FINANCE THE PUBLIC IMPROVEMENTS IN LOCAL IMPROVEMENT DISTRICT NO. 33 ("LID No. 33"), BY REIMBURSING THE CITY FOR PROJECT COSTS, INCLUDING MAKING A DEPOSIT TO THE CITY'S LOCAL IMPROVEMENT GUARANTY FUND AND PAYING THE COSTS OF ISSUANCE OF THE BONDS; FIXING OR SETTING PARAMETERS WITH RESPECT TO CERTAIN TERMS AND COVENANTS OF THE BONDS; APPOINTING THE CITY'S DESIGNATED REPRESENTATIVE TO APPROVE THE FINAL TERMS OF THE SALE OF THE BONDS; FIXING THE INTEREST RATE ON ASSESSMENTS WITHIN LID NO. 33; AND PROVIDING FOR OTHER RELATED MATTERS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of these ordinances will be provided upon request.

Christy O'Flaherty, MMC, City Clerk

Published Seattle Times: October 10, 2013

Italian gymnast apologizes to Americans

The Associated Press

CHICAGO — USA Gymnastics is asking Italian gymnastics officials for an explanation of the racially charged

comments that were aimed at new world all-around champion Simone Biles. Italy's Carlotta Ferlito apologized Tuesday on Twit-

ter for comments she made at the world championships in Belgium. After fellow Italian Vanessa Ferrari and Ferlito finished fourth and

fifth on balance beam — just behind Biles — Ferlito said with a laugh, "I told Vane that next time we'll have our skin black also so we can win, too." Biles won the all-around title earlier in the week, the

first black gymnast to become world champion. At last year's London Games, Gabby Douglas became the first black woman to win the Olympic all-around title. On Tuesday, Ferlito tweeted, "I want to apologize with

the Americans girls. I didn't want to sound rude or racist. I love Simone and I'm a huge fan of USA gymnastics." She then added, "I've made a mistake. I'm not perfect. ... I didn't think about what I was saying."

PUBLIC NOTICES

To place a legal ad call 206/652-6018 or email us at legals@seattletimes.com

Legal Notices



Weekly Permit Bulletin Publish Date: October 10, 2013

For official notice and review of land use applications, meetings, decisions, recommendations, hearings, and appeals of land use decisions within the City of Bellevue, please visit www.bellevuewa.gov/weekly_permit_bulletin.htm to view the City's official Weekly Permit Bulletin. For more information, please contact Development Services in the City of Bellevue either by phone 425-452-6800 or email at landuserreview@bellevuewa.gov.

Public Notices

Additional information about 10111 King County Sheriff's Sale of Charlottesville Condominium: 8747 Phinney Ave North, #11, Seattle 98103: www.8747phinney.com

CellCo Partnership and its controlled affiliates doing business as Verizon Wireless (Verizon Wireless) proposes to collocate wireless communications antennae at a top height of 103 feet on an existing 103 foot building located at 700 Fairview Avenue North, Seattle, WA 98109. Public comments regarding potential effects that this collocation may have on historic properties may be submitted within 30 days from the date of this publication to: Michael Goring, Trileaf Corp., 10845 Olive Blvd., Ste. 260, St. Louis, MO 63141, m.goring@trileaf.com, 314-977-6111.

CITY OF AUBURN ORDINANCE NO. 6480

An Ordinance of the City Council of the City of Auburn, Washington, creating a new Chapter 2.97 of the Auburn City Code, defining a process for considering requests for placement of monuments, memorials and structures to be located in City parks and on City property. INTRODUCED, PASSED, APPROVED: October 7, 2013. The full text of the above Ordinance, which is summarized in this publication, will be mailed without charge to any person who requests the text thereof from the Auburn City Clerk. Published in the Seattle Times October 10, 2013. This ordinance is effective five days after publication.

Public Notices

CITY OF BOTHELL PUBLIC NOTICE

STATE ENVIRONMENTAL POLICY ACT (SEPA) DETERMINATION OF NON-SIGNIFICANCE (DNS) PROPOSED 2013 IMAGINE BOTHELL... COMPREHENSIVE PLAN AMENDMENTS*

CamWest Development LLC Plan and Code Amendment Request

* Not including the Bothell MUGA boundary minor modifications and the Bothell PAA boundary minor modifications; both of which have previously been evaluated for their environmental impact.

Description of proposal: Proposed 2013 Imagine Bothell... Comprehensive Plan Amendments, comprising the following:

The CamWest Development LLC potential Plan and Code Amendments would change the land use designation of the northern 1.46 acres of parcel number 27053200401600 (a total area of 3.26 acres) from its current designation of R 40,000 (LID), NCFWCHPA to R 5,400A, NCFWCHPA. The Plan designation for the southern portion of parcel number 27053200401600 is currently R 5,400A, NCFWCHPA where no change is requested. The parcel currently has a split designation.

The City Council expanded the potential Plan and Code amendment to investigate the interface between the R 5,400A, NCFWCHPA zoning along 240th Street SE and the zoning to the north. Currently, Fitzgerald / 35 Avenue SE Subarea Plan Land Use Policy 6 requires the placement of a "...minimum 50 foot wide buffer adjacent to all R 40,000 (LID) designated single family lands to the north." This 50 foot wide buffer is implemented within Section 12.52.020 BMC.

The Planning Commission conducted a public hearing on this matter on October 2, 2013. After considering the application, additional information and public testimony, and after deliberating upon the proposal, the Planning Commission voted to recommend the City Council approve the CamWest Plan and Code amendment Request.

In addition to the above-described proposed Plan amendment, two other Plan amendments have been proposed for consideration by the City Council in 2013. These other proposed amendments include minor modifications to the Bothell Municipal Urban Growth Area (MUGA) boundary in Snohomish County and minor modifications to the Bothell Potential Annexation Area (PAA) boundary in King County.

Public Notices

City of Tukwila Public Notice of Ordinance Adoption for Ordinances 2409-2411.

On October 7, 2013 the City Council of the City of Tukwila, Washington, adopted the following ordinances, the main points of which are summarized by title as follows:

Ordinance 2409: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NOS. 2375 58 AND 2303 55, AS CODIFIED AT TMC SECTION 19.20.050.A, TO UPDATE THE ALLOWABLE SIGN AREA FOR FLUSH-MOUNTED WALL SIGNS WITHIN THE CITY'S MANUFACTURING INDUSTRIAL CENTER/HEAVY DISTRICT; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2410: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NO. 1472, AS CODIFIED AT TUKWILA MUNICIPAL CODE SECTIONS 2.68.430, 2.68.440 AND 2.68.450, REGARDING PUBLIC DEFENSE SERVICES; ESTABLISHING TUKWILA MUNICIPAL CODE CHAPTER 2.70, "PUBLIC DEFENSE," TO INCLUDE PUBLIC DEFENSE STANDARDS FOR INDIGENT SERVICES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

Ordinance 2411: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, RELATING TO CONTRACTING INDEBTEDNESS; PROVIDING FOR THE ISSUANCE AND DELIVERY OF NOT TO EXCEED \$9,475,893.89 AGGREGATE PRINCIPAL AMOUNTS OF LOCAL IMPROVEMENT DISTRICT BONDS TO PROVIDE FUNDS TO FINANCE THE PUBLIC IMPROVEMENTS IN LOCAL IMPROVEMENT DISTRICT NO. 33 (LID NO. 33); REIMBURSING THE CITY FOR PROJECT COSTS, INCLUDING MAKING A DEPOSIT TO THE CITY'S LOCAL IMPROVEMENT GUARANTY FUND AND PAYING THE COSTS OF ISSUANCE OF THE BONDS; FIXING OR SETTING PARAMETERS WITH RESPECT TO CERTAIN TERMS AND COVENANTS OF THE BONDS; APPOINTING THE CITY'S DESIGNATED REPRESENTATIVE TO APPROVE THE FINAL TERMS OF THE SALE OF THE BONDS; FIXING THE INTEREST RATE ON ASSESSMENTS WITHIN LID NO. 33; AND PROVIDING FOR OTHER RELATED MATTERS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of these ordinances will be provided upon request. Christy O'Flaherty, MMC, City Clerk

Bid Requests

SOLICITATION NOTICE ANTHC-14-R-49696 ALASKA NATIVE TRIBAL HEALTH CONSORTIUM (ANTHC) INVITATION FOR BID FOR MEDICAL TRANSCRIPTION SERVICES ANTHC intends to enter into a contract for Medical Dictation and Transcription Services for a 150 Bed Hospital. Responses must be submitted in the format specified in the solicitation, and must be received not later than 2:00 p.m., October 30, 2013. Copies of the solicitation are available from the ANTHC web site, <http://www.anthc.org/cs/contracting/bids/> Ben R. Milam, 907-729-2972 bmilam@anthc.org

Request for Proposal

City of Bellevue Request for Proposal Legal Notice Notice is hereby given that the City of Bellevue has issued the following Request for Proposal. The complete Request for Proposal, including all submittal requirements can be viewed at www.bellevuewa.gov under "Find I Bids, RFPs and RFQs I Current Bid Opportunities, RFPs and RFQs". RFP #: 13218 RFP Title: South Bellevue Community Center Preschool RFP Due Date and Time: November 04, 2013 at 4:00 PM Brief Scope of Services: Provide a quality, affordable, structured preschool program to meet the social, intellectual, and physical developmental needs of preschool-age children with an emphasis on nature, fitness, and using available natural environments as a classroom. The program should follow the Bellevue School District calendar. Provide a minimum of two, one-week long, half-day, summer day camps for preschool-age children with the same emphasis as above. Instructors should have experience and knowledge of early childhood education, outdoor activities, and health and wellness. Contractor will be responsible for developing and implementing a solid program curriculum and marketing plan. Contractor agrees to comply with the provisions of Title VI. Dated this 10th day of October, 2013. Published: Seattle Times: October 10th

Hearing Notices

NOTICE OF PUBLIC HEARING BEFORE HOUGHTON COMMUNITY COUNCIL AND PLANNING COMMISSION SUBJECT: 2013 CITY INITIATED COMPREHENSIVE PLAN AMENDMENTS to the Capital Facilities and Transportation Elements Tables and Figures to make them consistent with the 2013-2018 Capital Improvement Program, pursuant to KZC Sections 140 and 160. ADDRESS: CITY WIDE PUBLIC HEARING: Planning Commission and Houghton Community Council on 10/24/13 at 6:30 p.m. in the City Hall Council Chamber, 123 5th Ave, Kirkland, WA 98033. PUBLIC COMMENT DEADLINE: Comments may be submitted prior to and/or of the hearing. STAFF CONTACT: Joan Lieberman-Brill, Senior Planner, City of Kirkland Planning Department at 425-587-3254 or jbrill@kirklandwa.gov. Refer to File No. CAM13-01249. More information is also available at www.mybuildingpermit.com. Publishing Date: 10/10/13



NOTICE OF PUBLIC HEARING Notice is hereby given that the Washington State Housing Finance Commission (the "Commission") will hold a public hearing in the Boardroom of the Commission's offices, 1000 Second Avenue, 28th Floor, Seattle, Washington, on Thursday, October 24, 2013 at 1:00 P.M., or as soon thereafter as practical, for the purpose of receiving public comment regarding proposed "changes" to the 9% Competitive Housing Tax Credit Program Policies for the 2014 allocation round. The Commission is the agency designated by the Governor to allocate federal Low-Income Housing Tax Credits in the state. Tax credits are awarded on a competitive basis to developers for financing either the rehabilitation of existing buildings or construction of new buildings for residential use. Recipients must comply with federal and state requirements that include maximum rent levels and the set-aside of a certain percentage of apartment units for occupancy by low-income tenants. The public is invited to attend the public hearing and make written or oral statements including objections, if any, concerning the proposed "changes" to the Policies. Written comments received no later than 5:00 P.M., Wednesday, Octo-

Hearing Notices

NOTICE OF PUBLIC HEARING The Washington State Housing Finance Commission (the "Commission") will hold an open public hearing for the purpose of considering the issuance by the Commission of tax-exempt revenue bonds (the "Bonds") to finance the construction of a multifamily housing facility in Federal Way, Washington, to be owned by Park 16, LLC, a Washington limited liability company. The public hearing will be held starting at 1:00 p.m. Thursday, October 24, 2013, in the 28th Floor Board Room of the Commission's offices located at 1000 Second Ave., Seattle, Washington 98104-3601. The Bonds will be issued pursuant to Chapter 43.180 Revised Code of Washington, and the Internal Revenue Code of 1986, as amended. The proceeds of the Bonds will be used to provide financing for the following project: Project: Park 16 Project Address: 35703 16th Avenue South Federal Way, WA 98003 Total Estimated Project Cost \$46,579,000 Estimated Maximum Bond Amount \$32,750,000

Proceeds of the Bonds will be used to provide a portion of the financing for the acquisition of land and the new construction of 293 units of multifamily housing. Written comments with respect to the proposed project and the proposed Bonds may be mailed or faxed to the attention of Dan Schilling, WSHFC, MHCF Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5 p.m. on Wednesday, October 23, 2013. Public testimony and written comments will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt bonds. Testimony and written comments regarding land use and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project. Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the MHCF division at 206-464-7139 or 1-800-767-HOME (in state) at least 48 hours in advance of the hearing. The results of the hearing will be sent to the Governor for approval.

Summons

CERTIFICATE OF DESIGNATED REPRESENTATIVE

pursuant to
City of Tukwila, Washington
Ordinance No. 2411

This certificate is given in connection with the issuance, sale and delivery by the City of Tukwila, Washington (the "City") of its \$6,687,500 principal amount Local Improvement District No. 33 Bonds (the "Bonds"). Unless otherwise defined herein, capitalized terms shall have the meanings as defined in the Bond Ordinance, as defined below.

I, Peggy McCarthy, as Finance Director of the City do hereby certify that:

1. Authority; Definitions. On October 7, 2013, the City Council of the City passed Ordinance No. 2411 (the "Bond Ordinance"), which ordinance remains in effect as of the date hereof and has not been amended. Pursuant to Section 4 of the Bond Ordinance, I was appointed to serve as the Designated Representative for purposes of accepting, on behalf of the City, a Bond Purchase Contract between the City and Piper Jaffray & Co. (the "Purchaser") and taking certain other actions in connection with the issuance and sale of the Bonds.

2. Terms of Bonds.

(a) Amount. The Bonds are issued as tax-exempt bonds in the aggregate principal amount of \$6,687,500. The aggregate principal amount of the Bonds does not exceed the total amount on the assessment roll of LID No. 33 remaining uncollected after the expiration of the 30 day prepayment period, and is rounded down to the nearest \$100.

(b) Date. The Issue Date is expected to be November 19, 2013, which is not later than one year after the effective date of the Bond Ordinance and is not earlier than 20 days after the expiration of the 30 day prepayment period for paying assessments.

(c) Interest Rates. The Bonds bear interest at the fixed rates per annum set forth in the Bond Purchase Contract. No rate of interest exceeds 6.00%. The all-in true interest cost to the City as set forth in the Pricing Report is 5.021419% which does not exceed 6.00%.

(d) Payment Dates. Interest is payable on each January 15, commencing January 15, 2015, which is no later than 6 months after the first assessment installment payment date following the Issue Date.

(e) Final Maturity. The final maturity of the Bonds is January 15, 2031, which is the Interest Payment Date next occurring after the date that is 2 years after the final assessment installment payment due date of October 16, 2028.

(f) Estimated Redemption Schedule. The Bonds are subject to redemption in accordance with the Bond Ordinance beginning on January 15, 2015. The estimated redemption schedule, which determines the order in which the Bonds shall be called for redemption, is set forth in the table below. If less than all of the principal amount of a Bond that is assigned to an estimated redemption year is called for redemption, the portion of such Bond to be redeemed shall be determined by the Securities Depository or by the Bond Registrar in accordance with Section 9 of the Bond Ordinance.

Estimated Redemption Schedule

Bond Number	Estimated Redemption Years	Interest Rate	Amount
R-1	2015 - 2018	3.150%	\$1,792,500
R-2	2019 - 2023	4.500	2,225,000
R-3	2024 - 2029	5.375	2,670,000

(g) Price. The purchase price for the Bonds is the stated aggregate principal amount of the Bonds.

3. Bond Purchase Contract. I confirm that the Final Terms are within the parameters set forth in the Bond Ordinance, and I have accepted, on behalf of the City, the Bond Purchase Contract between the City and the Purchaser dated November 5, 2013.

4. Official Statement. I deem “final” the Preliminary Official Statement relating to the Bonds dated October 22, 2013, as supplemented and amended by the Addendum thereto dated October 31, 2013 (together, the “Preliminary Official Statement”), as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12, and approve the distribution of the Preliminary Official Statement to potential purchasers of the Bonds and the final Official Statement relating to the Bonds to be dated November 5, 2013, in substantially the form of the Preliminary Official Statement, together with the inclusion of information permitted to be omitted from the Preliminary Official Statement by Rule 15c2-12 (the “Official Statement”). I hereby approve the distribution of the Official Statement to purchasers and potential purchasers of the Bonds.

5. Designation of Bonds as “Qualified Tax-Exempt Obligations.” For the purposes of Section 265(b)(3) of the United States Internal Revenue Code of 1986, as amended (the “Code”), I find that the following conditions have been met:

(i) the Bonds are not “private activity Bonds” within the meaning of Section 141 of the Code;

(ii) the reasonably anticipated amount of tax-exempt obligations (other than private activity Bonds and other obligations not required to be included in such calculation) that the City and any entity subordinate to the City (including any entity that the City controls, that derives its authority to issue tax-exempt obligations from the City, or that issues tax-exempt obligations on behalf of the City) will issue during 2013 (*i.e.*, the calendar year in which the Bonds will be issued) will not exceed \$10,000,000; and

(iii) the amount of tax-exempt obligations, including the Bonds, so designated by the City as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code during 2013 will not exceed \$10,000,000.

In view of the foregoing, the City hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Dated November 5, 2013.

CITY OF TUKWILA, WASHINGTON



 Peggy McCarthy, Finance Director

November 5, 2013

Peggy McCarthy, Finance Director
City of Tukwila
6200 Southcenter Blvd.
Tukwila, Washington 98188

Re: City of Tukwila, Washington
\$6,687,500 Local Improvement District No. 33 Bonds

Dear Ms. McCarthy:

Piper Jaffray & Co. (the "Underwriter") offers to enter into this purchase agreement (the "Purchase Agreement") with the City of Tukwila, Washington (the "Issuer"). Each of the Underwriter and the Issuer may be referred to herein as a "Party" or collectively as the "Parties."

This offer is contingent upon acceptance by the Issuer by execution and delivery of this Purchase Agreement to the Underwriter at or prior to 11:59 p.m. Pacific Time on the date hereof, by means of hand delivery, facsimile or other secure electronic transmission, such as a PDF file. Upon execution of this Purchase Agreement by the Parties, this Purchase Agreement will constitute a binding agreement between the Issuer and the Underwriter.

Capitalized terms in this Purchase Agreement that are not otherwise defined herein shall have the meanings given to such terms in the Bond Ordinance as defined below:

1. Authorization and Documents

The issuance, sale and delivery of the Bonds (as defined below) shall be authorized by the City's Finance Director pursuant to the authority delegated under Ordinance No. 2411 (the "Bond Ordinance"), passed by the City Council of the Issuer on October 7, 2013. The transaction at which the Bonds are delivered by the Issuer to the Underwriter and paid for by the Underwriter is referred to herein as the "Closing" and the date of such transaction, the "Closing Date."

The Bond Ordinance authorizes the Finance Director to execute an undertaking (the "Undertaking") to provide certain information to the Municipal Securities Rulemaking Board or any successors to its functions (the "MSRB"). Until otherwise designated by the MSRB or the Securities and Exchange Commission ("SEC"), any information or notices submitted to the MSRB in compliance with Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the "Rule") are to be submitted through the

MSRB's Electronic Municipal Market Access system ("EMMA"), currently located at www.emma.msrb.org. The Bond Ordinance, the Undertaking and this Purchase Agreement are collectively referred to herein as the "Documents."

2. Purchase and Sale

Subject to the terms and conditions of this Purchase Agreement, the Underwriter hereby agrees to purchase from the Issuer for offering to the public and the Issuer hereby agrees to sell to the Underwriter all, but not less than all of the \$6,687,500 aggregate principal amount of the City's Local Improvement District No. 33 Bonds (the "Bonds"). The Bonds shall be dated, shall mature, shall bear interest, shall be payable, and shall have redemption provisions and other terms, all as set forth in Exhibit C attached hereto, which by this reference is incorporated herein. The Underwriter's purchase price for the Bonds also is set forth in Exhibit C.

3. Fiscal Agent

The fiscal agent of the State of Washington shall be the fiscal agent for the Bonds, serving as registrar, authenticating agent and paying agent (the "Bond Registrar"). The Bonds shall be payable and shall be secured as provided in the Bond Ordinance and as described in the document entitled Preliminary Official Statement, which is dated October 22, 2013, as amended and supplemented by the Addendum dated October 31, 2013, and which describes the Issuer and the Bonds (together with all appendices or exhibits, any materials expressly incorporated by reference therein and any amendments or supplements thereto, the "POS").

4. Offering

The Underwriter agrees to make a *bona fide* public offering of all the Bonds, at prices not in excess of the initial public offering prices or at yields not lower than the initial yields as set forth in Exhibit C attached hereto. The Underwriter may change the initial offering price or prices as they deem necessary in connection with the offering of the Bonds without any requirement of prior notice, and may offer and sell the Bonds to certain institutions at prices lower than those stated in the Final Official Statement.

5. Official Statement

- a) The Issuer has ratified and "deemed final" the POS for purposes of the Rule. The Issuer approves and ratifies the use and distribution by the Underwriter of the POS in connection with the public offering for sale of the Bonds by the Underwriter.
- b) The final official statement, dated the date of this Purchase Agreement and delivered as provided in this subparagraph (b), shall be substantially in the form

of the POS with only such changes permitted by the Rule as shall have been reviewed by the Underwriter (such final official statement, incorporating such changes, if any, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto shall be referred to herein as the "Final Official Statement"). The Issuer shall cooperate with the Underwriter in the preparation of the Final Official Statement for delivery within seven (7) business days after the date hereof and, in any event, for delivery in sufficient time to accompany any order confirmation from the Underwriter to its customers, and in sufficient time to permit the Underwriter to comply with the provisions of the Rule and with all applicable rules of the MSRB. The Underwriter agrees to file the Final Official Statement with the MSRB or its designee (including EMMA).

- c) The Issuer will not amend or supplement the Final Official Statement without the consent of the Underwriter. The Issuer agrees to notify the Underwriter promptly if, on or prior to the 25th day after the End of the Underwriting Period (as defined below), any event shall occur, or information shall come to the attention of the Issuer, that would cause the Final Official Statement (whether or not previously supplemented or amended), as of its date, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If, in the opinion of the Issuer, such event requires the preparation and distribution of a supplement or amendment to the Final Official Statement, the Issuer at its expense and with Underwriter's consent and assistance, shall amend or supplement the Final Official Statement in a form and manner approved by the Underwriter and will provide such number of copies of the supplement or amendment to the Final Official Statement, as the Underwriter may reasonably request. For purposes of this Purchase Agreement, the "End of the Underwriting Period" shall occur on the Closing Date.

6. Representations, Warranties and Covenants

The Issuer represents, warrants and covenants to the Underwriter that as of the date hereof and as of the Closing Date:

- a) The Issuer is a municipal corporation duly organized and validly existing under the laws and Constitution of the State of Washington;
- b) The Issuer has duly passed the Bond Ordinance and it is a valid, legal and binding ordinance of the Issuer;
- c) The Issuer is duly authorized and has full legal right, power, and authority to issue, sell and deliver the Bonds and perform its obligations under the Documents;

- d) The Bond Ordinance is in full force and effect and has not been superseded, rescinded or amended;
- e) The Issuer has full legal right, power and authority to and will apply or cause to be applied the proceeds of the Bonds as described in the Bond Ordinance;
- f) The execution of and performance by the Issuer of its obligations under the Documents will not cause the Issuer to be (i) in violation of any constitutional provision, law, court decree, administrative regulation or judgment or (ii) in material default under any loan agreement, indenture, bond, note, resolution or other material agreement or instrument to which the Issuer is a party or to which the Issuer or any of its properties or assets is otherwise subject;
- g) All governmental approvals or authorizations required to be obtained by the Issuer prior to the Closing Date in connection with the issuance and delivery of the Bonds or the performance by the Issuer of its obligations under the Documents have been or will be obtained prior to Closing;
- h) No filing or registration of the Bond Ordinance or other instrument or financing statement is required to be made to create, protect or preserve the pledge of assessment revenues under the Bond Ordinance or is required for the validity and enforceability of the Bond Ordinance;
- i) As of the Closing, the Bonds will be legal, valid and binding obligations of the Issuer, and, subject only to the laws of bankruptcy and insolvency, will be enforceable in accordance with their terms and will be in full force and effect;
- j) Except as described in the Final Official Statement there is no action, suit, proceeding, inquiry or investigation before or by any court, governmental agency, public board or body pending or, to the knowledge of the Issuer, threatened against the Issuer, (i) in any way questioning the legal existence of the Issuer or the titles of the officers of the Issuer to their respective offices; (ii) in any way affecting or contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of the Bonds; (iii) wherein an unfavorable decision, ruling, or finding would have a material adverse effect on the collection and application of assessment revenues for the payment of the Bonds, the financial condition of the Issuer, or would have an adverse effect on the validity or enforceability of the Bonds or the Bond Ordinance, or which would in any way adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes; (iv) contesting the completeness or accuracy of the POS or the Final Official Statement; or (v) to the actual knowledge of the Issuer, there is no reasonable basis for any action, proceeding, inquiry or investigation of the nature described in the foregoing clauses (i) through (iv);

- k) The financial statements of the Issuer contained in the Final Official Statement fairly present the financial position of the Issuer as of the dates and for the periods therein set forth in accordance with the accounting standards applicable to the Issuer;
- l) The Issuer understands and acknowledges that the ultimate responsibility for the POS and the Final Official Statement with respect to content, accuracy and completeness is the responsibility of the Issuer as an issuer of municipal securities. The Issuer hereby represents and warrants to the Underwriter that the POS did not, as of its date, and the Final Official Statement will not, as of its date and at the Closing Date, contain any untrue statement of material fact nor omit any statement or information which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that no representation or warranty is made with respect to information within the POS or the Final Official Statement relating to the Depository Trust Company ("DTC"), DTC's book-entry system or the Underwriter; and
- m) If required in accordance with Rule 15c2-12, the Issuer has entered or will enter into the Undertaking. The Issuer has not failed to comply with any prior undertaking under the Rule.

7. Representations and Warranties of the Underwriter

The Underwriter hereby agrees with, and makes the following representations and warranties to, the Issuer, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

- a) The Underwriter is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.
- b) This Purchase Agreement has been duly authorized, executed and delivered by the Underwriter and, assuming the due authorization, execution and delivery by the Issuer, is the legal, valid and binding obligation of the Underwriter enforceable in accordance with its terms, except as the enforceability of this Purchase Agreement may be limited by application of Creditors' Rights Laws. The term "Creditors' Rights Laws" shall mean limitations on enforceability as may result from bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally from time to time in effect and from the application of general principles of equity and from public policy limitations on the exercise of any rights to indemnification and contribution.

- c) The Underwriter represents that it is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

8. Termination

The Underwriter may terminate its obligation under this Purchase Agreement, without liability therefor, by notifying the Issuer of its election to do so in writing if, after the execution of this Purchase Agreement and prior to the Closing, any one or more of the following events shall have occurred and such event, in the reasonable opinion of the Underwriter (i) would materially and adversely affect the marketability of the Bonds or the prices or yields of the Bonds as set forth in Exhibit C, or (ii) would materially and adversely affect the Underwriter's ability to enforce contracts for the sale of the Bonds (each, a "Termination Event"):

- a) A material disruption in commercial banking or securities settlement or clearance services; or
- b) The United States shall have become engaged in hostilities or existing hostilities shall have escalated or a national emergency or other national or international calamity, including but not limited to terrorist attack(s) or other event; or
- c) A general suspension of trading or other material restrictions not in force as of the date of this Purchase Agreement on the New York Stock Exchange or other national securities exchange; or
- d) Declaration of a general banking moratorium by the United States, New York State or Washington State authorities; or
- e) An actual or imminent default or moratorium in respect of payment of any United States Treasury bills, bonds or notes; or
- f) Any downgrade of the credit rating of the United States of America; or
- g) Legislation shall have been enacted by the Congress of the United States or the legislature of the State or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect to

federal or state taxation upon interest received on obligations of the general character of the Bonds; or

- h) Legislation shall hereafter be enacted, or actively considered for enactment, or a decision by a court of the United States shall hereafter be rendered, or a ruling, stop order or regulation by the SEC or other governmental agency having jurisdiction of the subject matter shall hereafter be made, the effect of which is or would be that the offering and sale of the Bonds would be illegal or that:
 - i) The Bonds are not exempt from the registration, qualification or similar requirements of the Securities Act of 1933, as amended and as then in effect (the "33 Act") or distribution of the Bonds, as contemplated herein or in the Final Official Statement, is in violation of or not exempt from the registration, qualification or other requirements of the 33 Act, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and then in effect (the "34 Act") or the Investment Company Act of 1940, as amended and then in effect (the "Investment Company Act") or, in each case, the rules or regulations promulgated thereunder as then in effect; or
 - ii) The Bond Ordinance is not exempt from the registration, qualification or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect (the "Trust Indenture Act"); or
 - iii) This Purchase Agreement is subject to the Investment Company Act or requires any registration under the Investment Company Act; or
- i) Any litigation, except as described in the Final Official Statement, shall be instituted or pending at Closing to restrain or enjoin the authorization, issuance, execution, sale or delivery of the Bonds or the execution and delivery of any of the Documents, or in any way contesting or affecting any authority for or the validity or enforceability of the Bonds, the Bond Ordinance or any of the other Documents, any moneys or securities provided for the payment of the Bonds or the existence of the Issuer or the powers of the Issuer with respect to the Bonds; or
- j) Any legislation, ordinance, rule or regulation shall be enacted by any governmental body, board, department or agency of Washington State or of the United States, or a decision by any court of competent jurisdiction within Washington State or any court of the United States shall be rendered materially affecting the Issuer or the Bonds; or
- k) There shall have been established any new restrictions on transactions in securities materially affecting the free market for securities or the extension of

credit by, or the charge to the net capital requirements of the Underwriter, including without limitation, the fixing of minimum or maximum prices for trading or maximum ranges of prices, by any exchange, the SEC, any other federal or state agency or the Congress of the United States, or by Executive Order; or

- l) Any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Final Official Statement (other than any statement provided by the Underwriter) or is not reflected in the Final Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Issuer refuses to permit the Final Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

9. Closing; Conditions of Closing

The Closing shall occur on such date and at such time and place as is set forth in Exhibit C or otherwise agreed between the Issuer and the Underwriter, and subject to the satisfaction of the terms and conditions of this Purchase Agreement. At Closing, the following shall occur: the Issuer will deliver the duly executed Bonds or cause to be delivered to the Bond Registrar for re-delivery through Fast Automated Transfer System to DTC and will deliver or cause to be delivered to the Underwriter the Bond Ordinance; the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Exhibit C hereof in same day funds. The Issuer shall cause the applicable CUSIP identification numbers to be printed on the Bonds of each maturity, but neither the failure to print such number on any such Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and to pay for the Bonds. The Bonds shall be prepared and delivered to the Bond Registrar at or prior to the Closing Date.

In addition to the other requirements of this Purchase Agreement, Underwriter's obligations hereunder are subject to and conditioned upon the Underwriter's receipt, at or prior to the Closing Date, the Documents each item listed in Exhibit B attached hereto and incorporated herein.

10. Fees and Expenses

The Underwriter shall be under no obligation to pay, and the Issuer shall pay from available funds or direct the Bond Registrar under the Bond Ordinance to pay from the proceeds of the Bonds (to the extent permitted under applicable law) or from other funds of the Issuer, all expenses that are incidental to the performance of the Issuer's

obligations under this Purchase Agreement, including but not limited to: all expenses in connection with the printing of the POS, the Final Official Statement and any amendment or supplement to either; all expenses in connection with the printing, issuance and delivery of the Bonds; the fees and expenses of Bond Counsel; the fees and expenses of the Issuer's financial advisors and all other consultants; the fees and disbursements of the Bond Registrar; all expenses in connection with obtaining a rating or ratings for the Bonds; all expenses of the Issuer in connection with the preparation, printing, execution and delivery of the Bonds; the Issuer's administrative fees; and all other expenses and costs of the Issuer incident to its obligations in connection with the authorization, issuance, sale and distribution of the Bonds. Unless the Issuer and the Underwriter otherwise agree, the Issuer shall pay for all incidental costs (including, but not limited to, transportation, lodging, meals and entertainment of Issuer personnel) incurred by or on behalf of the Issuer in connection with the marketing, issuance and delivery of the Bonds.

The Underwriter shall pay the costs of qualifying the Bonds for sale in the various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Bonds, the fees and disbursements of Underwriter's Counsel, if any and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds.

11. Miscellaneous


- a) All matters relating to the Purchase Agreement shall be governed by the laws of the State of Washington.
- b) The Issuer acknowledges and agrees that:
 - i) The primary role of the Underwriter is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Issuer;
 - ii) The Underwriter is not acting as a municipal advisor, financial advisor, or fiduciary to the Issuer and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto, irrespective of whether the Underwriter has provided or is currently providing other services to the Issuer on other matters;
 - iii) The only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement and shall also include those contractual duties implied under Washington law, e.g. a duty of good faith and fair dealing; and

- iv) To the extent it deems appropriate, the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable.
- c) This Purchase Agreement is intended to benefit only the parties hereto. All representations and warranties and agreements of the Issuer in this Purchase Agreement shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the Underwriter, (ii) delivery of and payment for the Bonds hereunder, or (iii) any termination of this Purchase Agreement. If the Issuer fails to satisfy any of the foregoing conditions or covenants, or if the Underwriter's obligations are terminated for any reason permitted under this Purchase Agreement, then neither the Underwriter nor the Issuer shall have any further obligations under this Purchase Agreement, except that any expenses incurred shall be borne in accordance with the Fees and Expenses Section hereof.
- d) Any notice or other communication to be given to the Issuer by the Underwriter under this Purchase Agreement may be given by delivering the same in writing to the Finance Director or other authorized official of the Issuer at 6200 Southcenter Blvd., Tukwila, Washington 98188; and any notice or other communication to be given to the Underwriter by the Issuer under this Purchase Agreement may be given by delivering the same in writing to the attention of the officer of the Underwriter executing this Purchase Agreement at Piper Jaffray & Co., 1420 Fifth Avenue, Suite 4300, Seattle, Washington, 98101. Written communications may be delivered by electronic means.
- e) This Purchase Agreement may be executed in any number of counterparts, all of which shall be one and the same instrument, and either Party hereto may execute this Purchase Agreement by signing any such counterpart.
- f) This Purchase Agreement, including all documents incorporated herein by reference, constitutes the entire agreement between and among the Parties, supersedes any other representations, understandings or communications between the Parties or their representatives, and may be amended only in a writing signed by both Parties. This Purchase Agreement may not be changed or terminated orally. This Purchase Agreement is intended solely for the benefit of the Parties (including any successors and assigns thereof but not any holder of any Bonds). No other person shall acquire or have any rights hereunder or by virtue hereof.

City of Tukwila, Washington
Local Improvement District No. 33 Bonds
November 5, 2013
Page 11

Respectfully submitted,

PIPER JAFFRAY & CO.

By: 
Lindsay A. Sovde, Managing Director

Accepted November 5, 2013

CITY OF TUKWILA, WASHINGTON

By: 
Peggy McCarthy, Finance Director

3:25 PM, PST
Time Signed

EXHIBIT A
 FINAL PRICING NUMBERS

SOURCES AND USES OF FUNDS

City of Tukwila, Washington
 Local Improvement District No. 33 Bonds
 FINAL NUMBERS

Dated Date 11/19/2013
 Delivery Date 11/19/2013

Sources:	
<hr/>	
Bond Proceeds:	
Par Amount	6,687,500.00
	<hr/>
	6,687,500.00
	<hr/> <hr/>
Uses:	
<hr/>	
Project Fund Deposits:	
LID Fund	5,929,162.50
Other Fund Deposits:	
Guaranty Fund	668,750.00
Delivery Date Expenses:	
Cost of Issuance	42,775.00
Underwriter's Discount	46,812.50
	<hr/>
	89,587.50
	<hr/>
	6,687,500.00
	<hr/> <hr/>

BOND PRICING

City of Tukwila, Washington
Local Improvement District No. 33 Bonds
FINAL NUMBERS

Bond Component	Maturity Date	Amount	Rate	Yield	Price
2018 Term Bonds:					
	01/15/2015	447,500	3.150%	3.150%	100.000
	01/15/2016	450,000	3.150%	3.150%	100.000
	01/15/2017	450,000	3.150%	3.150%	100.000
	01/15/2018	445,000	3.150%	3.150%	100.000
		<u>1,792,500</u>			
2023 Term Bonds:					
	01/15/2019	445,000	4.500%	4.500%	100.000
	01/15/2020	445,000	4.500%	4.500%	100.000
	01/15/2021	445,000	4.500%	4.500%	100.000
	01/15/2022	445,000	4.500%	4.500%	100.000
	01/15/2023	445,000	4.500%	4.500%	100.000
		<u>2,225,000</u>			
2029 Term Bonds:					
	01/15/2024	445,000	5.375%	5.375%	100.000
	01/15/2025	445,000	5.375%	5.375%	100.000
	01/15/2026	445,000	5.375%	5.375%	100.000
	01/15/2027	445,000	5.375%	5.375%	100.000
	01/15/2028	445,000	5.375%	5.375%	100.000
	01/15/2029	445,000	5.375%	5.375%	100.000
		<u>2,670,000</u>			
		<u>6,687,500</u>			

Dated Date	11/19/2013	
Delivery Date	11/19/2013	
First Coupon	01/15/2015	
Par Amount	6,687,500.00	
Original Issue Discount	-	
Production	6,687,500.00	100.000000%
Underwriter's Discount	-46,812.50	-0.700000%
Purchase Price	6,640,687.50	99.300000%
Accrued Interest	-	
Net Proceeds	6,640,687.50	

Note: All redemption dates and amounts estimated; bonds will mature on Jan 15, 2031 and will be redeemed prior to maturity as set forth in the Ordinance

BOND DEBT SERVICE

City of Tukwila, Washington
Local Improvement District No. 33 Bonds
FINAL NUMBERS

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/15/2015	447,500	3.150%	346,783.67	794,283.67	794,283.67
01/15/2016	450,000	3.150%	286,005.00	736,005.00	736,005.00
01/15/2017	450,000	3.150%	271,830.00	721,830.00	721,830.00
01/15/2018	445,000	3.150%	257,655.00	702,655.00	702,655.00
01/15/2019	445,000	4.500%	243,637.50	688,637.50	688,637.50
01/15/2020	445,000	4.500%	223,612.50	668,612.50	668,612.50
01/15/2021	445,000	4.500%	203,587.50	648,587.50	648,587.50
01/15/2022	445,000	4.500%	183,562.50	628,562.50	628,562.50
01/15/2023	445,000	4.500%	163,537.50	608,537.50	608,537.50
01/15/2024	445,000	5.375%	143,512.50	588,512.50	588,512.50
01/15/2025	445,000	5.375%	119,593.75	564,593.75	564,593.75
01/15/2026	445,000	5.375%	95,675.00	540,675.00	540,675.00
01/15/2027	445,000	5.375%	71,756.25	516,756.25	516,756.25
01/15/2028	445,000	5.375%	47,837.50	492,837.50	492,837.50
01/15/2029	445,000	5.375%	23,918.75	468,918.75	468,918.75
	6,687,500		2,682,504.92	9,370,004.92	9,370,004.92

Note: All amounts estimated; principal of all Bonds matures on January 15, 2031 and will be redeemed prior to maturity as set forth in the Ordinance

EXHIBIT B
CLOSING DOCUMENTS

Issuer's Closing Documents

At Closing, Issuer shall provide the following:

- a) Copies of the Bond Ordinance, the Blanket Issuer Letter of Representation and executed Undertaking;
- b) The approving opinion of Bond Counsel dated as of the Closing Date and addressed to the Issuer, substantially in the form set forth in Appendix B to the Final Official Statement and a letter addressed to the Underwriter to the effect that the Underwriter may rely upon such opinion as if it were addressed to the Underwriter; and including a statement that the Issuer has designated the Bonds as "qualified tax-exempt obligations" for banks, thrift institutions and other financial institutions, as defined in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended;
- c) Evidence of each of the following:
 - i) That Standard & Poor's ("S&P") has assigned its rating of "BBB" to the Bonds and that such rating is in full force and effect on and as of the Closing Date; and
 - ii) Designation of the Bonds as "qualified tax-exempt obligations" for banks, thrift institutions and other financial institutions, as defined in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.
- d) A copy of completed IRS Form 8038-G;
- e) The following certifications, which may be combined, executed by an authorized officer of the Issuer and dated as of the Closing Date, to the effect that:
 - i) The representations, warranties and covenants of the Issuer contained herein and in the Bond Ordinance are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date;
 - ii) No litigation or other proceedings are pending or, to the knowledge of the Issuer, threatened in any court in any way (a) affecting the position or title of the authorized officers of the Issuer, or (b) seeking to restrain or to enjoin the authorization, issuance, sale or delivery of, or security for, any of the Bonds, or (c) contesting or affecting the validity or enforceability of the Bonds, the Bond Ordinance, this Purchase Agreement, or (d) contesting the completeness or accuracy of the POS or the Final Official Statement, or (e) contesting the powers or authority of the Issuer with respect to the Bonds, the Bond Ordinance or this Purchase Agreement, or (f) materially affecting the finances of the Issuer. For the purpose of this subparagraph, the Issuer may rely upon a certificate of the Issuer's legal counsel with respect to the legal matters set forth therein; and

- iii) No event affecting the Issuer has occurred since the date of the Final Official Statement which should be disclosed in the Final Official Statement for the purpose for which it is to be used or which is necessary to disclose therein in order to make the statements therein not misleading, and the Final Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that no representation or warranty is made with respect to information within the Final Official Statement relating to DTC, DTC's book-entry system or the Underwriter;
- f) Such additional certificates, instruments or opinions or other evidence as the Underwriter or Bond Counsel may deem reasonably necessary or desirable to evidence the due authorization, issuance, execution, authentication and delivery of the Bonds, the truth and accuracy as of the time of the Closing of the representations and warranties contained in this Purchase Agreement, and the conformity of the Bonds and Bond Ordinance with the terms thereof as summarized in the POS and the Final Official Statement, and to cover such other matters as the Underwriter or Bond Counsel reasonably requests.

Underwriter's Closing Documents

At Closing, Underwriter shall deliver or cause to be delivered to the Issuer or Bond Counsel a receipt for the Bonds including therein a representation that all closing conditions set forth in this Purchase Agreement have been provided to the satisfaction of the Underwriter or waived by it. The Underwriter shall also execute and deliver on the Closing Date an issue price or similar certificate in form and substance reasonably satisfactory to the Issuer, Bond Counsel and the Underwriter.

EXHIBIT C
DESCRIPTION OF THE BONDS

- (a) Principal Amount: \$6,687,500
- (b) Purchase Price: \$6,640,687.50 (\$99.30 per \$100), representing an underwriter's discount of \$46,812.50.
- (c) Denominations: \$5,000, or integral multiples thereof except for one Bond in the denomination of \$2,500, plus an integral multiple of \$5,000.
- (d) Form: Registered; Book-entry only.
- (e) Interest Payment Date: Annually on January 15, commencing January 15, 2015.
- (f) Maturity, Interest Rates and Estimated Redemption Schedule: The Bonds shall mature on January 15, 2031 and bear interest as follows:
- \$1,792,500 3.15% Term Bonds estimated to be redeemed on or before January 15, 2018 at a price of 100%
- \$2,225,000 4.50% Term Bonds estimated to be redeemed on or before January 15, 2023 at a price of 100%
- \$2,670,000 5.375% Term Bonds estimated to be redeemed on or before January 15, 2029 at a price of 100%
- (g) Redemption: The Issuer will call Bonds for redemption in whole or in part in Authorized Denominations, in the order shown in the Estimated Redemption Schedule, on each interest payment date beginning on January 15, 2015, when there is money in the LID Bond Fund from assessment payments (including principal, interest and penalties thereon), and other money of the Issuer, above the amount required for payment of interest payable on all unpaid Bonds on that interest payment date. Such Bonds will be redeemed at a redemption price equal to the stated principal amount to be redeemed plus interest accrued thereon to the redemption date. If less than all of a Bond that is assigned to an Estimated Redemption Year is called for redemption, the portion of such Bond to be redeemed shall be determined by the Securities

Depository or the Bond Registrar in accordance with the Bond Ordinance.

- (h) Dated Date: Date of Delivery, expected to be November 19, 2013.
- (i) Offer Expires: 11:59 p.m. Pacific Time, November 5, 2013.
- (j) Bond Counsel: Foster Pepper PLLC.
- (k) Closing: Via conference call initiated by Bond Counsel on November 19, 2013, at 9:00 a.m. Pacific Time.
- (l) Delivery: To the Bond Registrar on behalf of DTC by Fast Automated Securities Transfer.
- (m) Rating: S&P has assigned its rating of "BBB" to the Bonds.



Blanket Issuer Letter of Representations

[To be Completed by Issuer]

CITY OF TUKWILA, WASHINGTON

[Name of Issuer]

October 18, 1999

[Date]

Attention: Underwriting Department — Eligibility
The Depository Trust Company
55 Water Street; 50th Floor
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

City of Tukwila, Washington

(Issuer)

By:

(Authorized Officer's Signature)

Alan R. Doerschel, Finance Director

(Typewrite Name & Title)

6200 Southcenter Boulevard

(Street Address)

Tukwila, Washington 98188

(City)

(State)

(Zip)

(206) 433-1800

(Phone Number)

Received and Accepted:

THE DEPOSITORY TRUST COMPANY

By:

SCHEDULE A

(To Blanket Issuer Letter of Representations)

SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

(Prepared by DTC—bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Security certificate will be issued for [each issue of] the Securities. [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$200 million, one certificate will be issued with respect to each \$200 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

[Beneficial Owners of the Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners, or in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to Securities. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal and interest payments on the Securities will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to Beneficial Owners is the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

**ADDENDUM TO THE
PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 22, 2013
FOR**

**CITY OF TUKWILA, WASHINGTON
\$6,687,500
LOCAL IMPROVEMENT DISTRICT NO. 33 BONDS**

This addendum, which is dated October 31, 2013, amends the Preliminary Official Statement for the above captioned bonds (the "Bonds") dated October 22, 2013.

This addendum:

- Replaces the table on page 11 of the Preliminary Official Statement with the table and text provided on pages 2 and 3 of this addendum.
- Adds the following sentence to the end of the sections titled "SECURITY FOR THE BONDS" and "LOCAL IMPROVEMENT DISTRICT NO. 33": "For a summarized description of LID 33, including the payment of assessments and the Guaranty Fund securing payment of interest and principal on the Bonds, see Appendix D – "SUMMARY OF LID 33 AND SECURITY FOR THE BONDS.""
- Adds a new "Appendix D – SUMMARY OF LID 33 AND SECURITY FOR THE BONDS."

Dated: October 31, 2013.

THE FOLLOWING TABLE AND TEXT REPLACE PAGE 11 OF THE POS:

A description of the largest property owners within LID No.33 with outstanding assessments to be collected in respect of the Bonds is included under the following heading titled "Additional Description of Properties with Large Assessments" and the table below table titled "Ten Largest Combined Assessments within LID 33."

Ten Largest Combined Assessments within LID 33⁽¹⁾

	Name	No. of Parcels	Tax Parcel No. ⁽³⁾	Market Value without LID 33 Improvements ⁽²⁾	Market Value with LID 33 Improvements ⁽²⁾	Assessment Amounts Outstanding	% of Total Outstanding Assessment	% of Outstanding Assessments to Market Value
1.	Westfield Corporation, Inc.	12		\$565,498,000	\$576,372,000	\$2,112,069		
	Westfield Corporation, Inc. ⁽²⁾	4	(4)	34,656,000	38,616,000	769,155		
	Subtotal:	16		\$600,154,000	\$614,988,000	\$2,881,224	42.96%	0.0469%
2.	Kir Tukwila 050 LLC/KIMCO	3		\$80,578,000	\$82,439,000	\$361,464		
	Kir Tukwila 050 LLC/KIMCO ⁽²⁾	1	(4)	3,779,000	4,409,000	122,366		
	Subtotal:	4		\$84,357,000	\$86,848,000	\$483,830	7.21%	0.557%
3.	Wig Properties LLC-SS	1	788892-0020	\$43,770,000	\$44,932,000	\$225,697	3.36%	0.502%
4.	CLPF – Tukwila LP	1	262304-9067;	\$35,168,000	\$36,200,000	\$200,447		
	CLPF – Tukwila LP ⁽²⁾	1	262304-9136	159,000	187,000	5,438		
	Subtotal:	2		\$35,327,000	\$36,387,000	\$205,885	3.07%	0.566%
5.	Southcenter Corp. Square	2	262304-9144; 262304-9143	\$28,460,000	\$29,384,000	\$179,470	2.68%	0.611%
6.	Target Corporation	1	262304-9005	\$12,703,000	\$13,584,000	\$171,117	2.55%	1.260%
7.	CHA Southcenter LLC	2	643730-0020; 643730-0010	\$25,025,000	\$25,862,000	\$162,572	2.42%	0.628%
8.	Lowe's HIW Inc.	1	022300-0030	\$17,029,000	\$17,823,000	\$154,220	2.30%	0.865%
9.	Parkway Square	3	(4)	\$17,661,000	\$18,281,000	\$120,423	1.80%	0.659%
10.	OB Fife Property II LLC	1	022310-0075	\$8,181,000	\$8,712,000	\$103,137	1.54%	1.184%
	Totals	33		\$872,667,000	\$896,801,000	\$4,687,575	70.09%	0.523%
	Total LID 33 (Parcels with Outstanding Assessments)	138				\$6,687,544		

(1) As of October 15, 2013, no parcels included in this table had delinquent property tax payments.

(2) Estimated market values as stated in the Special Benefit Study, which is available from the City Finance Director by calling (206) 433-1835.

(3) Current and historic assessed valuations for properties and tax payment records can be found on the King County Department of Assessments' website (<http://info.kingcounty.gov/Assessor/eRealProperty/default.aspx>, which is not incorporated into this official statement by reference) by using the tax parcel numbers provided in this table.

(4) Tax Parcel Nos. for Westfield: 920247-0010; 920247-0020; 920247-0030; 920247-0040; 920247-0060; 920247-0070; 920247-0080; 920247-0090; 920247-100; 920247-0110; 920247-0120; 920247-0130; 920247-0140; 920247-0150; 920247-0160; and 359700-0245. Tax Parcel Nos. for Kir Tukwila: 883510-0110; 262304-9079; 262304-9110; 262304-9005. Tax Parcel Nos. for Parkway Square: 262304-9128; 262304-9137; 262304-9129.

(5) Parcels undeveloped or developed entirely as street-level parking lots.

Source: *The City and the Special Benefit Study.*

Additional Description of Properties with Large Assessments

The following provides a description of properties with currently outstanding assessments in excess of \$200,000.

Westfield. The largest assessment of LID 33 is for Westfield Corporation Inc. (“Westfield”), with a combined outstanding assessment for 16 parcels of \$2,881,224. The properties within LID 33 owned by Westfield collectively consist of the Westfield Southcenter regional shopping mall and, as of October 30, 2013, include an AMC Theatre and 240 retail stores and restaurants such as Macy’s, Nordstrom, Sears, JCPenney, LOFT, bebe, Cache, Coach, Guess, MAC, B-J’s Restaurant and Brewhouse, Blue C Sushi, Joey’s Southcenter, Duke’s Chowder House, RACHA Thai & Asian Kitchen, The Cheesecake Factory, Rainforest Café, Bahama Breeze, and Olive Garden.

Kir Tukwila. Kir Tukwila 050 LLC/KIMCO has the second largest assessment of LID 33, with a combined outstanding assessment for 4 parcels of \$483,830. The properties within LID 33 owned by Kir Tukwila collectively consist of the Parkway Super Center, which, as of October 30, 2013, includes retail stores and restaurants such as Big Lots!, Best Buy, Sports Authority, Old Navy, Ross, Macy’s Furniture Gallery, Standford’s Bar & Grill and Applebee’s.

Wig Properties. Wig Properties LLC-SS has the third largest assessment of LID 33, with an outstanding assessment for a single parcel of \$225,697. The property within LID 33 owned by Wig Properties consists of Southcenter Square, which, as of October 30, 2013, includes retail stores and restaurants such as Kohl’s, Nordstrom Rack, DSW Shoes, Chipotle and Panera.

CLPF—Tukwila LP (“CLPF”). CLPF has the fourth largest assessment of LID 33, with a combined outstanding assessment for 2 parcels of \$205,885. The properties within LID 33 owned by CLPF collectively consist of the Park Place Shopping Center, which, as of October 30, 2013, includes retail stores such as Toys “R” Us/Babies “R” Us, Jo-Ann Fabrics, Petsmart and K&G Fashion Superstore.

THE FOLLOWING APPENDIX D IS ADDED TO THE POS:

APPENDIX D: SUMMARY OF LID 33 AND SECURITY FOR THE BONDS

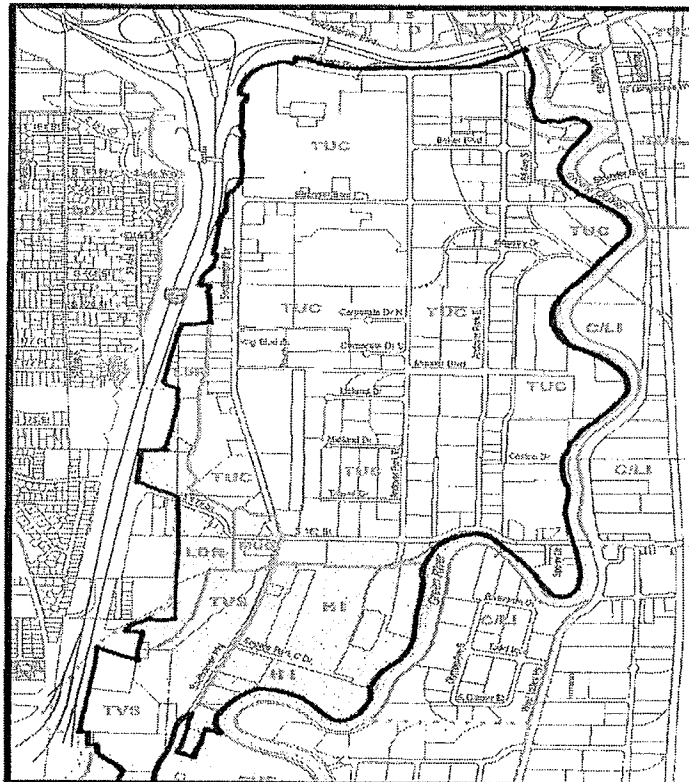
Overview of Local Improvement District 33

The City formed LID 33 in 2009, at the request of Westfield Corp Inc. (the owners of Southcenter Shopping Mall) and other property owners, in order to improve traffic flow around the mall. The mall includes 1.7 million square feet of retail, with over 240 retail stores and restaurants, and a 16-screen multiplex movie theatre. As of October 30, 2013, major anchor stores at Southcenter Mall include Macy's, Nordstrom, Sears, and JCPenney. The project was completed in 2011 ahead of schedule and on budget and all costs have been paid. The improvements have been placed in service.

Beginning in 2010, the City undertook the improvements at a total cost of \$24,000,000 and the amount financed by LID 33 through assessments is \$9,475,893.89 (approximately 39% of the costs). The Project costs not financed through LID 33 were paid by other City funds, federal and state grants and impact and mitigation fees. The City initially provided temporary funding for the LID share, using available money in its general fund, and now intends to reimburse itself for the project costs, using the assessment prepayments and proceeds of the Bonds. The Bonds will be repaid through the collection of annual installment payments of assessments that have been imposed on the properties within the LID. See "SECURITY FOR THE BONDS."

The LID encompasses approximately 911 acres of land around the mall, located at the intersection of Interstate 5 (the major interstate highway along the west coast) and Interstate 405 (the major beltway through the suburbs of the City of Seattle), as shown on the map below:

LID 33 Map⁽¹⁾



(1) Zoning map as provided in the Special Benefit Study, which is available from the Finance Director of the City who can be reached at (206) 433-1835. For a more detailed description of the Special Benefit Study and use of property within LID 33, see "LOCAL IMPROVEMENT DISTRICT NO. 33 – LID 33 and Project Description," "-Property Use Within LID 33," and "-Special Benefit Study" in the Official Statement.

Summary of Timing of Assessment Collection Cycle and Bond Debt Service Payments

The following information summarizes certain information and provides a timeline regarding collections of assessments and payment of debt service with respect to the Bonds. A more detailed description of the legal framework for local improvement districts in Washington is provided under "SECURITY FOR THE BONDS" and "CERTAIN INVESTMENT CONSIDERATIONS."

Payment of Principal of and Interest on the Bonds

Principal of the Bonds is due and payable at maturity, January 15, 2031. Until then, Owners will receive interest payments on the Bonds on annual interest payment dates (each January 15, commencing January 15, 2015). Under state law and the Bond Ordinance, the City is required to redeem Bonds on each interest payment date on which funds are available in the LID Bond Fund over and above the amount required to pay the interest then due. If there is insufficient money on deposit on an interest payment date to make the interest payment, the City must draw on funds deposited in the Guaranty Fund. The City must also draw upon the Guaranty Fund if there are insufficient funds in the LID Bond Fund to pay the then-outstanding principal of the Bonds at maturity. See "SECURITY FOR THE BONDS – Guaranty Fund."

An Estimated Redemption Schedule is set forth on the inside cover of this Preliminary Official Statement. However, principal of the Bonds will be paid prior to January 15, 2031 only to the extent that funds are available in the LID Bond Fund. The City is not authorized to use money on deposit in the Guaranty Fund to redeem Bonds prior to maturity. To the extent that funds are available in the LID Bond Fund, Bonds will be redeemed in the order set forth on the Estimated Redemption Schedule. The Estimated Redemption schedule assumes that property owners will make installment payments on their outstanding assessments as scheduled. However, a variety of factors may cause assessment payments to be paid more quickly or more slowly than scheduled. See "SECURITY FOR THE BONDS – Payment of Assessments," "—Delinquent Assessments, Assessment Lien and Foreclosure," "—Impediments to Recovery in Foreclosure," and "CERTAIN OTHER INVESTMENT CONSIDERATIONS."

As is further described below, property owners make installment payments in amounts equal to approximately 1/15th of the total assessment each year, plus interest on the unpaid assessment amount. Therefore, the City anticipates that the amounts collected for deposit into LID Bond Fund will be more than sufficient to pay the interest as it becomes due. Furthermore, the final assessment installments become due more than 2 years before maturity of the Bonds. As described below, the City is required to commence foreclosure proceedings on delinquent installments after two installments become delinquent (and one year after the final installment becomes delinquent) and in a foreclosure proceeding may accelerate payment of the remaining outstanding assessment amount. Therefore, the City anticipates that any foreclosures would be undertaken and delinquent assessments recovered on a timely basis as delinquencies occur.

Collection of Assessments and Foreclosure on Delinquent Assessments

The LID Bond Fund is funded from installment payments made by property owners within the LID against their total assessments. The outstanding amount of the assessment is a lien against the property prior and superior to other liens except those for general taxes. See "SECURITY FOR THE BONDS – Delinquent Assessments, Assessment Lien and Foreclosure."

Under the LID ordinance, the City is permitting each property owner to pay its assessment in 15 annual installments equal to 1/15th of the assessment against the property, plus interest accrued on the outstanding assessment balance to each installment payment date. Interest accrues annually at a rate that is 0.5% higher than the City's true interest cost on the Bonds. Installments are due on October 16 of each year, commencing October 16, 2014 (approximately 3 months prior to the first interest payment date on the Bonds on January 15, 2015). If paid when due, all installment payments will have been collected by October 16, 2028 (approximately 2 years prior to the maturity of the Bonds on January 15, 2031). Property owners may prepay at any time, but because interest on installments accrues on an annual basis, any assessment payment received after October 16 of any given year must include the full amount of interest accrued to the next October 16. See "SECURITY FOR THE BONDS -- Payment of Assessments."

Each assessment installment payment becomes delinquent if not paid on October 16. If, on January 1 of any year, two assessment installment payments are delinquent (or the final assessment payment has been delinquent for one year), the City is required by state law to begin foreclosure proceedings. In any foreclosure proceeding, the City has the option to accelerate the entire remaining balance of the assessment against that property. Such proceedings may be commenced under State law as early as January 1 of such year, but must be commenced no later June 1 under the City's municipal code. Foreclosures on delinquent final installment payments (i.e., those due on October 16, 2028) may be commenced as early as January 1, 2029 if any earlier installment is also delinquent (or January 1, 2030 if the property owner has otherwise paid in full). See "SECURITY FOR THE BONDS – Delinquent Assessments, Assessment Lien and Foreclosure" and "– Impediments to Foreclosure."

Guaranty Fund – Funding and Availability

The City maintains a Guaranty Fund to be drawn upon in the event of a shortfall in the LID Bond Fund. The Guaranty Fund will be funded at bond closing at a level equal to 10% of the Bond proceeds (\$___). Under state law, the City may make the Guaranty Fund available to secure payment of future local improvement district bonds; however, the City currently has no other local improvement districts and has no plans to create future local improvement districts. See “CERTAIN INVESTMENT CONSIDERATIONS – Future LID Financings.”

With respect to the Bonds, prior to their maturity on January 15, 2031, the City would draw on the Guaranty Fund only in the amount needed to pay interest due on an interest payment date. The City anticipates that the amounts collected for deposit into LID Bond Fund will be more than sufficient to pay the interest as it becomes due because each property owner is required to pay 1/15th of its outstanding assessment, plus interest, each year. However, if money in the LID Bond Fund is insufficient to pay interest on an interest payment date (prior to maturity) or principal of the Bonds (at maturity), the City is required to draw on the Guaranty Fund.

The Guaranty Fund will be initially funded with Bond proceeds at a level equal to 10% of the par amount of the Bonds. Money on deposit in the Guaranty Fund may only be withdrawn to (a) pay interest and principal on bonds secured by the fund; (b) purchase certificates of delinquency for general taxes for the purpose of preserving the LID lien on property subject to tax foreclosure; and (c) purchase property subject to LID assessments at or after a county foreclosure. Other than these withdrawals, State law prohibits the City from transferring money out of the Guaranty Fund if the transfer would reduce the balance below the level necessary to meet outstanding and reasonably expected future obligations of the Guaranty Fund. In no event may such a transfer reduce the balance below 10% of net outstanding obligations guaranteed by the fund.

The City may at any time deposit additional funds in the Guaranty Fund and may levy general property taxes against all taxable property within the City for such purpose (the “Guaranty Fund Levy”). The City is required to impose a Guaranty Fund Levy to pay outstanding warrants that are issued against the Guaranty Fund. (As described below, the City must issue warrants when money on deposit in the Guaranty Fund is insufficient to fund a draw necessary pay interest on or principal of the Bonds when due.) The City is also authorized to impose a Guaranty Fund Levy to replenish the Guaranty Fund if a draw is made, or to increase the balance in the Guaranty Fund. Finally, the City is authorized, but not required, to transfer other available funds to the Guaranty Fund; state law prohibits the City from pledging to make such transfers into the Guaranty Fund. The City has pledged in the Bond Ordinance to take such actions as may be necessary, consistent with the City’s municipal code and state law, to maintain such balance in the Guaranty Fund as the City determines is reasonable. The balance is to be determined by the Finance Director and may include sufficient funding to provide for reasonably expected obligations against the fund to be incurred in the near future.

Accordingly, the City may impose a Guaranty Fund Levy in any December for the purpose of replenishing or increasing the balance of the Guaranty Fund, and such a levy *must* be imposed, at a minimum, in an amount sufficient to pay any outstanding warrants against the Guaranty Fund. The Guaranty Fund Levy in any single year may not exceed the *greater* of (1) 12% of the outstanding obligations secured by the Guaranty Fund, or (2) the total amount of delinquent assessment payments (including principal and interest). The Guaranty Fund Levy is exempt from other statutory rate and amount limitations, but is subject to the constitutional one percent aggregate rate limitation. See “SECURITY FOR THE BONDS – Guaranty Fund – Tax Limitations.” Property taxes, including any Guaranty Fund Levy, are imposed on December 1, with the first half of such taxes being due on or before the next April 30 and the second half being due on or before the next October 31. Because taxes are collected in April and October, a Guaranty Fund Levy imposed in December will not be collected prior to the next January 15 payment date. Therefore, if necessary, warrants would be issued against the Guaranty Fund, which may be payable from that levy as it is collected, and in any event must be paid by a levy in the next succeeding calendar year. Guaranty Fund warrants are limited to an additional 5% of the outstanding obligations guaranteed by the fund. See “SECURITY FOR THE BONDS – Guaranty Fund.”

The following table describes the anticipated timeline for the collection of annual assessment installment payments and certain other key tax collection dates:

Anticipated Collection Timeline

2014	Oct 16	FIRST annual assessment installment payments due.
	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>
2015 through 2027	Jan 1	Beginning in 2016, City identifies properties delinquent on two assessment installments and commences foreclosures.
	Jan 15	Bond interest payment due. If funds available in LID Bond Fund are insufficient to pay interest, City must draw on Guaranty Fund. If funds available in LID Bond Fund remain after paying interest, City must redeem Bonds in order of Estimated Redemption Schedule.
	<i>Apr 30</i>	<i>First half property taxes due (including half of Guaranty Fund Levy, if any).</i>
	Oct 16	Assessment installment payments due.
	<i>Oct 31</i>	<i>Remaining property taxes due (including Guaranty Fund Levy, if any).</i>
	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>
2028	Jan 1	City identifies properties delinquent on two assessment installments and commences foreclosure.
	Jan 15	Bond interest payment due. If funds available in LID Bond Fund are insufficient to pay interest, City must draw on Guaranty Fund. If funds available in LID Bond Fund remain after paying interest, City must redeem Bonds in order of Estimated Redemption Schedule.
	<i>Apr 30</i>	<i>First half property taxes due (including half of Guaranty Fund Levy, if any).</i>
	Oct 16	FINAL assessment installment payments due.
	<i>Oct 31</i>	<i>Remaining property taxes due (including Guaranty Fund Levy, if any).</i>
	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>
2029	Jan 1	City identifies properties delinquent on two assessment installments and commences foreclosure.
	Jan 15	Bond interest payment due. Remaining LID Bond Fund balance used to call Bonds.
	<i>Apr/Oct</i>	<i>Property taxes due (including Guaranty Fund Levy, if any).</i>
	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>
2030	Jan 1	City is authorized to commence foreclosure on final assessment installment, if still delinquent.
	Jan 15	Bond interest payment due. Remaining LID Bond Fund balance used to call Bonds.
	<i>Apr/Oct</i>	<i>Property taxes due (including Guaranty Fund Levy, if any).</i>
	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>
2031	Jan 15	Bond Maturity. City pays remaining outstanding principal of and interest on Bonds, drawing on LID Bond Fund and Guaranty Fund.
	<i>Apr/Oct</i>	<i>Property taxes due (including Guaranty Fund Levy, if any).</i>
	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 22, 2013

**NEW ISSUE – BANK QUALIFIED
BOOK-ENTRY ONLY**

**STANDARD & POOR’S RATING: Applied for
(See “UNDERWRITING AND LEGAL - Rating” herein)**

In the opinion of Bond Counsel, under existing federal law and assuming compliance with applicable requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the issue date of the Bonds, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals. While interest on the Bonds also is not an item of tax preference for purposes of the alternative minimum tax applicable to corporations, interest on the Bonds received by corporations is taken into account in the computation of adjusted current earnings for purposes of the alternative minimum tax applicable to corporations, interest on the Bonds received by certain S corporations may be subject to tax, and interest on the Bonds received by foreign corporations with United States branches may be subject to a foreign branch profits tax. Receipt of interest on the Bonds may have other federal tax consequences for certain taxpayers. See “TAX MATTERS.”

CITY OF TUKWILA, WASHINGTON

\$6,687,500

LOCAL IMPROVEMENT DISTRICT NO. 33 BONDS

DATED: Date of Delivery

DUE: January 15, 2031

The City of Tukwila, Washington (the “City”) Local Improvement District No. 33 Bonds (the “Bonds”), are issued as fully registered bonds under a book-entry system. Initially, the Registered Owner of the Bonds will be Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository (the “Securities Depository”). Individual purchases of the Bonds will be made in the principal amount of \$5,000 each or integral multiples thereof within a single maturity, with the exception of one Bond which will be issued in the amount of \$2,500 or \$2,500 plus any integral multiple of \$5,000. Purchasers of the Bonds (the “Beneficial Owners”) will not receive certificates representing their beneficial ownership interests in the Bonds purchased. The fiscal agent of the State of Washington (the “State”), currently The Bank of New York Mellon in New York, New York, will act as the registrar, paying agent, transfer agent and authenticating agent for the Bonds (the “Bond Registrar”).

The Bonds shall bear interest as shown in the Estimated Redemption Schedule set forth on the inside cover. Interest on the Bonds will be payable on January 15, 2015, and each January 15 thereafter to the maturity or earlier redemption of the Bonds. For so long as the Bonds are held in book-entry form, the principal of and interest on the Bonds will be paid by the Bond Registrar to the Securities Depository, which in turn is obligated to remit such payments to its broker-dealer participants for subsequent disbursement to the Beneficial Owners. See “DESCRIPTION OF THE BONDS – Registration and Bond Registrar” and Appendix C – DTC AND ITS BOOK ENTRY ONLY SYSTEM.

The Bonds are subject to redemption by the City prior to their maturity on each interest payment date to the extent the amounts deposited in the Local Improvement Fund, District No. 33 (the “LID Bond Fund”) are in excess of the amount necessary to pay interest currently due on all unpaid Bonds. The Bonds will be redeemed in order of their estimated redemption dates, as shown on the inside front cover. See “DESCRIPTION OF THE BONDS – Redemption Provisions and Purchases.” The principal amount of Bonds to be retired each year is only an estimate. Depending on the rate of payment of assessments and other money, if any, deposited in the LID Bond Fund, Bonds may be called earlier or later than shown (but in no event later than January 15, 2031) which could affect the yield on the Bonds.

ESTIMATED REDEMPTION SCHEDULE — See Inside Cover

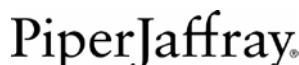
The Bonds are being issued to reimburse the City for a portion of the costs of constructing public improvements within Local Improvement District No. 33 (“LID 33”), including making a deposit to the City’s Local Improvement Guaranty Fund and paying the costs of issuance of the Bonds. See “PURPOSE AND USE OF PROCEEDS.”

The Bonds are special fund obligations of the City, payable solely out of the LID Bond Fund, to be funded from collections of local improvement district assessments levied against the benefited properties located within the boundaries of LID 33 and money on deposit in the City’s Local Improvement Guaranty Fund, as more fully described herein under “SECURITY FOR THE BONDS.” **The Bonds do not constitute an obligation of the State of Washington or any political subdivision thereof other than the City. The Bonds are not general obligations of the City, and neither the full faith and credit nor the taxing power of the City is pledged to the payment of the Bonds.**

The City has designated the Bonds as “qualified tax-exempt obligations” for banks, thrift institutions and other financial institutions under Section 265(b)(3) of the Code. See “TAX MATTERS.”

The Bonds are offered when, as and if issued, subject to the approving legal opinion of Foster Pepper PLLC, Seattle, Washington, Bond Counsel. The form of Bond Counsel’s opinion is attached as Appendix B. It is expected that the Bonds will be available for delivery in New York, New York to the Bond Registrar on behalf of DTC by Fast Automated Securities Transfer, on or about [November 14, 2013].

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.



Dated: _____, 2013

This is a Preliminary Official Statement, subject to correction and change. The City has authorized the distribution of the Preliminary Official Statement to prospective purchasers and others. Upon the sale of the Bonds, the City will complete and deliver an Official Statement substantially in this form.

**ESTIMATED REDEMPTION SCHEDULE, INTEREST RATES,
YIELDS, PRICES AND CUSIP NUMBERS**

CITY OF TUKWILA

\$6,687,500 LOCAL IMPROVEMENT DISTRICT NO. 33 BONDS

(MATURITY DATE: JANUARY 15, 2031)

Estimated Redemption Dates	Amount*	Interest Rate	Yield	Price	CUSIP** [_____]
2015	\$447,500				
2016	450,000				
2017	450,000				
2018	445,000				
2019	445,000				
2020	445,000				
2021	445,000				
2022	445,000				
2023	445,000				
2024	445,000				
2025	445,000				
2026	445,000				
2027	445,000				
2028	445,000				
2029	445,000				

* *Preliminary, subject to change.*

** The CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the America Bankers Association by Standard & Poor's. The CUSIP numbers are not intended to create a database and do not serve in any way as a substitute for CUSIP service. CUSIP numbers have been assigned by an independent company not affiliated with the City and are provided solely for convenience and reference. The CUSIP numbers for a specific maturity are subject to change after the issuance of the Bonds. Neither the City nor the Underwriter takes any responsibility for the accuracy of the CUSIP numbers.

CITY OF TUKWILA, WASHINGTON

6200 SOUTHCENTER BLVD.
TUKWILA, WASHINGTON 98188
TELEPHONE: (206) 433-1800
www.tukwilawa.gov*

ELECTED OFFICIALS

Member	Position	Term Expires
Jim Haggerton	Mayor	December 31, 2015
Kathy Hougardy	Council President	December 31, 2015
Joe Duffie	Councilmember	December 31, 2013
Dennis Robertson	Councilmember	December 31, 2015
Allan Ekberg	Councilmember	December 31, 2013
Verna Seal	Councilmember	December 31, 2013
De'Sean Quinn	Councilmember	December 31, 2013
Kate Kruller	Councilmember	December 31, 2015

CERTAIN APPOINTED OFFICIALS

David Cline	City Administrator
Peggy McCarthy	Finance Director
Stephanie Brown	Human Resources Director
Christy O'Flaherty	City Clerk
Bob Giberson	Public Works Director

BOND REGISTRAR

The Bank of New York Mellon (current Fiscal Agent)
New York, New York

BOND COUNSEL

Foster Pepper PLLC
Seattle, Washington

UNDERWRITER

Piper Jaffray & Co.
Seattle, Washington

* The City's website is not part of this Official Statement and investors should not rely on information presented in the City's website in determining whether to purchase the Bonds. This inactive textual reference to the City's website is not a hyperlink and does not incorporate the City's website by reference.

The information within this Official Statement has been compiled from official and other sources considered reliable and, while not guaranteed as to accuracy, is believed to be correct as of its date. The City makes no representation regarding the accuracy or completeness of the information in Appendix C – “DTC AND ITS BOOK-ENTRY SYSTEM,” which has been obtained from DTC’s website. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made by use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

Information on website addresses set forth in this Official Statement is not incorporated into this Official Statement and cannot be relied upon to be accurate as of the date of this Official Statement, nor can any such information be relied upon in making investment decisions regarding the Bonds.

No dealer, broker, salesperson, or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the City or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. In connection with this offering, the Underwriter may over allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued or recommenced at any time without prior notice to any person.

The Bonds have not been registered under the Securities Act of 1933, as amended, and the Bond Ordinance has not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such acts. The Bonds have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary may be a criminal offense.

The presentation of certain information, including tables of receipts from taxes and other revenues, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue to be repeated in the future.

Certain statements contained in this Official Statement do not reflect historical facts, but rather are forecasts and “forward-looking statements.” No assurance can be given that the future results discussed herein will be achieved, and actual results may differ materially from the forecasts described herein. In this respect, the words “estimate,” “forecast,” “project,” “anticipate,” “expect,” “intend,” “believe” and other similar expressions are intended to identify forward-looking statements. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. All estimates, projections, forecasts, assumptions and other forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth in this Official Statement. These forward-looking statements speak only as of the date they were prepared. The City specifically disclaims any obligation to update any forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of this Official Statement, except as otherwise expressly provided in “CONTINUING DISCLOSURE UNDERTAKING.”

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety. The offering of the Bonds is made only by means of this entire Official Statement.

This Preliminary Official Statement, as of its date, is in a form “deemed final” by the City for purposes of Securities and Exchange Commission Rule 15c2 12(b)(1) but is subject to revision, amendment, and completion in a final Official Statement which will be available within seven business days of the sale date.

TABLE OF CONTENTS

<p>INTRODUCTION 1</p> <p>DESCRIPTION OF THE BONDS 1</p> <p style="padding-left: 20px;">Authorization..... 1</p> <p style="padding-left: 20px;">Principal Amount, Date, Interest Rate and Maturity..... 1</p> <p style="padding-left: 20px;">Registration and Bond Registrar..... 1</p> <p style="padding-left: 20px;">Redemption Provisions and Purchases 2</p> <p style="padding-left: 20px;">Failure to Pay Bonds..... 3</p> <p style="padding-left: 20px;">Refunding 3</p> <p>PURPOSE AND USE OF PROCEEDS 4</p> <p style="padding-left: 20px;">Purpose 4</p> <p style="padding-left: 20px;">Sources and Uses of Proceeds 4</p> <p>SECURITY FOR THE BONDS 4</p> <p style="padding-left: 20px;">Sources of Payment 4</p> <p style="padding-left: 20px;">Payment of Assessments..... 4</p> <p style="padding-left: 20px;">Guaranty Fund..... 5</p> <p style="padding-left: 20px;">Delinquent Assessments, Assessment Lien and Foreclosure 7</p> <p style="padding-left: 20px;">Impediments to Foreclosure 7</p> <p>LOCAL IMPROVEMENT DISTRICT NO. 33..... 8</p> <p style="padding-left: 20px;">General 8</p> <p style="padding-left: 20px;">LID 33 and Project Description 9</p> <p style="padding-left: 20px;">Property Use Within LID 33..... 9</p> <p style="padding-left: 20px;">Special Benefit Study 10</p> <p style="padding-left: 20px;">Assessments..... 10</p> <p>CERTAIN INVESTMENT CONSIDERATIONS 12</p> <p style="padding-left: 20px;">Special Obligations of the City..... 12</p> <p style="padding-left: 20px;">Effect of Delinquent Assessments 12</p> <p style="padding-left: 20px;">Redemption Dates..... 12</p> <p style="padding-left: 20px;">Limitations of the Guaranty Fund..... 12</p> <p style="padding-left: 20px;">Secondary Market Liquidity 13</p>	<p style="padding-left: 20px;">Limitations on Remedies 13</p> <p style="padding-left: 20px;">Future LID Financings..... 14</p> <p>THE CITY 14</p> <p style="padding-left: 20px;">Government Organization..... 14</p> <p style="padding-left: 20px;">Labor Relations..... 15</p> <p style="padding-left: 20px;">Pension Funding 15</p> <p style="padding-left: 20px;">Other Post-Employment Benefits 17</p> <p style="padding-left: 20px;">Accounting and Financial Reporting 18</p> <p style="padding-left: 20px;">City Investments and Investment Policy..... 19</p> <p style="padding-left: 20px;">Risk Management 20</p> <p>GENERAL AND ECONOMIC INFORMATION..... 22</p> <p style="padding-left: 20px;">Population 22</p> <p style="padding-left: 20px;">Retail Sales 23</p> <p style="padding-left: 20px;">Major Employers 23</p> <p style="padding-left: 20px;">Residential Building Permit Activity 24</p> <p style="padding-left: 20px;">Income 25</p> <p style="padding-left: 20px;">Employment and Workforce Data 26</p> <p>TAX MATTERS..... 26</p> <p style="padding-left: 20px;">Certain Other Federal Tax Consequences of Ownership of the Bonds. 27</p> <p>CONTINUING DISCLOSURE UNDERTAKING 28</p> <p style="padding-left: 20px;">Undertaking to Provide Annual Financial Information and Notice of Listed Events 28</p> <p>UNDERWRITING AND LEGAL 29</p> <p style="padding-left: 20px;">Underwriting..... 29</p> <p style="padding-left: 20px;">Rating 29</p> <p style="padding-left: 20px;">Absence of Material Litigation 30</p> <p style="padding-left: 20px;">Approval of Counsel..... 30</p> <p style="padding-left: 20px;">Conflicts of Interest 30</p> <p>CONCLUDING STATEMENT 30</p>
<p>APPENDIX A: AUDITED FINANCIAL STATEMENTS FOR THE GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2012</p> <p>APPENDIX B: FORM OF BOND COUNSEL OPINION</p> <p>APPENDIX C: DTC AND ITS BOOK-ENTRY ONLY SYSTEM</p>	

This page left blank intentionally.

CITY OF TUKWILA, WASHINGTON

\$6,687,500

LOCAL IMPROVEMENT DISTRICT NO. 33 BONDS

INTRODUCTION

The City of Tukwila, Washington (the “City”), a municipal corporation organized under the laws of the State of Washington (the “State”), furnishes this Official Statement in connection with the offering of \$6,687,500 aggregate principal amount of its Local Improvement District No. 33 Bonds (the “Bonds”). The aggregate principal amount of the Bonds represents the portion of the assessment roll for Local Improvement District No. 33 (the “LID 33”) remaining uncollected after the expiration of the 30-day prepayment period for making cash payments without interest, penalty or cost. This Official Statement, which includes the cover page, the inside cover page, the table of contents and appendices, provides information concerning the City and the Bonds.

All of the summaries of provisions of the constitution and laws of the State, of ordinances and resolutions of the City, and of other documents, are subject to their complete text and do not purport to be complete statements of such laws or documents, copies of which may be obtained from the City upon request. A full review should be made of the entire Official Statement. The offering of the Bonds to prospective investors is made only by means of the entire Official Statement.

Unless otherwise defined in this Official Statement, capitalized terms have the meanings set forth in the Bond Ordinance described below.

DESCRIPTION OF THE BONDS

Authorization

The Bonds are issued under the provisions of the constitution, chapters 39.46 and 35.45 of the Revised Code of Washington (“RCW”) and other applicable laws of the State, and pursuant to Ordinance No. 2411 of the City passed on October 7, 2013 (the “Bond Ordinance”).

Principal Amount, Date, Interest Rate and Maturity

The Bonds will be issued in the aggregate principal amount of \$6,687,500 and will be dated and bear interest from the date of their initial delivery. The Bonds will mature on January 15, 2031, and will bear interest (payable commencing January 15, 2015, and annually on each January 15 thereafter) until maturity or earlier redemption at the rates set forth on the inside cover page of this Official Statement. Interest on the Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Registration and Bond Registrar

Book-Entry System. The Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”). DTC will act as initial Securities Depository for the Bonds. Individual purchases of the Bonds will be made in book-entry form only in minimum denominations of \$5,000 or integral multiples thereof within a maturity, with the exception of one Bond which will be issued in the amount of \$2,500 or \$2,500 plus any integral multiple of \$5,000 (“Authorized Denominations”). Purchasers (“Beneficial Owners”) will not receive certificates representing their interest in the Bonds. For information about DTC and its book-entry system, see Appendix C—“DTC AND ITS BOOK-ENTRY ONLY SYSTEM.” The City makes no representation as to the accuracy or completeness of the information in Appendix C provided by DTC. Purchasers of the Bonds should confirm this information with DTC or its Participants.

Bond Registrar. The principal of and interest on the Bonds will be payable by the fiscal agent of the State, currently The Bank of New York Mellon, in New York, New York (the “Bond Registrar”) (or such fiscal agent or agents as the State may from time to time designate). So long as Cede & Co. is the Registered Owner of the Bonds, principal

of and interest on the Bonds will be payable by wire transfer by the Bond Registrar to DTC, which, in turn, is obligated to remit such principal and interest to its participants for subsequent disbursement to the Beneficial Owners of the Bonds, as further described in Appendix C – “DTC AND ITS BOOK-ENTRY ONLY SYSTEM.”

Termination of Book-Entry System. If the Bonds are no longer in held book-entry form by the Securities Depository, the City will execute, authenticate and deliver at no cost to the Beneficial Owners, Bonds in fully registered form, in Authorized Denominations. The principal of the Bonds will then be payable upon due presentment and surrender to the Bond Registrar, and interest on the Bonds will be payable by check or draft mailed to the Registered Owners, at the address appearing upon the registration books on the 15th day of the month preceding the interest payment date (the “Record Date”). The City is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received at least ten days prior to the Record Date and at the sole expense of the Registered Owner. The Bonds will be transferable as provided in the Bond Ordinance.

Redemption Provisions and Purchases

The City will call Bonds for redemption in whole or in part in Authorized Denominations, in the order shown in the Estimated Redemption Schedule set forth on the inside cover of this Official Statement, on each interest payment date when there is money in the LID Bond Fund from assessment payments (including principal, interest and penalties thereon), and other money of the City, above the amount required for payment of interest payable on all unpaid Bonds on that interest payment date. Such Bonds will be redeemed at a redemption price equal to the stated principal amount to be redeemed plus interest accrued thereon to the redemption date.

The principal amount of Bonds to be redeemed each year is only an estimate. The Bonds may be redeemed earlier or later than indicated by the estimated redemption schedule shown on the inside cover, depending on the rate at which property assessments are paid (but no later than the Maturity Date, January 15, 2031) and other money, if any, is deposited in the LID Bond Fund, which could affect the yield on the Bonds. The estimated redemption schedule and the interest rates on the Bonds are based on an assumption that the assessments not paid at the expiration of the 30-day prepayment period will be paid in 15 approximately equal annual principal installments. Property owners may prepay those assessments at any time, with interest to the next installment due date. The estimated redemption schedule on the inside front cover is based on an assumption that there will be no additional prepayments of assessments, but the City anticipates that there will be such prepayments, recognizing that it is difficult to predict whether or when prepayments might occur. In addition, it is possible that some property owners will not pay their assessments when due. See “SECURITY FOR THE BONDS – Payment of Assessments” for information on the estimated redemption schedule and delinquent assessments.

Selection of Bonds for Redemption; Partial Redemption. For so long as a Bond is registered in the name of the Securities Depository, if less than all of the principal amount of that Bond is to be redeemed, the Securities Depository will select the proportion of that Bond to be redeemed in accordance with the operational arrangements between the City and the Securities Depository (the “Letter of Representations”). If a Bond is not registered in the name of the Securities Depository, the Bond Registrar will select the proportion of that Bond to be redeemed randomly in such manner as the Bond Registrar determines. All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in Authorized Denominations. If less than all of the outstanding principal amount of any Bond is redeemed, upon surrender of that Bond to the Bond Registrar, there will be issued to the Registered Owner, without charge therefor, a new bond (or bonds, at the option of the Registered Owner) bearing the same estimated redemption date and interest rate in the aggregate principal amount to remain outstanding.

Notice of Redemption. While the Bonds are held by the Securities Depository in book-entry only form, any notice of redemption will be given at the time, to the entity and in the manner required by the Letter of Representations, and the Bond Registrar will not be required to give any other notice of redemption. If the Bonds cease to be in book-entry only form, unless waived by any Registered Owner of the Bond to be redeemed, official notice of any redemption of will be given by the Bond Registrar on behalf of the City by mailing a copy of an official redemption notice by first-class mail, postage prepaid, not less than 15 nor more than 45 days prior to the date fixed for redemption, to the Registered Owners of the Bonds to be redeemed at the addresses appearing on the Bond Register at the time the Bond Registrar prepares the notice. The requirements of the preceding sentence will be satisfied when notice has been mailed, whether or not it is actually received by an Owner.

Conditional Notice of Redemption. In the case of any redemption, the notice may state that the City retains the right to rescind the redemption notice by giving a notice of rescission to the affected Registered Owners at any time on or prior to the date fixed for redemption. Any notice of redemption that is so rescinded will be of no effect, and the Bonds for which the notice of redemption has been rescinded will remain outstanding.

Effect of Call for Redemption. Interest on the principal portion of each Bond called for redemption will cease to accrue on the date fixed for redemption unless the notice of redemption is rescinded as described above.

Purchase. The City has reserved the right to purchase any or all of the Bonds at any time at any price acceptable to the City plus accrued interest to the date of purchase.

Failure to Pay Bonds

If the principal of any Bond is not paid when properly presented at its maturity or date fixed for redemption, the City will be obligated to pay interest on the unpaid principal amount of that Bond at the same rate provided in the Bond from and after its maturity or date fixed for redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the LID Bond Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner. See “SECURITY FOR THE BONDS – Guaranty Fund – *Guaranty Fund Warrants.*”

Refunding

The City may issue refunding bonds pursuant to the laws of the State or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (a) paying when due the principal of and interest on any or all of the Bonds (the “defeased Bonds”); (b) redeeming the defeased Bonds prior to their maturity; and (c) paying the costs of the refunding or defeasance. If the City sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the “Trust Account”), money and/or noncallable, nonprepayable “Government Obligations” (as defined in RCW 39.53.010, as now in effect or hereafter amended) maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bonds in accordance with their terms, then all right and interest of the owners of the defeased Bonds in the covenants of the Bond Ordinance and in the funds and accounts obligated to the payment of the defeased Bonds will cease and become void. Thereafter, the owners of defeased Bonds will have the right to receive payment of the principal of and interest on the defeased Bonds solely from the trust account and the defeased Bonds will be deemed no longer outstanding.

The term “Government Obligations” has the meaning given in chapter 39.53 RCW, as amended, currently: (1) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America and bank certificates of deposit secured by such obligations; (2) bonds, debentures, notes, participation certificates, or other obligations issued by the Banks for Cooperatives, the Federal Intermediate Credit Bank, the Federal Home Loan Bank system, the Export-Import Bank of the United States, Federal Land Banks, or the Federal National Mortgage Association; (3) public housing bonds and project notes fully secured by contracts with the United States; and (4) obligations of financial institutions insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, to the extent insured or to the extent guaranteed as permitted under any other provision of State law.

PURPOSE AND USE OF PROCEEDS

Purpose

The Bonds are being issued to reimburse the City for a portion of the costs of constructing public improvements within LID 33, including making a deposit to the City’s Local Improvement Guaranty Fund and paying the costs of issuance of the Bonds. See “LOCAL IMPROVEMENT DISTRICT NO. 33 – LID 33 and Project Description.”

Sources and Uses of Proceeds

The proceeds from the Bonds will be applied as follows:

<u>Sources of Funds</u>	
Par Amount of the Bonds	\$6,687,500
<u>Uses of Funds</u>	
Deposit to Project Fund	\$5,928,038 ⁽¹⁾
Deposit to Guaranty Fund	668,750
Issuance Expenses ⁽²⁾	<u>90,712⁽¹⁾</u>
Total	\$6,687,500

(1) Preliminary; subject to change.

(2) Includes Underwriter’s discount, bond counsel fees, rating agency fees, printing and mailing costs of the Preliminary Official Statement and Official Statement, and other expenses associated with the issuance of the Bonds.

SECURITY FOR THE BONDS

Sources of Payment

The Bonds are a special fund obligation of the City. Principal of and interest on the Bonds are payable solely from (i) the amounts deposited into the LID Bond Fund, including but not limited to those amounts collected from assessments made in LID 33, together with interest and any penalties thereon, and (ii) the Local Improvement Guaranty Fund of the City (the “Guaranty Fund”), created pursuant to chapter 35.54 RCW and chapter 3.64 of the Tukwila Municipal Code.

The Bonds do not constitute an obligation of the State of Washington or any political subdivision thereof other than the City. The Bonds are not general obligations of the City, and neither the full faith and credit nor the taxing power of the City is pledged to the payment of the Bonds. No money paid from taxation by the City, other than to the extent deposited into the Guaranty Fund, is pledged to pay principal of and interest on the Bonds. See “Guaranty Fund” below. The payment of assessment installments are secured by a lien on each of the properties within LID 33 that are subject to assessment. The remedy of the Owner of a Bond is confined to mandating City officials to perform their statutory duties in enforcing the assessments and applying proceeds thereof and, if necessary, any money on deposit in the Guaranty Fund to the payment of the principal of and interest on the Bonds. See “Delinquent Assessments, Assessment Lien and Foreclosure” below.

Payment of Assessments

Pursuant to Ordinance No. 2408, passed by the City Council on September 3, 2013, the City confirmed in the final assessment roll of LID 33 in the amount of \$9,475,893.89 and levied such assessment amount against the benefiting property within LID 33. Of this total amount, \$2,788,349.57 has been prepaid as of the close of the prepayment period, October 16, 2013, leaving the balance of \$6,687,544.32 payable as described below. The City is required by law to deposit assessment installments (and interest and penalties thereon) within LID 33 in the LID Bond Fund as received.

Assessments are paid in 15 approximately equal annual installments of principal, together with interest on the unpaid principal. The first annual installment is due and payable during the 30-day period following the date that is one year from the date the City first published notice that the assessment roll is in its hands for collection. The end of this period, and due date for the first installment, is October 16, 2014. Thereafter, each succeeding installment, together with the interest due on the remaining unpaid balance, will become due annually each October 16. Interest on outstanding assessments will be charged at a rate of ____% (0.5% above the City's cost of borrowing on the Bonds). A 12% penalty on the principal and interest due upon that installment, and all delinquent installments will continue to be charged interest at the rate of __% per annum.

Property owners may elect to prepay some or all of the outstanding annual installment payments at any time; however, any payment made must be accompanied by interest on the amount prepaid that would accrue to the next annual installment due date. Any installment not paid when due will become delinquent. The method for enforcing the collection of delinquent installments is described below.

Guaranty Fund

In addition to the pledge of assessments, the Bonds are secured by a continuing claim and charge against the Guaranty Fund. The Guaranty Fund was established by, and is administered pursuant to, chapter 35.54 RCW and chapter 3.64 of the Tukwila Municipal Code. The purpose of the Guaranty Fund is to guarantee, to the extent of money in the fund, the payment of local improvement district bonds and warrants issued by the City.

In addition to securing the payment of principal and interest due on local improvement bonds, money in the Guaranty Fund may be used to purchase certificates of delinquency for general taxes on properties subject to local improvement assessments underlying the local improvement bonds secured by the Guaranty Fund, and the City may then foreclose the lien of such certificates of delinquency. The Guaranty Fund may also be used to purchase property subject to local improvement assessments at or after a county foreclosure. Upon acquiring title to such property, the City is authorized to sell or lease the property and to deposit the proceeds of such disposition in the Guaranty Fund.

Guaranty Fund Warrants. If there is insufficient money in the LID Bond Fund and the Guaranty Fund to make payments on the Bonds when due, the City must issue interest bearing warrants against the Guaranty Fund ("Guaranty Fund Warrants") to meet such payment; *provided*, the aggregate amount of Guaranty Fund Warrants may not exceed 5% of the total amount of all bonds and notes outstanding against the Guaranty Fund. State law requires that any time there are sufficient funds in the Guaranty Fund, the City is required to pay Guaranty Fund Warrants in the order of their number and date of issue. The Finance Director of the City is required to fix the rate of interest on Guaranty Fund Warrants in accordance with State law. The interest rate on any Guaranty Fund Warrant may be higher or lower than the interest rate borne by the Bond with respect to which such Guaranty Fund Warrant is issued.

Source of Funding. Upon issuance of the Bonds, the City will deposit Bond proceeds in the amount of \$668,750 in the Guaranty Fund. The City has pledged in the Bond Ordinance to take such actions as may be necessary, consistent with the City's municipal code and state law, to maintain such balance in the Guaranty Fund as the City determines is reasonable. In addition, under State law, the City must continue funding the Guaranty Fund with: (1) deposits of excess money in any local improvement fund after the bonds or warrants payable from such local improvement fund are retired; (2) interest on amounts in the Guaranty Fund; and (3) annual excess tax levies that are sufficient to pay the warrants issued against the Guaranty Fund during the preceding fiscal year (see "Taxation Procedures" below).

Transfer of Excess Money. State law allows the City Council to transfer assets from its Guaranty Fund to its General Fund only if the City Finance Director certifies that the Guaranty Fund has sufficient funds to meet all outstanding obligations secured by the Guaranty Fund and other obligations reasonably expected to be incurred in the near future. Such transfers may not reduce the balance of the Guaranty Fund to less than 10% of the net outstanding obligations guaranteed by the fund. (See "SECURITY FOR THE BONDS – Guaranty Fund – Current Balance" below.) If the net cash of the Guaranty Fund is reduced below this minimum amount within five years after such transfer, the City will be obligated to pay, to the extent of the amount transferred, valid claims against the Guaranty Fund as a general obligation of the City.

Taxation Procedures. As described above, the City may impose an *ad valorem* property tax on all taxable property within the City to provide funding for the Guaranty Fund. Such tax is levied by the City in a specific amount, which is transmitted to the County Assessor of King County (the “County”), who computes the tax rates for all taxing districts within the County on the basis of each property’s assessed value. The assessed value of real property for tax purposes is determined by the County Assessor at 100% of its true and fair value, based on a 6-year valuation cycle in accordance with State statutes and State Department of Revenue regulations. Property owned by railroads, airlines and public utilities is assessed by the State Department of Revenue.

No later than each November 30, the City must certify to the County legislative authority for the purpose of levying property taxes, the City’s budget or estimate of amounts to be raised by taxation on the assessed valuation of the property in the City. Based on the information submitted by the taxing districts, the County computes the levy rates, and compiles the aggregate levies of all taxing districts within the County, applies statutory and constitutional rate and amount limitations, and submits the amount of taxes to be levied to the Department of Revenue for State purposes.

The Office of the Treasury Manager, Finance and Business Operations Division, Department of Executive Services of King County (the “County Treasurer”) collects all taxes, fines, forfeitures and penalties. Real property taxes are due and payable each April 30. However, if the amount due from a taxpayer exceeds \$50, the taxpayer can pay half of the tax on April 30 and pay the balance on October 31. On or before the 10th day of each month, the County Treasurer must remit to each city treasurer that city’s *pro rata* share of all taxes collected for the previous month. Delinquent taxes are subject to additional interest and penalty charges. If taxes are not paid within three years after becoming delinquent, the County Treasurer may issue certificates of delinquency to the county for such taxes, together with any interest and costs thereon, and commence foreclosure proceedings in superior court.

Property taxes and all charges and expenses relating to the taxes constitute a statutory lien on the property taxed. The lien attaches to the property from and including January 1 in the year in which the tax is levied, and is discharged only when the taxes are paid. Such liens have priority over assessment liens, including the liens securing assessments made in LID 33. See “SECURITY FOR THE BONDS – Special Assessments” above.

Tax Limitations. By law, the tax levy in any one year for purposes of the Guaranty Fund may not exceed the greater of: (1) 12% of the outstanding obligations secured by the Guaranty Fund; or (2) the total amount of delinquent assessments and interest thereon before the levy as of September 1. Any levy made by the City to fund the Guaranty Fund is in excess of all other statutory rate and amount limitations, but is subject to Article VII, Section 2 of the Washington Constitution. The state constitution limits the aggregate of the regular tax levy rates upon real and personal property by the State and certain overlapping taxing districts to no more than one percent of the true and fair value of such property (i.e., \$10.00 per \$1,000 of true and fair value). For tax collection year 2013, the highest aggregate regular levy rate within the City for all taxes subject to this limitation totaled \$8.61315 per \$1,000 of assessed value. Levy rates are dependent on assessed valuation and can fluctuate year to year independently of taxing district levy amounts.

Current Balance. As described above, upon issuance of the Bonds, the City will deposit into the Guaranty Fund Bond proceeds in the amount of \$668,750. The City expects to invest money on deposit in the Guaranty Fund in the State Local Government Investment Pool, money market accounts, certificates of deposit and other legally authorized investments. See “THE CITY – City Investments and Investment Policy.”

Other than the Bonds, the City currently has no other local improvement district bonds outstanding. The City may at any time issue additional local improvement bonds guaranteed by the Guaranty Fund, and there is no statutory requirement that the amount in the Guaranty Fund be increased upon the issuance of such bonds. The City currently does not anticipate creating any additional local improvement districts. See “CERTAIN INVESTMENT CONSIDERATIONS – Future City Financings” below.

Delinquent Assessments, Assessment Lien and Foreclosure

Payment of the principal of and interest on the Bonds is dependent on the timely payment and collection of assessments when due.

Under State law, special assessments on the property within an LID are secured by a lien on the property that is superior to any other lien or encumbrances except any lien for general property taxes. See “Impediments to Recovery in Foreclosure – *Homestead Exemption*,” below. State law and the City’s municipal code require the City to foreclose upon an assessment lien under two circumstances: (1) if on the first day of any year, two installments of any assessment are delinquent; or (2) if the final installment of any assessment has been delinquent for more than one year. The foreclosure proceedings must be commenced by July 1 in the year that either of such conditions occurs, and future installments not otherwise due and payable may, at the election of the City, be accelerated and the entire balance of the assessment with interest, penalty and costs would become due and payable and the collection thereof would be enforced by foreclosure.

Assessment lien foreclosure actions are tried in King County Superior Court without a jury. The City must notify the property owner at least 30 days before the foreclosure proceeding is commenced. The court may enter a default judgment or a final judgment and order of sale upon any real property involved in the action. The court’s decision may be appealed by the property owner within 30 days after the decision is rendered. Any appeal would be made to the Washington Court of Appeals. After the superior court’s judgment is rendered (and assuming such judgment is not appealed), the real property described therein must be sold by the City’s finance director or by the county sheriff. The sale will occur no earlier than 30 days after a foreclosure notice is sent to the property owner and certain other lien holders.

Once a foreclosure lawsuit has begun, a property owner with a delinquent assessment must pay the delinquent balance, including interest, penalties and City attorney fees incurred, to avoid foreclosure. If a judgment is taken against the owner, the property will be sold at public auction. The owner has the right to prevent the sale by paying the amount of the judgment at any time up to two years after the date of sale. If the property is sold, it may be redeemed by the owner or any junior lien holder at any time up to two years after the date of the sale, by paying the amount for which the property was sold, plus interest and costs of sale.

The property may be purchased by a third party, or the City may purchase property at an assessment lien foreclosure sale. The property may also be struck off to the City for lack of bidders. Any real property subject to an assessment for LID 33 that is obtained by the City at an assessment lien foreclosure sale, or struck off to the City for lack of bidders, will be held in trust for the LID Bond Fund and for the benefit of the Owners of the Bonds. If the amount collected after a foreclosure sale is less than the amount of the delinquent assessment, the property owner will not be subject to personal liability for such deficiency. If the City wishes to discharge the trust, it may pay into the LID Bond Fund an amount equal to the delinquent assessment plus interest that will have accrued to the next payment date for the Bonds.

Any money received by the City as a result of such foreclosure action is deposited in the LID Bond Fund and used to repay the Bonds.

Impediments to Recovery in Foreclosure

Homestead Exemption. Chapter 6.13 RCW permits any property owner to protect a certain portion of his or her residence from forced sale. In *City of Algona v. Sharp, et al.*, decided January 4, 1982, Division I of the Washington Court of Appeals held that the filing of a homestead exemption before a scheduled foreclosure sale of a residential property valued at \$25,000 or less effectively exempted that property from a forced sale to enforce delinquent special assessments in a special benefit assessment district such as a local improvement district or utility local improvement district. The statutory homestead exemption has since been raised to \$125,000. As of the close of the prepayment period, four parcels within LID 33 are valued at less than \$125,000 and have aggregate assessments outstanding in the amount of \$2,719. Additional properties with assessed values below \$125,000 could be created in the future if an existing parcel were to be subdivided (or were to become subject to a condominium declaration) and the owner of such parcel requested segregation of outstanding assessment amounts. The homestead exemption is available only with respect to property that is used as the primary residence of the owner; property use within LID

33 is currently predominantly commercial. See “LOCAL IMPROVEMENT DISTRICT NO. 33 – Property Use Within LID 33.”

Tax Foreclosures Ahead of Assessment Foreclosures. A lien for general property taxes, interest and penalties (including amounts necessary to cover certain County foreclosure costs and amounts of deferred taxes due to the State relating to properties in certain tax deferral programs) is superior to the City’s assessment lien. Properties that have property tax delinquencies are subject to tax foreclosure proceedings by the County if the taxes are not paid within three years after becoming delinquent. (See “– Guaranty Fund” above.) The minimum bid at the foreclosure sale is required to satisfy only delinquent taxes, not assessments. Therefore, it is possible that a property could be sold at a tax foreclosure sale and the proceeds of the sale would be insufficient to cover the assessment lien. In 1994, the State Legislature repealed RCW 35.49.120, which expressly provided that assessment liens survived a foreclosure sale for delinquent taxes. Therefore, it is unclear under State law whether all or a part of the assessment lien would survive such a sale.

The City is authorized, but is not obligated, to protect assessment liens from a tax foreclosure sale. The City can under State law preserve its assessment liens by (1) using money on deposit in the Guaranty Fund to purchase the tax lien from the County (RCW 35.54.080); (2) purchasing the properties at the tax foreclosure sale (RCW 35.49.130); or (3) purchasing the properties from the County after they have been struck off to the County (but before the County otherwise has sold the properties) upon paying the face amount of the delinquent taxes plus costs (but less interest and penalties) (RCW 35.49.150).

If a property subject to the City’s assessment lien were to be struck off to the County at a tax foreclosure sale because of lack of bidders, and the County thereafter were to sell the property, the sale proceeds will be applied first to discharge the liens for general taxes, costs and deferred taxes, with any remaining proceeds being applied to discharge the City’s assessment lien. Under such circumstances, the City’s assessment liens will be discharged, regardless of whether the amount actually received by the City is sufficient to fully pay that property’s outstanding assessment.

Federal Bankruptcy and Other Proceedings. The City’s ability to collect assessments and foreclose its assessment lien on property within LID 33 may be substantially delayed in the event the property owner is involved in federal bankruptcy proceedings or the federal government initiates drug or gambling forfeiture liens on the property.

LOCAL IMPROVEMENT DISTRICT NO. 33

General

The State Constitution and other State laws authorize the formation of special assessment districts (generally known as local improvement districts or LIDs when formed by cities) for the purpose of paying the costs of public improvements that provide special benefits to certain properties within the city. Local improvement projects are initiated either by petition of property owners or by resolution of the City Council. Eligible projects are limited to those public improvements described in RCW 35.43.040.

After holding all properly noticed public hearings required under statute, the City Council determines whether the local improvement district should be formed.

Upon completion of construction, or earlier, if applicable, the final costs are determined and assessments calculated and levied after a hearing. When a property owner receives a notice of that property’s final assessment collection, he or she may pay all or a portion of the assessment during a period of 30 days following the notice without interest or penalties. The amount unpaid at the end of that 30 day period may be paid in annual installment payments over a period of years. A lien against the property secures timely payment. There is no prepayment penalty if a property owner prepays all or some installments, and prepayments of assessments are common.

LID 33 and Project Description

In October 2009, the City Council by resolution declared its intention to form a local improvement district to finance the costs of improving urban access for the Southcenter area of the City, which is the City's major retail and commercial center (the "Project"). LID 33 was formed pursuant to Ordinance No. 2260 (the "LID Ordinance"), passed by the City Council on November 16, 2009.

LID 33 encompasses approximately 911 acres of land and is bounded on the west by Interstate 5, on the east by the Green River, on the north by Interstate 405 and on the south by the 19200 block of Southcenter Parkway. The Project significantly improved access and traffic flow along Southcenter Parkway, Strander Boulevard and Klickitat Drive as well as Interstate 5 on- and off-ramps adjacent to Westfield Southcenter, a major regional shopping mall. With the addition of safer, widened pedestrian sidewalks and illumination, the area is more pedestrian friendly, which is a major objective of the updated Tukwila Urban Center ("TUC") zoning, described below.

The estimated cost of the Project is approximately \$24,000,000 and the amount financed by LID 33 through assessments is \$9,475,893.89 (approximately 39% of the Project costs). The remaining Project costs have been paid by other City funds, federal and state grants and impact and mitigation fees.

Property Use Within LID 33

There are 264 parcels within LID 33. Owners of 126 of those parcels have prepaid, leaving 138 parcels with outstanding assessments. Of those, 119 parcels are developed and 19 parcels are undeveloped or are developed entirely as street-level parking lots. The developed parcels predominantly consist of commercial property with buildings. The 19 undeveloped parcels account for an estimated market value of \$56.260 million (after LID improvements) and \$1,085,286 (approximately 16%) of the outstanding assessments within LID 33.

The largest assessment of LID 33 is for Westfield Corporation Inc. ("Westfield"), with a combined assessment of \$2,881,224. Westfield owns 16 parcels (85.14 acres) within LID 33 as part of the Westfield Southcenter regional shopping mall. Of those parcels, 12 are developed and 4 are undeveloped or are developed as street-level parking lots. A \$240 million expansion of Westfield Southcenter was completed in 2008. The expansion included 289,517 square feet of anchor stores, five new restaurants, an expanded food court and a 75,200 square foot multiplex theater. The expansion extended the footprint of the existing shopping center to the south, established a second level of retail shops, and provided two new parking structures. This renovation and expansion made Westfield Southcenter the largest indoor shopping mall in the Pacific Northwest, with 1.7 million square feet of space.

Zoning and intensity of use for property within the LID 33 boundary are affected by the Project. Prior to the Project, the Tukwila Urban Center ("TUC") zone allowed a wide range of commercial and light industrial uses. Multi-family residential construction was allowed only upon approval of a conditional use permit. As a result of the Project the City Council expects to amend the TUC zoning to permit multi-family residential and implement the Tukwila South Master Plan to create a multi-use regional employment center containing high technology, office, commercial, and residential uses. The increased intensity of use was taken into account in the Special Benefit Study demonstrating the effect of the Project on property values within the LID.

Approximately 85% of the parcels in LID 33 are zoned TUC, and the remainder are Heavy Industrial ("HI"), Low Density Residential ("LDR"), Mixed Use Office ("MUO") and Tukwila Valley South ("TVS"). The TVS zone is intended to provide an area of high-intensity regional uses that include commercial services, offices, light industry, warehousing and retail uses. Most of the non-TUC zoned parcels are also in the Tukwila South Overlay district, which supersedes underlying zoning and allows a range of uses that is similar to those in the revised TUC zone, except shopping centers are limited in size to 500,000 square feet.

Special Benefit Study

The City commissioned Macaulay & Associates, Ltd., certified MAI appraisers, to conduct a special benefit/proportional assessment study (the "Special Benefit Study") to provide the basis for assessments levied against property within LID 33. The purpose of the Special Benefit Study is to provide a fair and proportionate allocation of recommended assessments, based on highest and best use and market value of affected property, both without and with completion of the Project. To make estimates of probable increases in market value or special benefit resulting from the Project, market sales of land and improved properties were researched, together with rental rate information, for the various types of property found within LID 33. The Special Benefit Study found that individual properties within LID 33 specially benefit from the Project by enhanced access and traffic flow, reduced negative stigma associated with traffic congestion, and increased pedestrian safety and access. The Special Benefit Study concluded as follows regarding the total special benefit conferred by the Project:

Total Estimated Market Value without LID 33:	\$1,760,308,000
Total Estimated Market Value with LID 33:	<u>1,811,293,000</u>
Difference (Estimated Special Benefit):	\$ 50,985,000

The "Summary of Special Benefit/Proportionate Assessment Study, City of Tukwila, Tukwila Urban Center Access (Klickitat) Project," is available from the Finance Director of the City who can be reached at (206) 433-1835.

Assessments

The City levied assessments against the benefited properties located with LID 33 pursuant to the LID Ordinance. The final assessment roll for LID was confirmed by Ordinance No. 2408, passed by the City Council on September 3, 2013.

Local Improvement District No. 33

LID Assessment Roll	\$9,475,893.89
Less: Prepayments	<u>2,788,349.57</u>
Remaining Assessment Balance	\$6,687,544.32
Number of Parcels in LID	264
Number of Parcels Paid in Full during the Prepayment Period	<u>126</u>
Number of Parcels with Assessments Remaining	138
Estimated Market Value for Total LID 33, after Improvements	\$1,811,293,000
Estimated Market Value for Non-Prepaid Parcels	1,331,498,000
Ratio of Remaining Assessment Balance to Estimated Market Value for Non-Prepaid Parcels	0.50%
Average Estimated Market Value per Non-Prepaid Parcel	\$9,648,536
Average LID Assessment per Non-Prepaid Parcel	\$48,460

The following table shows the property owners of record for the ten largest combined outstanding assessments within LID 33:

Ten Largest Combined Assessments within LID 33⁽¹⁾

	Name	No. of Parcels	Market Value without LID 33 Improvements	Market Value with LID 33 Improvements	Assessment Amounts Outstanding	% of Total Outstanding Assessment
1.	Westfield Corporation, Inc.	12	\$565,498,000	\$576,372,000	\$2,112,069	
	Westfield Corporation, Inc. ⁽²⁾	4	34,656,000	38,616,000	769,155	
	Subtotal:	16	\$600,154,000	\$614,988,000	\$2,881,224	42.96%
2.	Kir Tukwila 050 LLC/KIMCO	3	\$80,578,000	\$82,439,000	\$361,464	
	Kir Tukwila 050 LLC/KIMCO ⁽²⁾	1	3,779,000	4,409,000	122,366	
	Subtotal:	4	\$84,357,000	\$86,848,000	\$483,830	7.21%
3.	Wig Properties LLC-SS	1	\$43,770,000	\$44,932,000	\$225,697	3.36%
4.	CLPF – Tukwila LP	1	\$35,168,000	\$36,200,000	\$200,447	
	CLPF – Tukwila LP ⁽²⁾	1	159,000	187,000	5,438	
	Subtotal:	2	\$35,327,000	\$36,387,000	\$205,885	3.07%
5.	Southcenter Corp. Square	2	\$28,460,000	\$29,384,000	\$179,470	2.68%
6.	Target Corporation	1	\$12,703,000	\$13,584,000	\$171,117	2.55%
7.	CHA Southcenter LLC	2	\$25,025,000	\$25,862,000	\$162,572	2.42%
8.	Lowe’s HIW Inc.	1	\$17,029,000	\$17,823,000	\$154,220	2.30%
9.	Parkway Square	3	\$17,661,000	\$18,281,000	\$120,423	1.80%
10.	OB Fife Property II LLC	1	\$8,181,000	\$8,712,000	\$103,137	1.54%
Totals		33	\$872,667,000	\$896,801,000	\$4,687,575	70.09%
Total LID 33 (Parcels with Outstanding Assessments)		138			\$6,687,544	

(1) As of October 15, 2013, no parcels included in this table had delinquent property tax payments.

(2) Parcels undeveloped or developed entirely as street-level parking lots.

Source: The City.

CERTAIN INVESTMENT CONSIDERATIONS

Special Obligations of the City

A Bond Owners' only claim against the City for the payment of the Bonds is from the LID Bond Fund and the Guaranty Fund. The Bond Fund is funded from special assessments collected within LID 33 and other amounts required to be deposited therein from foreclosures of LID 33 liens on delinquent assessments. The Guaranty Fund is funded as described above. See "SECURITY FOR THE BONDS – Guaranty Fund – *Source of Funding*." The City is not liable to Bond Owners for losses to the Guaranty Fund occurring in its lawful administration by the City, and the City has pledged to maintain it only as described above. See "SECURITY FOR THE BONDS – Guaranty Fund – *Transfer of Excess Money*" and "*- Taxation Procedures*." The remedy of the Owner of a Bond is limited to compelling City officials to perform their statutory duties in enforcing the assessments and applying proceeds thereof and, if necessary, any money on deposit in the Guaranty Fund to the payment of the principal of and interest on the Bonds. A statement substantially setting forth these limitations will be printed on each Bond.

Effect of Delinquent Assessments

Payment of principal of and interest on the Bonds is dependent on the ability of property owners within LID 33 to pay their assessments. As assessments are paid, they will be applied first to interest on all the outstanding Bonds, then to make principal redemptions in the order listed on the Estimated Redemption Schedule on the inside cover. Delinquent assessments may cause a delay in redemptions and could cause shortages in meeting the interest requirements. Prior to the maturity date, the Guaranty Fund will be drawn on only to meet the interest requirements. In the event of LID Bond Fund shortages caused by nonpayment of assessments, the payment of interest is dependent upon the City's ability to draw upon the funds in the Guaranty Fund. See "SECURITY FOR THE BONDS – Guaranty Fund" and "*- Delinquent Assessments, Assessment Lien and Foreclosure*" above.

There is no guarantee that assessment payment delinquencies will not be experienced in the future. State statute and City ordinance provide that foreclosure of property must begin on or before July 1 of any year in which at January 1 (i) two annual installments payments of assessments are delinquent or (ii) the final assessment payment has been delinquent for a year. Proceeds from the foreclosure of property in LID 33 may be subject to considerable delay and may not be sufficient to cover delinquent assessments and interest. See "SECURITY FOR THE BONDS – Impediments to Foreclosure" above, and "Limitations of the Guaranty Fund" below.

Redemption Dates

The principal of and interest on the Bonds are payable from special assessments levied in LID 33. Property owners may prepay their assessments in whole or in part at any time after the assessment is levied by paying the assessment plus interest accruing through the next interest payment date. The amount of Bond principal to be redeemed on any estimated redemption date depends upon the amount of assessment payments (which may reflect both prepayments and delinquencies). To the extent that funds from assessment payments are available above and beyond the interest currently due on the Bonds on any interest payment date, the City will redeem Bonds. Otherwise, there can be no assurance that Bonds will be redeemed prior to the maturity date in any amounts or on any particular date.

Because the amount of annual principal payments on the Bonds is not definite, the Bonds may not be suitable investments for investors seeking fixed payments of principal.

Limitations of the Guaranty Fund

Limit on Replenishing with Taxes. If the Guaranty Fund is used to fund a Bond interest payment, it is possible that the City will be unable to fully replenish the Guaranty Fund before the following Bond payment date solely with tax receipts. See "*- Inability to Redeem Principal Prior to Maturity*" below for certain information regarding principal payments. Also see "SECURITY FOR THE BONDS - Guaranty Fund" above. This discrepancy between when Bond payments are due, when tax levies can be made and when taxes are payable can lead to circumstances in which there could be insufficient money in the Guaranty Fund to fund the total amount due on the Bonds on a given Bond payment date, including the maturity thereof.

Limitations on Guaranty Fund Warrants. If the amount in the Guaranty Fund is insufficient to fund a shortage in the LID Bond Fund on any interest payment date or at the maturity of the Bonds, the City will be required to issue interest-bearing Guaranty Fund Warrants. The maximum amount of Guaranty Fund Warrants that can be outstanding at any time, however, is limited to an amount equal to 5% the outstanding obligations guaranteed by the Guaranty Fund. Under certain circumstances, this limitation could preclude the City from issuing Guaranty Fund Warrants to cover all Owners of defaulted Bonds. See “SECURITY FOR THE BONDS – Guaranty Fund” above. In that event, defaulted Bonds continue to bear interest at the rate stated on the Bond, until paid. See “DESCRIPTION OF THE BONDS – Failure to Pay Bonds” above.

Inability to Redeem Principal Prior to Maturity. With respect to principal payments on the Bonds, a principal payment default cannot occur prior to January 15, 2031, which is the date the Bonds mature. The City cannot use its Guaranty Fund to fund the early redemption of Bonds on estimated redemption dates. The statutes governing the use of the Guaranty Fund currently provide that the Guaranty Fund must be used to purchase defaulted bonds and warrants against the City’s local improvement funds, including the LID Bond Fund. If the City encounters delays in collecting assessments for LID 33, Bond owners should not expect that the Guaranty Fund will be available to pay principal of the Bonds before their maturity. See “- Redemption Dates” above.

Tender of Defaulted Bonds Required. Payments on defaulted obligations, including any Bonds, will be paid in the order such obligations are presented to the City for payment.

No Preference Among Owners of Secured Obligations. As between the Owners of the Bonds and any other obligations secured by the Guaranty Fund, no preference will exist. The City may create additional local improvement districts and issue bonds that are equally and ratably secured by the Guaranty Fund. There can be no assurance that the amount on deposit in the Guaranty Fund will be sufficient to cover payments due on any outstanding Bonds or future bonds which may be issued. See “Future LID Financings” below.

Secondary Market Liquidity

There can be no assurance that a secondary market in the Bonds can or will be maintained by the Underwriter or others after their issuance, and purchasers of the Bonds should be prepared to hold their Bonds to maturity or an earlier redemption date. The secondary market for assessment bonds, such as the Bonds, is not as liquid as it is for many other types of municipal obligations.

Limitations on Remedies

Any remedies available to the owners of the Bonds upon the occurrence of an event of default under the Bond Ordinance are in many respects dependent upon judicial actions, which are in turn often subject to discretion and delay and could be both expensive and time consuming to obtain. If the City fails to comply with its covenants under the Bond Ordinance or to pay principal of or interest on the Bonds, there can be no assurance that available remedies will be adequate to fully protect the interests of the owners of the Bonds.

In addition to the limitations on remedies contained in the Bond Ordinance, the rights and obligations under the Bonds and the Bond Ordinance may be limited by and are subject to bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, and other laws relating to or affecting creditors’ rights, to the application of equitable principles, and to the exercise of judicial discretion in appropriate cases.

A municipality such as the City must be specifically authorized under state law in order to seek relief under Chapter 9 of the U.S. Bankruptcy Code (the “Bankruptcy Code”). Chapter 39.64 RCW, entitled the “Taxing District Relief Act,” permits any “taxing district” (defined to include cities) to voluntarily petition for relief under the Bankruptcy Code. A creditor, however, cannot bring an involuntarily bankruptcy proceeding against a municipality, including the City. The federal bankruptcy courts have broad discretionary powers under the Bankruptcy Code. The legal opinion of Bond Counsel regarding the validity of the Bonds will be qualified by reference to bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium and other similar laws affecting the rights of creditors generally, and by general principles of equity.

Future LID Financings

The City, King County and other municipal corporations are authorized to create additional local improvement districts with boundaries that overlap those of LID 33 and impose additional assessments for the additional public improvements made therein. The City also reserves the right to issue at any time additional local improvement district bonds anywhere within or outside City boundaries secured by the Guaranty Fund, though at this time, it has no plans of issuing additional local improvement district bonds secured by the Guaranty Fund. Also see “SECURITY FOR THE BONDS - Guaranty Fund – *Current Balance*” above.

THE CITY

The City, incorporated in 1908, encompasses approximately nine square miles and has a 2013 estimated population of 19,160. The City is a non-charter code city, organized under title 35A RCW. The City provides a full range of local government services. These services include police and fire protection, emergency medical services, construction and maintenance of streets and traditional municipal infrastructure, planning and zoning, park and recreational activities and cultural events. The City provides sewer, water and surface water services and has a municipal court for traffic infractions, misdemeanors, and gross misdemeanors. Other jurisdictions provide jail services to the City. The City residents receive library services from the King County Library System. In addition, the City operates an equipment maintenance/rental fund and operates its own municipal 18-hole golf course.

Government Organization

The City’s legislative body is the City Council (the “Council”). The Mayor and the seven-member Council are elected by the voters of the City. Councilmembers are elected at large, are responsible for establishing the general guidelines and policies for the City, and each serves a four-year term. The Mayor appoints the City Administrator as the City’s chief administrative officer responsible for carrying out the policies and direction set by the Mayor and Council.

The Council is responsible for, among other things, passing ordinances and resolutions, adopting the budget, and adopting general policies and goals for the City. The Council holds regular meetings two times a month and special meetings as needed. All meetings are open to the public as provided by law and agenda items are prepared in advance. The current Mayor and Council members and their term expiration dates are listed below:

<u>Member</u>	<u>Position</u>	<u>Term Expires</u>
Jim Haggerton	Mayor	December 31, 2015
Kathy Hougardy	Council President	December 31, 2015
Joe Duffie	Councilmember	December 31, 2013
Dennis Robertson	Councilmember	December 31, 2015
Allan Ekberg	Councilmember	December 31, 2013
Verna Seal	Councilmember	December 31, 2013
De’Sean Quinn	Councilmember	December 31, 2013
Kate Kruller	Councilmember	December 31, 2015

Source: City of Tukwila

Key City Staff. Administration of the City is performed under the direction of the City Administrator. The City Administrator is appointed by the Mayor. City officials are appointed by the City Administrator. Following are brief biographies of key City officials:

City Administrator—David Cline. Mr. Cline was hired as the City Administrator in October 2011. Prior to joining the City, Mr. Cline was the City Administrator for the City of Lake Forest Park for five years, and also served as Interim/Assistant City Manager at the City of Burien for five years, and six years as the Finance Manager for King County District Court. Mr. Cline has twenty years of public service, including economic development, long-range financial planning, capital planning and financing, community consensus building and managing municipal departments. He is a Board Member of Washington City/County Manger’s Association and services on the Washington State LEOFF 2 Retirement Board. Mr. Cline holds a Bachelors of Arts in Public Policy from Stanford

University with Honors and Distinction and is one of only 26 International City/County Management Association Credentialed Managers in the State.

Finance Director—Peggy McCarthy, CPA. Ms. McCarthy was hired as the City’s Deputy Finance Director in November 2008 and has been serving as the Finance Director since 2011. Prior to joining the City, Ms. McCarthy was the Financial Reporting Manager for the King County Housing Authority. Ms. McCarthy’s experience includes over 14 years in municipal finance, as well as industry experience with a Fortune 500 company, and public accounting experience at Deloitte. She serves as a Board Member of the Puget Sound Finance Officers’ Association. Ms. McCarthy holds a Bachelor’s Degree in Business Administration from Washington State University and graduated Summa Cum Laude with Honors.

Labor Relations

As of September 1, 2013, the City had budgeted 328 full-time equivalent employees. The majority of employees who are eligible under State laws to be represented by a labor organization are employed under provision of negotiated contracts with labor organizations. The City enters into written bargaining agreements with each of the bargaining organizations; agreements contain provisions on such matters as salaries, vacation, sick leave, medical and dental insurance, pension benefits, working conditions, and grievance procedures. Expiration dates of negotiated agreements with bargaining groups are as follows:

Status of Collective Bargaining Agreements

<u>Bargaining Unit</u>	<u>No. of Employees</u>	<u>Agreement Expires</u>
Teamsters	146	December 31, 2013
IAFF (Firefighters)	62	December 31, 2013
Police Guild	64	December 31, 2013
United Steelworkers	13	December 31, 2013
Police Commanders	4	December 31, 2013

Source: City of Tukwila

The City strives to be fair with all employees, consistent with all applicable State laws, to ensure equity, and promote labor relation policies mutually beneficial to management and employees. City officials consider all current labor relations to be satisfactory.

Pension Funding

The City provides most of its employee pensions through the following statewide cost-sharing multiple-employer plans administered by the State’s Department of Retirement Systems (“DRS”): the State Public Employees Retirement System (“PERS”), the Law Enforcement Officers and Fire Fighters Retirement System (“LEOFF”), or the Public Safety Employees Retirement System (“PSERS”). Contributions by both employees and employers are based on gross wages. PERS and LEOFF participants who joined the system by September 30, 1977 are Plan 1 members. Those PERS participants who joined on or after October 1, 1977 are Plan 2 members, unless they exercise an option to transfer to Plan 3. PERS participants joining on or after September 1, 2002 have the irrevocable option of choosing membership in PERS Plan 2 or PERS Plan 3. LEOFF participants who joined on or after October 1, 1977 are Plan 2 members. PSERS has only one benefit plan, Plan 2.

State law requires systematic actuarial funding to finance the retirement plans. Actuarial calculations to determine employer and employee contributions are prepared by the Office of the State Actuary (“OSA”), a nonpartisan legislative agency charged with advising the Legislature and Governor on pension benefits and funding policy. To calculate employer and employee contribution rates necessary to pre-fund the plans’ benefits, OSA uses actuarial cost and asset valuation methods selected by the Legislature as well as economic and demographic assumptions. The Legislature adopted the following economic assumptions for contribution rates beginning July 1, 2013: (1) 7.9% rate of investment return; (7.5% for LEOFF Plan 2); (2) general salary increases of 3.75%; (3) 3.0% rate of Consumer Price Index increase; and (4) 0.95% growth in membership (1.25% for LEOFF). The long-term investment return

assumption is used as the discount rate for determining the liabilities for a plan. The 10-year average annual return on the investment of the retirement funds was 9.24%.

Plan Funding; Contribution Rates and Amounts. All State-administered retirement plans are funded by a combination of funding sources: (1) contributions from the State; (2) contributions from employers (including the State as employer and the City and other governmental employers); (3) contributions from employees; and (4) investment returns. Retirement funds are invested by the Washington State Investment Board, a 15-member board created by the Legislature in 1981.

The City’s total contribution for the year ended December 31, 2012, was \$1,749,334, representing 6.09% of covered payroll. The City contributed \$1,046,972 to PERS, \$691,175 to LEOFF and \$11,187 to PSERS in 2012 for all of the City’s employees that are covered under PERS, LEOFF and PSERS. See Appendix A – “Audited Financial Statements for the General Fund for the Year Ended December 31, 2012 – Note 9-Pension Plans” for a description of the State pension system and the plans.

Under State statute, contribution rates are adopted by the Pension Funding Council (“PFC”) (and, for LEOFF 2, by the LEOFF 2 Board) in even-numbered years for the next ensuing State biennium. The rate-setting process begins with an actuarial valuation by the OSA, who makes non-binding recommendations to the Select Committee on Pension Policy who then recommends contribution rates to the PFC and the LEOFF 2 Board. No later than the end of July in even-numbered years, the PFC and LEOFF 2 Board adopt contribution rates, which are subject to revision by the Legislature. The following table outlines the current contribution rates of employees and employers.

**Contribution Rates for the 2013-15 Biennium
Expressed as a Percentage of Covered Payroll**

	Employer⁽¹⁾	Employee
PERS Plan 1	9.21%	6.00%
PERS Plan 2	9.21	4.92
PERS Plan 3	9.21	Variable ⁽²⁾
LEOFF Plan 1	0.18	0.00
LEOFF Plan 2	5.23	8.41 ⁽³⁾
PSERS Plan 2	10.36	6.36

(1) Includes a 0.18% DRS administration expense fee.

(2) Rates vary from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

(3) The State also contributes 3.36% to this plan.

Source: Department of Retirement Systems.

Plan Funding Status and Unfunded Actuarial Liability. While the City’s prior contributions represent its full current liability under the retirement systems, any unfunded pension benefit obligations could be reflected in future years as higher contribution rates. It is expected that the contribution rates for employees and employers in the PERS Plans 2 and 3 will increase in the coming years. The OSA website (which is not incorporated into this Official Statement by reference) includes information regarding the values, funding levels and investments of these retirement plans. According to OSA, as of June 30, 2012, PERS Plans 2 and 3, LEOFF Plans 1 and 2 and PSERS Plan 2 had no unfunded actuarial accrued liability; however, during the years 2001 through 2010 the rates adopted by the Legislature were lower than those that would have been required to produce actuarially required contributions to PERS Plan 1, a closed plan with a large proportion of the retirees. The State Actuary’s June 30, 2012 actuarial valuation showed that the funded status of PERS Plan 1 had an unfunded accrued liability of \$3.8 billion (a 69% funded ratio on an actuarial value basis), compared to a 71% funded ratio as of June 30, 2011; PERS Plans 2 and 3 had a surplus of \$2.3 billion (a 111% funded ratio); LEOFF Plan 1 had a surplus of \$1.4 billion (a 135% funded ratio); LEOFF Plan 2 had a surplus of \$1.15 billion (a 119% funded ratio); and PSERS Plan 2 had a surplus of \$14.2 million (a 111% funded ratio). OSA uses the Projected Unit Credit (“PUC”) cost method and the Actuarial Value of Assets (“AVA”) to report a plan’s funded status. PUC is one of several acceptable measures of a plan’s funded status under current GASB rules. The PUC cost method projects future benefits under the plan, using salary growth and other assumptions and applies the service that has been earned as of the valuation date to determine accrued liabilities. The Actuarial Value of Assets (“AVA”) is calculated using a methodology which smoothes the effect of

short-term volatility in the Market Value of Assets (“MVA”) by deferring a portion of annual investment gains or losses over a period of up to eight years.

PERS Plans 2 and 3 are accounted for in the same pension trust fund and may legally be used to pay the defined benefits of any PERS Plan 2 and 3 member. Otherwise, assets for one plan may not be used to fund benefits for another plan: however, all employers in PERS are required to make contributions at a rate (percentage of payroll) determined by the OSA every two years for the sole purpose of amortizing the PERS Plan 1 unfunded actuarial accrued liability within a rolling 10-year period. The Legislature has established certain maximum contribution rates that began in 2009 and will continue until 2015 and certain minimum contribution rates that are to become effective in 2015 and remain in effect until the actuarial value of assets in PERS Plan 1 equals 100% of the actuarial accrued liability of PERS Plan 1. These rates are subject to change by future legislation enacted by the State Legislature to address future changes in actuarial and economic assumptions and investment performance. In 2011, the Legislature ended the future automatic annual increase, which is a fixed dollar amount multiplied by the member’s total years of service, for most retirees in the PERS Plan 1 plan, which is forecast to reduce the unfunded accrued actuarial liability in PERS Plan 1. A lawsuit has been filed challenging this legislation.

Firefighters’ Pension Plan. The City is the administrator of the Firefighters’ Pension Plan which is a closed, single-employer, defined benefit pension plan that was established in conformance with chapter 41.18 RCW. This plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Membership is limited to fire fighters employed prior to May 1, 1970 when the LEOFF retirement system was established. The City currently has 11 members receiving benefits through this Plan. Under State law, the Firefighters’ Pension Plan is provided an allocation of all monies received by the State from taxes on fire insurance premiums, interest earnings, member contributions made prior to the inception of LEOFF and City contributions required to meet projected future pension obligations. An actuarial valuation was completed by Milliman USA, Incorporated as of January 1, 2011, and it was determined that current assets of the fund (\$1,430), along with future revenues from state fire insurance taxes and interest earnings, will be sufficient to pay all future Firefighters’ Pension Plan pension benefits. In 2012, \$52,249 was received from the State from taxes on fire insurance premiums.

Other Post-Employment Benefits

In addition to pensions, many State and local governmental employers provide other post-employment benefits (“OPEB”) as a part of total compensation to attract and retain the services of qualified employees. OPEB includes post-employment health care as well as other forms of post-employment benefits when provided separately from a pension plan. The Governmental Accounting Standards Board (“GASB”) standard concerning Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions (GASB 45) provides for the measurement, recognition and display of OPEB expenses/expenditures, related liabilities (assets), note disclosures, and, if applicable, required supplementary information in the financial reports.

The City provides certain medical and disability benefits to retired firefighters and police officers who were hired prior to 1978 as required by RCW 41.26.150. Entry into this system is now closed. As of January 1, 2011, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$14.8 million and a funded ratio of 0%. The funded ratio is 0%, because the City funds benefits on a pay-as-you-go basis.

The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities over a period of thirty years. The following table shows the components of the City's annual OPEB cost for 2012, the amount actually contributed to the plan and changes in the City's net OPEB costs:

	Fiscal Year Ending 12/31/2012
Determination of Annual Required Contribution:	
Normal Cost at year end	\$ 91,385
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	1,124,502
Interest for year	<u>48,635</u>
Annual Required Contribution	<u>\$ 1,264,522</u>
Determination of Net OPEB Obligation:	
Annual Required Contribution	\$ 1,264,522
Interest on prior year Net OPEB Obligation	145,727
Adjustment to ARC	<u>(287,945)</u>
Annual OPEB Cost	1,122,304
Contributions made	<u>(332,141)</u>
Increase in Net OPEB Obligation	790,163
Net OPEB Obligation-beginning of year	<u>3,643,163</u>
Net OPEB Obligation-end of year	<u>\$ 4,433,326</u>

The City's annual OPEB cost, the percentage of OPEB cost contributed to the plan, and the net OPEB obligation for the past three years were as follows:

Fiscal Year End	Annual OPEB Cost	% of OPEB Cost	Contribution as a Net Obligation
12/31/2012	\$1,122,304	30%	\$4,433,326
12/31/2011	1,163,311	29	3,643,163
12/31/2010	1,313,893	24	2,814,942

Accounting and Financial Reporting

The accounting and reporting policies of the City conform to those methods prescribed by the State Auditor under chapter 43.09 RCW. The Finance Director of the City maintains general supervision over financial transactions for all City funds. The accounts of the City are organized by fund and account group, each of which is considered a separate accounting entity. Each fund has a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The City's resources are allocated to, and accounted for in, individual funds according to the purposes for which they are spent and the means by which spending activities are controlled. See Appendix A – "Audited Financial Statements for the General Fund for the Year Ended December 31, 2012."

Basis of Accounting. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Governmental funds use the modified accrual basis of accounting and proprietary and fiduciary funds use the accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. For the City, available means expected to be received within 60 days of year-end. On the accrual basis, the revenue is recognized in the period in which the income is earned.

Auditing of City Finances. Accounting systems and budgetary controls are prescribed by the Office of the State Auditor in accordance with RCW 43.09.200 and RCW 43.09.230. The City complies with the systems and controls prescribed by the Office of the State Auditor and establishes procedures and records which reasonably assure safeguarding of assets and the reliability of financial reporting (see “Authorized Investments” below).

The State Auditor is required to examine the affairs of cities regularly and on a schedule determined by risk factors and financial activity. The City has been subject to financial statement and accountability audits. Financial statement audits are performed for the purpose of forming an opinion on the financial statements taken as a whole. Also considered are the City’s internal controls over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. Accountability audits include, among other things, review of the financial condition and resources of the City, whether the laws and constitution of the State are being complied with, the methods and accuracy of the accounts and reports as well as other matters (potential areas of risk related to citizen concerns, payroll, inter-fund transactions, etc.). Reports of the auditor’s examinations are filed in the office of the State Auditor and in the Finance Department of the City.

The audited financial statements of the City for the year ended December 31, 2012, attached as Appendix A, are incorporated by reference to this Official Statement. The most recent accountability audit covers the period January 1, 2012 through December 31, 2012. The State Auditor performs Accountability audits of the City every year and the City has been free of audit findings for the last 15 years.

Budgetary Process. The City prepares biennial budgets in accordance with chapter 35A.33 RCW. Biennial appropriated budgets for all funds are adopted. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Appropriations for these funds lapse at the end of the biennium. Appropriated budgets are adopted on the same basis of accounting used for financial reporting. The Council is required to hold public hearings prior to budget adoption, property tax levies and municipal revenues.

Prior to November 1 on even numbered years, the Mayor submits a proposed budget to the City Council. The budget is based on priorities established by Council and estimates provided by the City departments during the preceding months, and balanced with revenue estimates made by the Mayor. The Council conducts public hearings on the proposed budget in November and December. The Council makes its adjustments to the proposed budget and adopts by ordinance a final balanced budget no later than December 31. The final operating budget as adopted is published and distributed within the first month of the following year. The City Council must approve by ordinance any amendments that increase the total for the fund.

City Investments and Investment Policy

In November 2010, the Council reviewed and updated the City’s formal investment policy regarding the investment risks to which the City is exposed. The policy conforms to applicable State and local laws governing the investment of public funds. The primary objectives of the City’s policy, in order of priority (high to low), are (1) legality, to ensure the compliance with all statutes governing the investment of public funds in the state of Washington, (2) safety, to ensure the preservation of capital in the overall investment portfolio, (3) liquidity, to enable to City to meet all operating requirements, and (4) yield, to attain a market rate of return throughout budgetary and economic cycles, while taking into account the City’s investment risk constraints and cash flow requirements.

As of July 1, 2013, the City had total cash and investments in the amount of approximately \$42.2 million. The City invests approximately \$38.6 million in the Washington State Treasurer’s Local Government Investment Pool (the “LGIP”), certificates of deposit and money market accounts. The City’s other investments, in the amount of approximately \$3.5 million, are invested in municipal bonds.

Authorized Investments. Chapter 35.39 RCW limits the investment by a city or town of its inactive funds or other funds in excess of current needs to the following authorized investments: United States bonds; United States certificates of indebtedness; bonds or warrants of the State and any local government in the State; its own bonds or warrants of a local improvement district which are within the protection of the local improvement guaranty fund law; and any other investment authorized by law for any other taxing district or the State Treasurer. Under chapter 43.84 RCW, the State Treasurer may invest in non-negotiable certificates of deposit in designated qualified public depositories; in obligations of the U.S. government, its agencies, and wholly owned corporations; in bankers’

acceptances; in commercial paper; in the obligations of the federal home loan bank, federal national mortgage association, and other government corporations subject to statutory provisions; and may enter into repurchase agreements. Utility revenue bonds and warrants of any city and bonds or warrants of a local improvement district are also eligible investments (RCW 35.39.030).

Money available for investment may be invested on an individual fund basis or may, unless otherwise restricted by law, be commingled within one common investment portfolio. All income derived from such investment may be either apportioned to and used by the various participating funds or for the benefit of the general government in accordance with city ordinances or resolutions. Funds derived from the sale of bonds or other instruments of indebtedness will be reinvested or used in such manner as the authorizing ordinances, resolutions, or bond covenants may lawfully prescribe.

Local Government Investment Pool (LGIP). The State Treasurer’s Office administers the Washington State Local Government Investment Pool (the “LGIP”), a \$9.3 billion dollar fund that invests money on behalf of more than 450 participants. In its management of LGIP, the State Treasurer is required to adhere, at all times, to the principles appropriate for the prudent investment of public funds. These are, in priority order, (i) the safety of principal; (ii) the assurance of sufficient liquidity to meet cash flow demands; and (iii) to attain the highest possible yield within the constraints of the first two goals. Historically, the LGIP has had sufficient liquidity to meet all cash flow demands.

The LGIP, authorized by chapter 43.250 RCW, is a voluntary pool which provides its participants the opportunity to benefit from the economies of scale inherent in pooling. It is also intended to offer participants increased safety of principal and the ability to achieve a higher investment yield than would otherwise be available to them. The pool is restricted to investments with maturities of one year or less, and the average life typically is less than 90 days. Investments permitted under the pool’s guidelines include U.S. government and agency securities, bankers’ acceptances, high quality commercial paper, repurchase and reverse repurchase agreements, motor vehicle fund warrants, and certificates of deposit issued by qualified Washington State depositories. The City may withdraw funds in their entirety on less than 24-hours’ notice.

Authorized Investments for Bond Proceeds. In addition to the eligible investments discussed above, bond proceeds may also be invested in mutual funds with portfolios consisting of U.S. government and guaranteed agency securities with average maturities of less than four years; municipal securities rated in one of the four highest categories; and money market funds consisting of the same, so long as municipal securities held in the fund(s) are in one of the two highest rating categories of a nationally recognized rating agency. Bond proceeds may also be invested in shares of money market funds with portfolios of securities otherwise authorized by law for investment by local governments (RCW 39.59.030).

Risk Management

The City is a member of the Washington Cities Insurance Authority (“WCIA”). Utilizing chapter 48.62 RCW (self-insurance regulation) and chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. WCIA currently has a total of 153 Members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials’ errors or omissions, stop gap, and employee benefits liability. Limits are \$4 million per occurrence self-insured layer, and \$16 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are \$20 million per occurrence subject to aggregate sublimits in the excess layers. The board of directors of WCIA determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of insurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal agreement, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines. These revenues directly offset portions of the membership's annual assessment.

A board of directors governs WCIA, which is comprised of one designated representative from each member. The board elects an executive committee and appoints a treasurer to provide general policy direction for the organization. The WCIA executive director reports to the executive committee and is responsible for conducting the day to day operations of WCIA.

The City insures its buildings, equipment, and vehicle property with WCIA. Travelers insures boiler and machinery and Anderson & Black insures employee dishonesty coverage.

The City has a risk management and a safety committee to oversee risk management. In addition, WCIA provides support for a proactive risk analysis program and a loss control manual. During the past four years, no settlement has exceeded insurance coverage.

The City is self-insured for unemployment claims, which are administered by third parties. Resources of approximately \$30,000 are set aside for unemployment claims. The City is insured against workers compensation claims through the Department of Labor and Industries. During 2011 and 2012, the City paid a total of \$36,605 and \$14,945, respectively, in unemployment claims.

The City also self-insures for medical, dental and other health care benefits. A third-party administrator, Healthcare Management Administrators, Inc. provides claims administration. The City has a stop-loss policy with Sun Life Insurance Company, which provides individual limits of \$125,000 and a plan limit of \$7,480,385 in 2012. During 2011 and 2012, the City paid health care claim expenses in the amounts of \$4,082,996 and \$5,085,335, respectively.

GENERAL AND ECONOMIC INFORMATION

The City is located in King County, Washington, in the Green River valley, approximately 12 miles south of downtown Seattle and 17 miles north of Tacoma, at the intersection of Interstate 5 and 405. The City is adjacent to the western city limits of Renton and the eastern city limits of SeaTac and is one mile east of the Seattle-Tacoma International Airport. The City encompasses nine square miles and has an estimated 2013 population of 19,160.

The City was primarily a residential community until completion of an interstate highway interchange in the late 1960s, when it began to develop as a major south King County industrial and commercial center. This growth began with the construction of Westfield Southcenter, a shopping mall, Andover Industrial Park, Gateway Industrial Parks and Parkway Plaza, all within City limits. The daytime shopper/visitor and working population can reach over 150,000 during the holiday shopping season.

A \$240 million expansion of Westfield Southcenter was completed in 2008. The expansion included 289,517 square feet of anchor stores, five new restaurants, an expanded food court and a 75,200 square foot multiplex theater. The expansion extended the footprint of the existing shopping center to the south, established a second level of retail shops, and provided two new parking structures. This renovation and expansion made Westfield Southcenter the largest indoor shopping mall in the Pacific Northwest, with 1.7 million square feet of space.

The County is located on Puget Sound in Washington State and covers more than 2,200 square miles. The County is the largest metropolitan county in the State in terms of cities and employment and includes more than one quarter of the State's population.

Population

Historical population of the City and the County are shown below.

Historical Population Information

Year	The City	King County ⁽¹⁾
2013 ⁽²⁾	19,160	1,981,900
2012	19,080	1,957,000
2011	19,050	1,942,600
2010 ⁽³⁾	19,107	1,931,249
2009	18,170	1,909,205
2008	18,080	1,891,125

(1) Includes the incorporated and unincorporated portions of the County.

(2) Preliminary April 1, 2013 population estimates; subject to revision.

(3) U.S. Census numbers.

Source: Washington State Office of Financial Management; US Census Bureau (2010).

Retail Sales

Historical retail sales within the City and the County are shown below.

Retail Sales Information

<u>Year</u>	<u>The City</u>	<u>King County</u>
2013 ⁽¹⁾	\$ 391,875,610	\$10,265,549,558
2012 ⁽¹⁾	375,462,411	9,545,267,856
2012	1,685,474,338	43,038,779,843
2011	1,711,713,937	40,403,608,699
2010	1,634,523,916	38,789,855,551
2009	1,637,751,905	39,149,685,710
2008	1,999,860,023	45,158,574,084

(1) Through 1st quarter.

Source: Washington State Department of Revenue.

Major Employers

The follow tables provide State-wide employment data for certain major employers in the Puget Sound area and employment data for major employers within the City.

Puget Sound Area Major Employers⁽¹⁾

<u>Employer</u>	<u>Product/Service</u>	<u>Employees</u>
The Boeing Company	Aerospace	85,000
Joint Base Lewis-McChord	Military installation	56,000
Navy Region Northwest	Consolidated naval base operations support	43,000
Microsoft Corp.	Software, services and internet technologies	41,664
University of Washington	Public research university	29,800
Providence Health & Services	Health care, senior services, and supportive housing	20,240
Wal-Mart Stores Inc.	Retail	18,000
Fred Meyer Stores	Retail	14,590
King County Government	Local county government	12,993
United States Postal Service	Mail delivery services	11,914

(1) Does not include part-time or seasonal employment figures

Source: Puget Sound Business Journal, Book of Lists, 2013.

City of Tukwila Major Employers⁽¹⁾

Employer	Product/Service	Employees	Percentage of Total City Employees
Boeing Company	Aerospace	7,572	18.86%
Group Health Cooperative	Health care	2,386	5.94
King County Metro	Local county government/transportation	778	1.94
Costco Wholesale	Retail	703	1.75
Carlisle Interconnect Technologies	Wire/cable connectors	567	1.41
Boeing Employees Credit Union	Banking	543	1.35
Macy's	Retail	445	1.11
Red Dot Corporation	Heater/air conditioning equipment	348	0.87
J.C. Penney	Retail	337	0.84
United Parcel Service	Mail delivery services	335	0.83
Sub-total – Major Employers		14,014	34.90%
All Other Employment		26,142	65.10
Total Employment		40,156	100.00%

Source: City of Tukwila.

Residential Building Permit Activity

Residential construction activity within the City and the County for the years 2008 through 2012 are set forth in the tables below.

**City of Tukwila Building Permits
(New Privately-Owned Residential)**

Year	Single Family		Multi-Family	
	Units	Construction Cost	Units	Construction Cost
2012	14	\$4,835,717	0	\$0
2011	8	1,931,795	0	0
2010	7	2,377,310	0	0
2009	6	1,511,968	0	0
2008	16	4,643,936	0	0

Source: U.S. Bureau of the Census, September 2013.

**King County Building Permits
(New Privately-Owned Residential)**

Year	Single Family		Multi-Family	
	Units	Construction Cost	Units	Construction Cost
2012	3,864	\$1,133,343,731	7,750	\$1,118,023,021
2011	2,765	785,840,283	3,378	431,699,572
2010	2,578	705,719,017	3,442	325,377,955
2009	2,003	538,910,481	1,183	137,161,103
2008	3,029	866,565,304	7,427	1,009,669,531

Source: U.S. Bureau of the Census, September 2013.

Income

Historical personal income and per capita income levels for the County and the State are shown below.

**King County and State of Washington
Personal and Per Capita Income**

Year	King County		State of Washington	
	Total Personal Income (\$000s)	Per Capita Income	Total Personal Income (\$000s)	Per Capita Income
2012 ⁽¹⁾	-	-	\$313,212,035	\$45,413
2011 ⁽¹⁾	\$113,922,436	\$57,837	299,685,263	43,878
2010	106,401,739	54,927	283,367,864	42,024
2009	103,120,593	53,933	276,727,871	41,504
2008	109,927,858	58,628	289,433,693	44,106
2007	106,693,888	57,735	272,624,864	42,192

(1) Most recent data available.

Source: Bureau of Economic Analysis, U.S. Department of Commerce.

**King County and Washington State
Median Household Income**

Year	King County	Washington State
2012 ⁽¹⁾	\$68,313	\$56,444
2011 ⁽²⁾	66,294	55,500
2010	65,383	54,888
2009	65,877	55,458
2008	67,027	57,858
2007	65,489	56,141

(1) Projected.

(2) Preliminary estimates.

Source: Washington State Office of Financial Management.

Employment and Workforce Data

Civilian Labor Force data is based on household survey of residents. All other estimates are based on surveys of employers and benchmarked based on covered employment as reported by all employers.

King County Labor Force, Unemployment and Nonagricultural Wage and Salary Workers

	2008	2009	2010	2011	2012
Civilian Labor Force	1,091,720	1,117,710	1,111,000	1,114,310	1,118,930
Employment	1,043,300	1,021,770	1,009,510	1,023,300	1,042,540
Unemployment	48,420	95,940	101,490	91,010	76,390
% of labor force	4.4%	8.6%	9.1%	8.2%	6.8%
Total Nonagricultural Wage and Salary Workers	1,219,167	1,153,542	1,134,767	1,153,692	1,181,958
Goods Producing	186,475	160,442	148,158	148,942	154,358
Mining, Logging & Construction	74,466	57,650	50,142	48,783	51,042
Manufacturing	112,000	102,792	98,017	100,192	103,300
Services Producing	1,032,692	993,100	986,608	1,004,750	1,027,600
Trade, Transportation, Warehousing & Utilities	224,667	209,175	206,350	211,158	216,967
Information and Financial Activities	158,892	152,975	148,641	148,900	149,500
Government	166,408	167,200	166,958	164,925	165,433

Source: Washington State Employment Security Department.

TAX MATTERS

Exclusion From Gross Income. In the opinion of Bond Counsel, under existing federal law and assuming compliance with applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issue date of the Bonds, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals.

Continuing Requirements. The City is required to comply with certain requirements of the Code after the date of issuance of the Bonds in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, including, without limitation, requirements concerning the qualified use of proceeds of the Bonds and the facilities financed or refinanced with proceeds of the Bonds, limitations on investing gross proceeds of the Bonds in higher yielding investments in certain circumstances, and the requirement to comply with the arbitrage rebate requirement to the extent applicable to the Bonds. The City has covenanted in the Bond Ordinance to comply with those requirements, but if the City fails to comply with those requirements, interest on the Bonds could become taxable retroactive to the date of issuance of the Bonds. Bond Counsel has not undertaken and does not undertake to monitor the City's compliance with such requirements.

Corporate Alternative Minimum Tax. While interest on the Bonds also is not an item of tax preference for purposes of the alternative minimum tax applicable to corporations, under Section 55 of the Code, tax exempt interest, including interest on the Bonds, received by corporations is taken into account in the computation of adjusted current earnings for purposes of the alternative minimum tax applicable to corporations (as defined for federal income tax purposes). Under the Code, alternative minimum taxable income of a corporation will be increased by 75% of the excess of the corporation's adjusted current earnings (including any tax exempt interest) over the corporation's alternative minimum taxable income determined without regard to such increase. A corporation's alternative minimum taxable income, so computed, that is in excess of an exemption of \$40,000, which exemption will be reduced (but not below zero) by 25% of the amount by which the corporation's alternative minimum taxable income exceeds \$150,000, is then subject to a 20% minimum tax.

A small business corporation is exempt from the corporate alternative minimum tax for any taxable year beginning after December 31, 1997, if its average annual gross receipts during the three-taxable-year period beginning after December 31, 1993, did not exceed \$5,000,000, and its average annual gross receipts during each successive three-taxable-year period thereafter ending before the relevant taxable year did not exceed \$7,500,000.

Tax on Certain Passive Investment Income of S Corporations. Under Section 1375 of the Code, certain excess net passive investment income, including interest on the Bonds, received by an S corporation (a corporation treated as a partnership for most federal tax purposes) that has Subchapter C earnings and profits at the close of the taxable year may be subject to federal income taxation at the highest rate applicable to corporations if more than 25% of the gross receipts of such S corporation is passive investment income.

Foreign Branch Profits Tax. Interest on the Bonds may be subject to the foreign branch profits tax imposed by Section 884 of the Code when the Bonds are owned by, and effectively connected with a trade or business of, a United States branch of a foreign corporation.

Possible Consequences of Tax Compliance Audit. The Internal Revenue Service (the “IRS”) has established a general audit program to determine whether issuers of tax-exempt obligations, such as the Bonds, are in compliance with requirements of the Code that must be satisfied in order for interest on those obligations to be, and continue to be, excluded from gross income for federal income tax purposes. Bond Counsel cannot predict whether the IRS would commence an audit of the Bonds. Depending on all the facts and circumstances and the type of audit involved, it is possible that commencement of an audit of the Bonds could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of its ultimate outcome.

Certain Other Federal Tax Consequences of Ownership of the Bonds.

Bonds “Qualified Tax Exempt Obligations” for Financial Institutions. Section 265 of the Code provides that 100% of any interest expense incurred by banks and other financial institutions for interest allocable to tax exempt obligations acquired after August 7, 1986, will be disallowed as a tax deduction. However, if the tax exempt obligations are obligations other than private activity bonds, are issued by a governmental unit that, together with all entities subordinate to it, does not reasonably anticipate issuing more than \$10,000,000 of tax exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) in the current calendar year, and are designated by the governmental unit as “qualified tax exempt obligations,” only 20% of any interest expense deduction allocable to those obligations will be disallowed.

The City is a governmental unit that, together with all subordinate entities, reasonably anticipates issuing less than \$10,000,000 of tax exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) during the current calendar year, and has designated the Bonds as “qualified tax exempt obligations” for purposes of the 80% financial institution interest expense deduction. Therefore, only 20% of the interest expense deduction of a financial institution allocable to the Bonds will be disallowed for federal income tax purposes.

Reduction of Loss Reserve Deductions for Property and Casualty Insurance Companies. Under Section 832 of the Code, interest on the Bonds received by property and casualty insurance companies will reduce tax deductions for loss reserves otherwise available to such companies by an amount equal to 15% of tax exempt interest received during the taxable year.

Effect on Certain Social Security and Retirement Benefits. Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take receipts or accruals of interest on the Bonds into account in determining gross income.

Other Possible Federal Tax Consequences. Receipt of interest on the Bonds may have other federal tax consequences as to which prospective purchasers of the Bonds may wish to consult their own tax advisors.

Potential Future Federal Tax Law Changes. Current and future legislative proposals, if enacted into law, may directly or indirectly cause interest on the Bonds to be subject in whole or in part to federal income taxation, prevent

the beneficial owners of the Bonds from realizing the full benefits of the current federal tax status of interest on the Bonds, or affect, perhaps significantly, the market value or marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors regarding the potential impact of any pending or proposed legislation or regulations.

CONTINUING DISCLOSURE UNDERTAKING

Undertaking to Provide Annual Financial Information and Notice of Listed Events

To meet the requirements of paragraph (b)(5) of United States Securities and Exchange Commission (“SEC”) Rule 15c2-12 (“Rule 15c2-12”), as applicable to a participating underwriter for the Bonds, the City will undertake (the “Undertaking”) for the benefit of holders of the Bonds to provide or cause to be provided, either directly or through a designated agent, to the Municipal Securities Rulemaking Board (“MSRB”), in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB: (a) annual financial information and operating data of the type include in this Official Statement as general described below (“annual financial information”); and (b) timely notice (not in excess of ten business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) Bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the City, as such “Bankruptcy Events” are defined in Rule 15c2-12; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

The City also will provide to the MSRB timely notice of a failure by the City to provide required annual financial information on or before the date specified below.

Type of Annual Financial Information Undertaken to be Provided. The annual financial information that the City undertakes to provide will consist of (1) annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles applicable to Washington state local governmental units, as such principles may be changed from time to time, which will not be audited, except that if and when audited financial statements are otherwise prepared and available to the City they will be provided; (2) a statement of the outstanding balance of obligations secured by the Local Improvement Guaranty Fund; (3) the balance of cash and investments in the Local Improvement Guaranty Fund at fiscal year-end; and (4) a statement of the amount of assessments that the City billed and collected in that fiscal year; and will be provided to the MSRB not later than the last day of the ninth month after the end of each fiscal year of the City (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law, commencing with the City’s fiscal year ending December 31, 2013.

The annual financial information may be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

Amendment of Undertaking. The Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, rating agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12.

The City will give notice to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial

information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

Termination of Undertaking. The City's obligations under the Undertaking shall terminate upon the legal defeasance of all of the Bonds. In addition, the City's obligations under the Undertaking shall terminate if those provisions of Rule 15c2-12 which require the City to comply with the Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of nationally recognized bond counsel or other counsel familiar with federal securities laws delivered to the City, and the City provides timely notice of such termination to the MSRB.

Remedy for Failure to Comply with Undertaking. If the City or any other obligated person fails to comply with the Undertaking, the City will proceed with due diligence to cause such noncompliance to be corrected as soon as practicable after the City learns of that failure. No failure by the City or other obligated person to comply with the Undertaking will constitute a default in respect of the Bonds. The sole remedy of any holder of a Bond will be to take such actions as that holder deems necessary, including seeking an order of specific performance from an appropriate court, to compel the City or other obligated person to comply with the Undertaking.

Prior Compliance with Continuing Disclosure Undertakings. The City has entered into undertakings to provide annual information and the notice of the occurrence of certain events with respect to all bonds issued by the City and is in compliance with all such undertakings.

UNDERWRITING AND LEGAL

Underwriting

The Bonds are being purchased by Piper Jaffray & Co. (the "Underwriter"). The purchase contract provides that the Underwriter will purchase all of the Bonds, if any are purchased, at a price of _____ percent of the par value of the Bonds. The Bonds will be reoffered at an average price of _____ percent of the par value of the Bonds. After the initial public offering, the public offering prices may be varied from time to time.

The Underwriter has entered into an agreement (the "Agreement") with Pershing LLC ("Pershing"), a subsidiary of The Bank of New York Mellon Corporation, for the distribution of certain municipal securities offerings allocated to the Underwriter at the original offering prices. Under the Agreement, if applicable to the Bonds, the Underwriter will share with Pershing a portion of the fee or commission, exclusive of management fees, paid to the Underwriter.

The Underwriter of the Bonds has entered into a distribution agreement ("Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Bonds from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS&Co. sells.

Rating

Standard and Poor's Ratings Services ("S&P") assigned the Bonds the rating of "____." Certain information was supplied by the City to S&P to be considered in evaluating the Bonds. The rating expresses only the views of S&P and is not a recommendation to buy, sell, or hold the Bonds. An explanation of the significance of the rating may be obtained from S&P. There is no assurance that the rating will continue for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely by S&P, if in its judgment, circumstances are so warranted.

Absence of Material Litigation

There is no litigation pending or threatened questioning the validity of the Bonds nor the power and authority of the City to issue the Bonds. There is no litigation pending or threatened which would materially affect the City’s ability to meet debt service requirements on the Bonds. Because of the nature of its activities, the City is subject to certain pending legal actions which arise in the ordinary course of business. Based on the information presently known, the City believes that the ultimate liability for any of such legal actions will not be material to the financial position of the City.

Approval of Counsel

Legal matters incident to the authorization, issuance, and sale of the Bonds by the City are subject to the approving legal opinion of Foster Pepper PLLC, Seattle, Washington, Bond Counsel. The form of the opinion of Bond Counsel with respect to the Bonds is attached as Appendix B. The opinion of Bond Counsel is given based on factual representations made to Bond Counsel, and under existing law, as of the date of initial delivery of the Bonds, and Bond Counsel assumes no obligation to revise or supplement its opinion to reflect any facts or circumstances that may thereafter come to its attention, or any changes in law that may thereafter occur. The opinion of Bond Counsel is an expression of its professional judgment on the matters expressly addressed in its opinion and does not constitute a guarantee of result. Bond Counsel will be compensated only upon the issuance and sale of the Bonds.

Conflicts of Interest

All or a portion of the fees of the Bond Counsel are contingent upon the issuance and sale of the Bonds. Furthermore, Bond Counsel from time to time serves as counsel to the Underwriter with respect to issuers other than the City and transactions other than the issuance of the Bonds.

CONCLUDING STATEMENT

At the time of delivery of the Bonds, one or more officials of the City will furnish a certificate stating that to the best of his, her or their knowledge this Official Statement, as of its date and as of the date of delivery of the Bonds, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading.

Statements in this Official Statement, including matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the City and the owners of the Bonds. The execution and distribution of this Official Statement has been authorized by the City. The information contained herein should not be construed as representing all conditions affecting the City or the Bonds. Additional information may be obtained from the City. The statements relating to the Bond Ordinance are in summarized form, and in all respects are subject to and qualified in their entirety by express reference to the provisions of the Bond Ordinance.

The City has duly authorized the execution and delivery of this Official Statement.

CITY OF TUKWILA, WASHINGTON

By: _____
Finance Director

APPENDIX A

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
DECEMBER 31, 2012

This page left blank intentionally.

Washington State Auditor's Office
Financial Statements and Federal Single Audit Report

City of Tukwila
King County

Audit Period
January 1, 2012 through December 31, 2012

Report No. 1010220



Washington State Auditor
Troy Kelley

August 12, 2013

Council
City of Tukwila
Tukwila, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on the City of Tukwila's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the City's financial condition.

Sincerely,

A handwritten signature in cursive script that reads "Troy X. Kelley".

TROY KELLEY
STATE AUDITOR

Issue Date
August 12, 2013



Table of Contents

**City of Tukwila
King County
January 1, 2012 through December 31, 2012**

Federal Summary	1
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3
Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.....	5
Independent Auditor's Report on Financial Statements.....	8
Financial Section.....	11

Federal Summary

**City of Tukwila
King County
January 1, 2012 through December 31, 2012**

The results of our audit of the City of Tukwila are summarized below in accordance with U.S. Office of Management and Budget Circular A-133.

FINANCIAL STATEMENTS

An unmodified opinion was issued on the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information.

Internal Control Over Financial Reporting:

- **Significant Deficiencies:** We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- **Material Weaknesses:** We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the City.

FEDERAL AWARDS

Internal Control Over Major Programs:

- **Significant Deficiencies:** We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- **Material Weaknesses:** We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the City's compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed under section 510(a) of OMB Circular A-133.

Identification of Major Programs:

The following was a major program during the period under audit:

<u>CFDA No.</u>	<u>Program Title</u>
20.205	ARRA - Highway Planning and Construction Cluster - Highway Planning and Construction (Recovery Act)

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by OMB Circular A-133, was \$300,000.

The City qualified as a low-risk auditee under OMB Circular A-133.

Independent Auditor's Report on Internal
Control over Financial Reporting and on
Compliance and Other Matters Based on an
Audit of Financial Statements Performed in
Accordance with *Government Auditing
Standards*

**City of Tukwila
King County
January 1, 2012 through December 31, 2012**

Council
City of Tukwila
Tukwila, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Tukwila, King County, Washington, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 28, 2013. During the year ended December 31, 2012, the City implemented Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a

combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



TROY KELLEY
STATE AUDITOR

June 28, 2013

Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

City of Tukwila
King County
January 1, 2012 through December 31, 2012

Council
City of Tukwila
Tukwila, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited the compliance of the City of Tukwila, King County, Washington, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012. The City's major federal programs are identified in the accompanying Federal Summary.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

PURPOSE OF THIS REPORT

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



TROY KELLEY
STATE AUDITOR

June 28, 2013

Independent Auditor's Report on Financial Statements

City of Tukwila
King County
January 1, 2012 through December 31, 2012

Council
City of Tukwila
Tukwila, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Tukwila, King County, Washington, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed on page 11.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Tukwila, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis

As discussed in Note 1 to the financial statements, in 2012, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 26, budgetary comparison information on pages 91 through 93, firemen's pension trust fund information on pages 94 through 95 and retiree medical and long-term care benefits for LEOFF 1 employees information on page 96 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. This schedule is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally

accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



TROY KELLEY
STATE AUDITOR

June 28, 2013

Financial Section

City of Tukwila
King County
January 1, 2012 through December 31, 2012

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis – 2012

BASIC FINANCIAL STATEMENTS

Statement of Net Position – 2012
Statement of Activities – 2012
Balance Sheet – Governmental Funds – 2012
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position – 2012
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – 2012
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities – 2012
Statement of Net Position – Proprietary Funds – 2012
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds – 2012
Statement of Cash Flows – Proprietary Funds – 2012
Combining Statement of Fiduciary Net Position – Fiduciary Fund – 2012
Statement of Changes in Fiduciary Net Position – Fiduciary Fund – 2012
Notes to the Financial Statements – 2012

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund – 2012
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Arterial Street Fund – 2012
Notes to Required Supplementary Information – 2012
Firemen's Pension Trust Fund – 2012
Retiree and Long-Term Care Benefits for LEOFF 1 Employees – 2012

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Expenditures of Federal Awards – 2012
Notes to the Schedule of Expenditures of Federal Awards – 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2012

The discussion and analysis of the City of Tukwila's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2012. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, and the basic financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- Total net position, the amount by which total assets exceed total liabilities, equals \$290.5 million. A total of 87 percent or \$253.3 million of total net assets is invested in capital assets such as streets, land, buildings, equipment, and other improvements. The remaining net assets of \$37.3 million is available for debt service, capital projects, and to meet the government's ongoing activities and obligations.
- The City's net position increased by \$1.7 million in 2012. Governmental activities provided a \$140,293 increase and business-type activities accounted for the difference.
- As of the close of the current fiscal year, the City of Tukwila's governmental funds reported combined ending fund balances of \$18.1 million, a decrease of \$6.7 million in comparison with the prior year due primarily to the City's self-financing of the Turkwila Urban Center Access project (Klickitat). The City will be reimbursed over \$8 million for these costs upon the sale of Local Improvement District (LID) bonds.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$8.4 million, or 19 percent of total general fund expenditures.
- The City of Tukwila's total debt decreased by \$2.9 million during the current fiscal year from debt service payments.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Tukwila as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial conditions.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

Overview of the Financial Statements

The City's basic financial statements are presented in three parts:

- 1) Government-wide financial statements
- 2) Fund financial statements
- 3) Notes to the financial statements

Other supplementary information, in addition to the basic financial statements, is also contained in this report. This section of the Management's Discussion and Analysis is intended to introduce and explain the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns which add to a total for the City. The focus of the *Statement of Net Position* is designed to be similar to bottom-line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Over time, increases or decreases in net assets may be one indicator of improvement or deterioration in the City's overall financial health.

The *Statement of Activities* is focused on both the gross and net cost of various functions, including both governmental and business-type activities, which are supported by the City's general tax and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities. The revenue generated by the specific functions (charges for services, grants, and contributions) is compared to the expenses for those functions to show how much each function either supports itself or relies on taxes and other general funding sources for support. All activity on this statement is reported on the accrual basis of accounting, requiring that revenues are reported when they are earned and expenses are reported when they are incurred, regardless of when cash is received or disbursed.

Governmental activities of the City include general government (executive, finance, legal, human resources, court), public safety, physical environment, economic environment, transportation, mental and physical health, and culture and recreation. The City's business-type activities include a water and sanitary sewer utility, surface water utility, and a municipal golf course. Governmental activities are primarily supported by taxes, charges for services, and grants while business-type activities are self-supporting through user fees and charges.

Fund Financial Statements

The fund financial statements are the traditional reporting format for governments. A fund is a fiscal and accounting entity with a self-balancing set of accounts used to account for specific activities or meet certain objectives. While the government-wide statements present the City's finances based on the type of activity (general government vs. business type), the Fund Financial Statements are presented by fund type, such as the general fund, special revenue funds and proprietary funds, with the focus on major funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. The governmental major fund presentation is used, utilizing the "sources and uses of resources" basis. This is the manner in which the budget is typically developed. The basis of accounting is different between the governmental fund statements and the government-wide financial statements. The governmental fund statements

focus on the near-term revenues/financial resources and expenditures while the government-wide financial statements include both near-term and long-term revenues/financial resources and expenditures. The information in the governmental fund statements can be used to evaluate the City's near-term financing requirements and immediate fiscal health. Comparing the governmental fund statements with the government-wide statements can help the reader better understand the long-term impact of the City's current year financing decisions.

Because the basis of accounting is different between the governmental fund statements and the government-wide financial statements, reconciliations are provided. The reconciliation between the governmental fund Balance Sheets and the government-wide Statement of Net Position is found on the bottom of the governmental funds' Balance Sheet, while the reconciliation between the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and the government-wide Statement of Activities is found directly following the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balance.

The City maintains nineteen individual governmental funds. Of these, three are considered major (the general fund, the arterial street fund, and the land acquisition recreation & park development fund) and are presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances. The remaining governmental funds are combined into a single column labeled "Other Governmental Funds". Individual fund data for each of the other governmental funds can be found in the combining statements later in this report.

The City maintains budgetary control over its operating funds through the adoption of a biennial budget. Budgets are adopted at the fund level according to state law. Budgetary comparison statements are presented for the general, arterial street, and special revenue funds in the "Required Supplemental Information" section of the report.

Proprietary Funds

Proprietary funds are used by governments to account for their business-type activities and use the same basis of accounting as utilized in private industry. Business-type activities provide specific goods or services to a group of customers that are paid for by fees charged to those customers. There is a direct relationship between the fees paid and the services rendered.

The City has two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to account for goods and services provided to citizens, while internal service funds are used to account for goods and services provided internally to various City departments.

Enterprise funds report the same functions presented as business-type activities in the government-wide statements, but in greater detail. The City's enterprise fund statements provide information on the City's three utilities (water, sanitary sewer, surface water) as well as the City-owned golf course.

Internal service funds are an essential accounting tool used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles, and its insurance premiums. Internal service funds benefit both governmental and business-type activities, and are allocated accordingly in the government-wide statement of activities.

Fiduciary Funds

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. Fiduciary funds are not included in the government-wide financial statements because their assets are not available to support the City's activities.

The City has two fiduciary funds: a firemen's pension trust fund and an agency fund, which are accounted for on the accrual basis. As agency funds are custodial in nature, they do not include revenues and expenses.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found at the end of the Basic Financial Statements section.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including a budget vs. actuals report for the City's general fund, a schedule of major/non-major special revenue funds, and a schedule of funding progress for the Firemen's Pension Trust Fund and other post-employment benefits. Additional pension benefit information is found in Note 9.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented in the section titled "Fund Financial Statements and Schedules".

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City of Tukwila, total assets exceeded liabilities by \$291 million at December 31, 2012.

The largest portion of the City's net position, \$253.3 million, or 87 percent, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The governmental activities net invested in capital assets excludes debt issued for the construction of the golf course clubhouse.

The City of Tukwila uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Tukwila's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities:

CITY OF TUKWILA NET POSITION
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11
Current and other assets	\$46,928	\$51,018	\$12,476	\$11,248	\$59,403	\$62,266
Capital assets, net of accumulated depreciation	218,767	213,700	63,118	63,403	281,885	277,103
Total assets	265,695	264,718	75,594	74,651	341,289	339,369
Long-term liabilities	29,126	31,008	10,515	10,276	39,642	41,284
Other liabilities	10,417	7,700	725	1,584	11,142	9,284
Total liabilities	39,544	38,707	11,240	11,860	50,784	50,567
Net position						
Net investment in capital assets	203,207	199,512	52,912	52,135	253,253	248,637
Restricted	2,750	5,020	430	430	3,180	5,450
Unrestricted	20,194	21,479	11,011	10,226	34,071	34,714
Total net position	\$226,151	\$226,011	\$64,354	\$62,791	\$290,504	\$288,801

The governmental unrestricted net assets comprise \$20.2 million. The general fund unrestricted net assets are available for functions such as public safety employee salaries and supplies, park and road maintenance, and other general government services. The unrestricted net assets of business-type activities, \$11 million, may only be spent on activities related to one of the three City utilities (water, sewer, and surface water) or to the golf course activities. Examples of utility activities include maintenance of water/sewer mains, pump and lift stations, storm drain flushing, and water meter reading.

The \$4.1 million decrease in current and other assets for governmental activities is comprised of a \$1.6 million net decrease in cash and investments from the use of bond funding on the Southcenter Parkway and emergency preparedness capital purchases. The increase of \$1.2 million in current and other assets for business-type activities is comprised of an increase of \$1.2 million in cash and nominal increase in investments. This increase results from a rate structure design in the utility funds that build reserves for major infrastructure replacement and improvement.

Governmental capital assets increased by \$5.1 million due to capital outlays of \$12.1 million and developer contributions of \$23,813, offset by depreciation. The addition is due to the activities in the major projects below:

- Duwamish Hill Preserve-Land, \$1.1 million
- Arterial Street Overlay, \$1.3 million
- Klickitat/Southcenter Parkway/I-5 Access Revision, \$2.3 million
- Southcenter Parkway Extension, \$4.7 million

The \$1.9 million decrease in long-term liabilities for governmental activities is due to the \$790,000 increase in other post-employment benefits (OPEB) offset by principal payments on existing debt. The increase in other liabilities comprise year-end payables that were settled in 2013.

Business-type activity capital assets decreased by \$284,577 due to capital outlays of \$1.66 million and developer contributions of \$28,253, offset by depreciation. Capital outlays primarily include small drainage projects and construction activity on the Southcenter Parkway extension project.

Changes in Net Position

The change in net position represents the increase or decrease in City net assets resulting from its various activities.

Following is a condensed version of the City's changes in net position. The table shows the revenues, expenses and related changes in net assets for both governmental-type and business-type activities:

CITY OF TUKWILA CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
	(in thousands)					
Revenues:						
Program revenues						
Charges for services	\$5,832	\$4,708	\$17,034	\$16,371	\$22,866	\$21,079
Operating grants and contributions	4,412	4,360	-	-	4,412	4,360
Capital grants and contributions	1,582	18,495	136	1,994	1,717	20,489
General revenues						
Property taxes	14,132	13,443	-	-	14,132	13,443
Sales and use taxes	15,442	15,796	-	-	15,442	15,796
Hotel/Motel taxes	522	556	-	-	522	556
Natural gas use tax	232	318	-	-	232	318
Utility taxes	4,001	4,052	-	-	4,001	4,052
Interfund utility taxes	1,535	1,372	-	-	1,535	1,372
Business taxes	2,498	2,309	-	-	2,498	2,309
Excise taxes	2,861	2,170	-	-	2,861	2,170
State entitlements	1,896	2,086	-	-	1,896	2,086
Investment earnings	117	275	-	61	117	337
Miscellaneous	102	-	-	201	102	201
Total revenues	55,162	69,940	17,170	18,627	72,332	88,567
Expenses:						
General government	8,343	9,151	-	-	8,343	9,151
Public safety	26,598	25,348	-	-	26,598	25,348
Physical environment	3,626	2,885	-	-	3,626	2,885
Transportation	7,315	6,873	-	-	7,315	6,873
Economic environment	4,801	4,713	-	-	4,801	4,713
Mental and physical health	-	5	-	-	0	5
Culture and recreation	4,243	4,204	-	-	4,243	4,204
Interest on long-term debt	1,152	472	-	-	1,152	472
Water/sewer	-	-	10,150	10,093	10,150	10,093
Foster golf course	-	-	1,701	1,987	1,701	1,987
Surface water	-	-	2,700	2,588	2,700	2,588
Total expenses	56,078	53,650	14,550	14,668	70,629	68,318
Increase (decrease) in net assets before transfers	-917	16,290	2,620	3,959	1,703	20,249
Transfers	1,057	-2,484	-1,057	2,484	-	-
Change in net position	140	13,806	1,563	6,443	1,703	20,249
Net position-beginning of period	226,011	212,205	62,791	56,348	288,801	268,553
Net position-end of period	\$226,151	\$226,011	\$64,354	\$62,791	\$290,504	\$288,801

* Restated for current year classifications

Governmental activities ended the year with \$140 thousand increase in the City's net position. Revenues to fund capital assets are recorded as program or general revenues in the statement of activities. However, asset purchases are not recorded as expenses in the year purchased and construction costs are not recorded as expenses in the year incurred. Instead, the costs are recorded as long-term assets and are depreciated over their useful life.

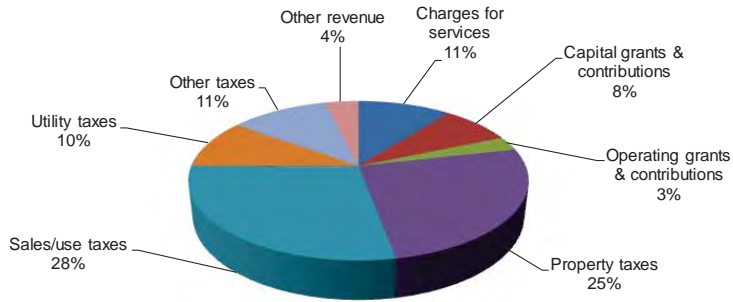
Revenues from governmental activities decreased \$14.8 million from 2011 activity. The components and explanation of this decrease follows.

- Capital grants and contributions decreased \$16.9 million due to the completion of two major arterial street projects.
- Charges for services increased \$1.1 million primarily due to the recognition of developer fees and increase in adult probation service charge receipts.
- Increase in excise tax receipts of \$690 thousand were due to recognition of outstanding gambling taxes and revenues from real estate excise tax.

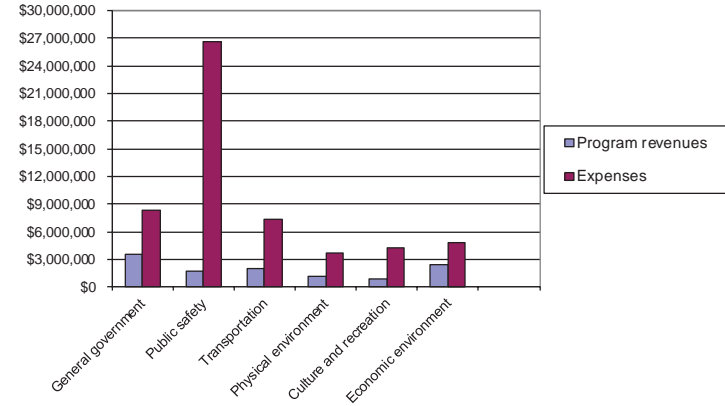
Total governmental expenses increased by \$2.4 million due to additional salaries and removal of hesco fences. Physical environment expenses increased by \$740 thousand or 26% primarily due to the removal of flood response protective measures. Public safety expenses increased by \$1.3 million, or 5%, as a result of wage and benefits increases per new labor agreement, addition of three officers and the improvements to the new Neighborhood Resource Center. Interest expense on long-term debt increased by \$679 thousand.

The next chart summarizes the governmental activity revenue by source, while the second one reflects the specific programs' revenues and related expenses for the various activities of the City. Gaps between specific programs' revenues and their related expenses are funded through general tax revenues.

Revenues by Source – Governmental Activities



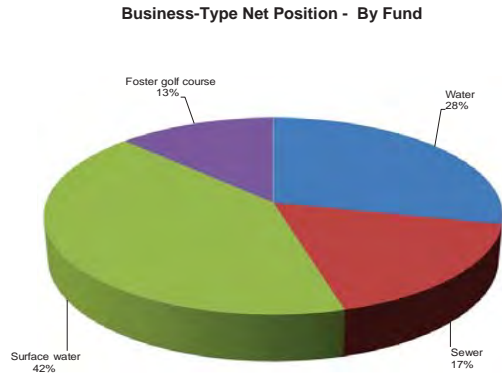
Program Revenues and Expenses - Governmental Activities



Business-type net position increased by \$1.6 million during 2012. Key components of this increase include:

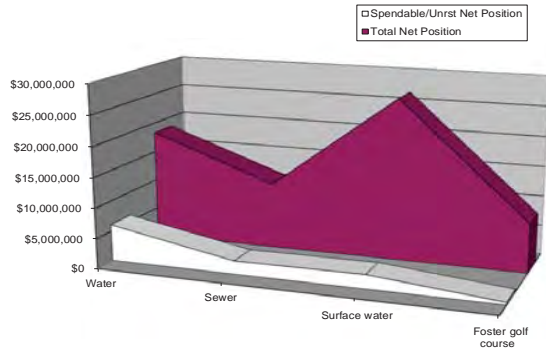
- \$663,183 or 4% increase in charges for services primarily due to utility rate increase effective January 2012.
- Income before capital contributions and transfers amounted to:
 - Water fund: \$ 625,687
 - Sewer fund 980,804
 - Foster golf course fund: (252,402)
 - Surface water fund: 1,061,358
 - \$ 2,415,447

The following chart shows the relative net position balances for each business-type fund:

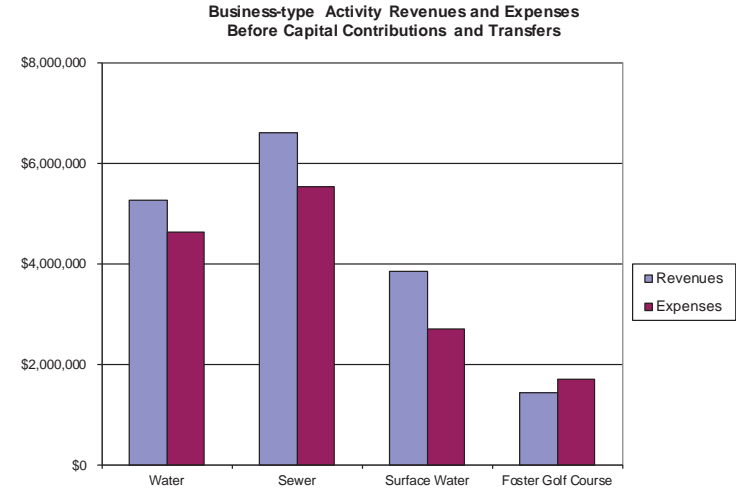


The majority of net position in the City's enterprise funds relate to capital asset infrastructure, such as water and sewer mains, and the golf course land. As such, most of the net assets are not available to support the ongoing expenses of the funds. The following chart contrasts the total net assets to the spendable portion of net assets for each enterprise fund:

Comparison of Total Net Position to Spendable Net Position Business-Type Funds



The following chart depicts the revenues and expenses for business-type funds:



Financial Analysis of Governmental Funds

The purpose of the City's governmental funds is to report on near-term revenues/financial resources and expenditures. This information helps determine the City's financial requirements in the near future. Specifically, fund balance is a good indicator of the City's financial resources.

As of December 31, 2012, the City's governmental funds had combined fund balances of \$18.1 million, a decrease of \$6,655,064 or 26.8%. This decrease is related to a decrease in arterial street fund of \$6.4 million due to the completion of two major arterial street projects and expenditures incurred on the Local Improvement District. Reimbursement will take place in 2013.

The change in prior year fund balances for other major funds are as follows:

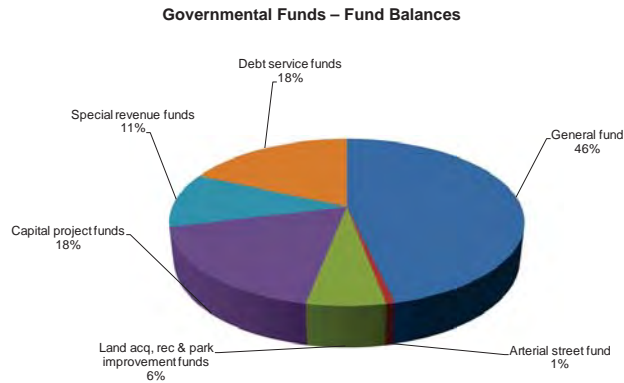
- General fund \$118,415
- Land Acq., Rec & Park Development (\$337,784)
- Other governmental funds \$10,370

Of the governmental fund balances, restricted fund balances constrained for a specific purpose by external parties consist of \$710,707 for tourism, \$1,046,772 for streets, \$394,755 for arterial street improvements, \$85,125 for drug seizure, \$164,312 for general government improvement, and \$348,010 for fire improvements. Fund balances intended to be used for specific purposes consists of \$88,576 for arterial streets, \$1,090,188 for land acquisition recreation and park development,

\$2,005,520 for facility replacement, \$749,518 for general government improvements, and \$3,012,381 dedicated for debt repayment and \$75,000 for public safety equipment.

The general fund is the primary operating fund of the City. All receipts and payments of ordinary City operations are processed through it unless they are required to be accounted for in another fund. At the end of 2012, the general fund had an unassigned fund balance of \$8,378,557.

The following chart shows the relative fund balances for governmental funds:

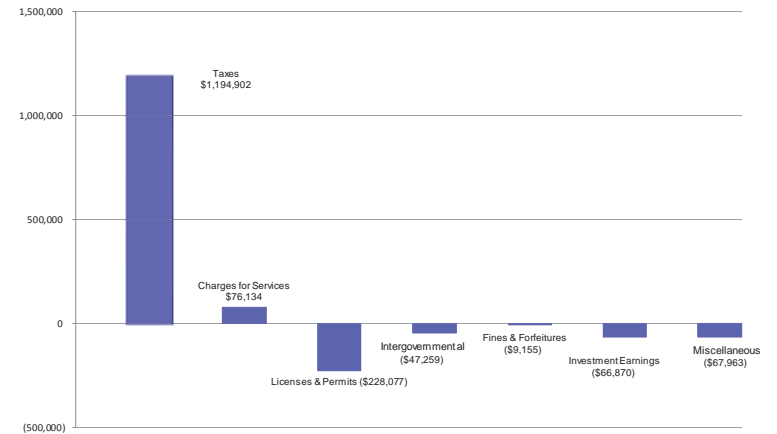


The \$118,416 increase in the general fund balance results from revenue of \$48,704,332, expenses of \$44,638,728, transfers into the fund of \$2,330,665, transfers out of \$5,619,148, and a loan to Tukwila Metropolitan Park District in the amount of \$658,706. In comparison with 2011, revenue increased \$814,838, expenses increased of \$937,338, decrease of transfers into the fund of \$642,178 and decrease in transfers out of \$4,449.

The fund balance decrease of \$6,446,065 in the arterial street fund is primarily due to expenditures for two major arterial street projects. Land acquisition, recreation and park development fund balance decreased by \$337,784.

The general fund revenue increase of \$814 thousand came from the following sources:

General Fund Revenue Increases (Decreases) - By Source



Revenue from revenue generating regulatory fee was previously categorized under licenses and permits in prior years. This fee is currently included in taxes.

Financial Analysis of Proprietary Funds

The City's proprietary funds provide the same type of information as found in the government-wide financial statements, but in greater detail. Factors affecting the finances of the City's proprietary funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City budgets biennially by adopting a budget at the end of the preceding biennium, and then making adjustments as necessary via budget amendments throughout the next two years. Following is a summary of such budget amendments:

• Funding for Strategic Plan	\$ 130,000
• Increase in wages and benefits per new labor agreement	551,768
• Reinstatement of 1.5 FTE-Parks Maintenance	117,620
• Additional funding for legal matters	100,000
• Additional funding for dispatch and monitoring	77,000
• Additional funding for debt service	167,965
• Delayed transfers to Contingency Fund	(3,000,000)
• Increase in revenue for indirect cost allocation charge	605,618
• Reduction of overbudgeted revenue for sale of capital assets	(627,618)
• Delayed debt proceeds	(1,000,000)

Reasons for the significant variances in the general fund between the final budget and actual results include:

- Charges for services are down by \$500,000 due to reduction in programs offered in the community center with \$273,000 of it from reduced revenue from licensing and permitting activities as a result of decreased construction activities.
- Previously owed revenue from gambling tax were settled in 2012.
- The budget for proceeds from sales of capital assets was significantly higher than actual results resulting in a negative variance of \$662,000. Properties that were originally scheduled to be sold were kept for alternative use.
- A contingency fund transfer of \$3 million and debt proceeds of \$1 million did not take place until the first quarter in 2013.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for both its governmental and business-type activities as of December 31, 2012 totaled \$281.8 million (net of accumulated depreciation), an increase of \$4.8 million, or 1.7%, from 2011. This investment in capital assets includes land, buildings, improvements, machinery and equipment, construction in progress, utility transmission/distribution systems, roads, bridges, and other infrastructure.

SUMMARY OF CAPITAL ASSETS (NET OF DEPRECIATION)

	Governmental Activities		Business-Type Activities		Total	
	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11
Land	\$40,501,509	\$39,459,061	\$2,214,118	\$2,214,118	\$42,715,627	\$41,673,179
Buildings	12,181,708	12,231,995	8,099,221	8,403,761	20,280,929	20,635,756
Other Improvements	7,943,508	8,639,571	44,569,513	44,188,248	52,513,021	52,827,819
Machinery and Equipment	5,597,527	6,525,286	584,202	687,756	6,181,728	7,213,042
Infrastructure	104,089,598	107,103,876	-	-	104,089,598	107,103,876
Intangible Assets	510,592	286,711	-	-	510,592	286,711
Construction in Progress	47,942,200	39,453,817	7,595,365	7,850,959	55,537,566	47,304,776
Total	\$218,766,642	\$213,700,317	\$63,062,420	\$63,344,843	\$281,829,061	\$277,045,159

More detailed information on capital assets is provided in Note 7.

General capital outlay purchases added \$273,560 in machinery and equipment. Among these include a partial payment for new permitting software of \$177,938, agenda manager software totaling \$22,000, and various computer equipment purchases in the amount of \$39,513.

Many of the projects in the Arterial Street Fund are in the construction stage adding \$8.3 million in construction in progress for the period. The major arterial street fund activities comprise of the following:

- Tukwila Urban Center Access Project (Klickitat Southcenter Parkway/I-5 Access Revision), \$2.3 million
- Southcenter Parkway Extension, \$4.7 million
- Transit Center, \$603,000

Arterial street overlay and work on bridges contributed the additional \$1.4 million in capital assets.

Land Acquisition, Recreation & Park Development activities consist of \$1.1 million in land acquisition for the Duwamish Hill Preserve and improvements. Several projects have added \$270,736 in construction in progress costs for the year.

Other governmental funds' activity provided an additional \$472,215 in capital assets and \$266,348 in work in progress for the year. The Neighborhood Resource Center improvements, City Hall Police/Suite 205/Conference Room #3 remodels, and various software and licensing purchases are some of the completed projects in 2012.

Business-type activities consisted of \$1.5 million in additional construction in progress work for the year. Major projects in the utility funds comprise of the following:

- Small Drainage Projects, \$883,000
- Southcenter Parkway Extension, \$403,000
- Andover Park West Strander, \$106,000

A total of \$143,000 in purchases of meters, hydrants, mains, intakes and service connections were capitalized for the year.

Long-term Debt

At the end of the current fiscal year, the City had total bonded debt outstanding of \$21,900,000. Of this amount, \$18,360,000 is general obligation bonds, and \$3,540,000 is revenue bonds for the water/sewer and surface water utilities. The reduction in outstanding bonds is due to the principal payments redeemed for the year. The City currently maintains a rating of A1 with Moody's and AA- with Fitch's Investor Service for its general obligation debt.

The following schedule summarizes the City's bonded debt:

	Governmental Activities		Business-type Activities		Total	
	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11
General obligation bonds	\$ 18,360,000	\$ 20,260,000	\$ -	\$ -	\$ 18,360,000	\$ 20,260,000
Revenue bonds	-	-	3,540,000	3,980,000	3,540,000	3,980,000
	\$ 18,360,000	\$ 20,260,000	\$ 3,540,000	\$ 3,980,000	\$ 21,900,000	\$ 24,240,000

Below is a summary of additional long-term debt of the City:

Other Long-term Debt	
Public Works Trust Fund loans	\$ 6,621,364
Employee leave benefits	3,452,943
Due to other governments	7,392,600
	\$ 17,466,907

More detailed information on long-term debt is provided in Note 11.

Economic Factors

The outlook for 2013 is positive. The economy is showing steady signs of recovery. The City of Tukwila has a small residential population, yet the City works hard to serve the regional economy and has become an economic powerhouse providing jobs and revenue for the region and State. Several major pending developments will have significant positive impacts on the future of Tukwila's economy:

- Tukwila South – In 2009, the City executed development agreements and completed annexation of 259 acres as part of the 500 acre Tukwila South development. Development activities in 2012 were minimal. The new Southcenter Parkway Extension project was completed in 2012 and will allow for the future development to continue.
 - Tukwila Village - On June 6, 2011 the City Council selected Tukwila Village Development Associates, LLC (also known as the Senior Housing Assistance Group or "SHAG") as the developer and authorized the Mayor to enter into negotiations. In June 2012 the Board of the King County Library System (KCLS) voted to undertake a fundraising program to increase the size of the future Tukwila Library to be 10,000 square feet. The key deal terms between the City and KCLS were approved by City Council on June 25, 2012.
- On October 22, 2012, City Council approved the main agreement (Disposition and Development Agreement, DDA). Project design is scheduled to be completed in 2013 with construction starting in 2013. The first phase is scheduled to open in late 2014 and the final phase in 2015.
- Tukwila Urban Center Access – Designed to improve traffic flow, Southcenter Parkway reopened on October 13, 2011. The preliminary assessment roll for Local Improvement District No. 33 to fund a portion of the project is estimated to be \$9.9 million and the assessment is scheduled for 2013.
 - Major Tenant Improvements/Additions – Tenant improvements and additions were completed for Sabey Data Center, Boeing renovation, King County Housing Authority, and re-roofing of King County Metro and Boeing. Completed demolitions for the year include Bow Lake and Boeing Plant 2. This added \$235,651 in revenue receipts, which added \$19.7 million in property values.

Requests for Information

This financial report is designed to provide a general overview of the City of Tukwila's finances for readers with an interest in the City's finances. Questions concerning this report, or requests for additional information, may be addressed to the Finance Director, City of Tukwila, 6200 Southcenter Blvd, Tukwila, WA 98188-2544.

CITY OF TUKWILA, WASHINGTON STATEMENT OF NET POSITION DECEMBER 31, 2012

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	TUKWILA METROPOLITAN PARK DISTRICT
ASSETS:				
CASH AND CASH EQUIVALENTS (Note 3)	\$ 19,537,919	\$ 4,931,861	\$ 24,469,780	\$ 182,136
INVESTMENTS (Note 3)	7,329,634	3,450,000	10,779,634	-
RECEIVABLES:				
TAXES (Note 4)	4,440,757	-	4,440,757	-
CUSTOMER ACCOUNTS	1,062,613	1,196,224	2,258,837	-
INTEREST ON INVESTMENTS	44,798	33,105	77,903	-
DUE FROM OTHER GOVERNMENTAL UNITS	2,009,171	1,309,301	3,318,472	416,666
INVENTORY OF MATERIALS AND SUPPLIES	402,010	598,013	1,000,024	-
DUE FROM COMPONENT UNIT	860,408	-	860,408	-
NOTES RECEIVABLE	-	407,215	407,215	-
RESTRICTED CASH AND CASH EQUIVALENTS (Note 3)	559,067	493,777	1,052,844	-
DEFERRED CHARGES	249,721	56,028	305,749	-
NET PENSION ASSET (Note 9)	336,352	-	336,352	-
INVESTMENT IN JOINT VENTURES (Note 8)	10,095,461	-	10,095,461	-
NON-DEPRECIABLE CAPITAL ASSETS (Note 7)	88,443,709	9,809,483	98,253,192	-
DEPRECIABLE CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION): (Note 7)	130,322,933	53,308,949	183,631,882	2,801,132
TOTAL ASSETS	265,694,552	75,593,958	341,288,510	3,399,934
LIABILITIES:				
ACCOUNTS PAYABLE	1,716,714	486,429	2,203,143	766,129
ACCRUED WAGES AND BENEFITS PAYABLE	1,353,296	107,669	1,460,964	11,593
ACCRUED INTEREST PAYABLE	69,185	54,876	124,061	-
DUE TO PRIMARY GOVERNMENT	-	-	-	860,408
REVENUES COLLECTED IN ADVANCE	695,979	17,804	713,783	-
OTHER LIABILITIES	2,148,610	58,407	2,207,017	24,362
BONDS AND OTHER DEBT PAYABLE (Note 11):				
DUE WITHIN ONE YEAR	2,261,000	1,026,292	3,287,292	-
DUE IN MORE THAN ONE YEAR	26,865,489	9,488,977	36,354,466	-
NET OTHER POST EMPLOYMENT OBLIGATION (Note 10)	4,433,326	-	4,433,326	-
TOTAL LIABILITIES	39,543,599	11,240,454	50,784,053	1,662,493
NET POSITION: (Note 1)				
NET INVESTMENT IN CAPITAL ASSETS	203,206,940	52,911,741	253,253,169	2,801,132
RESTRICTED FOR DEBT SERVICE	-	430,444	430,444	-
RESTRICTED BY ENABLING LEGISLATION:				
TOURISM PROMOTION	710,707	-	710,707	-
RESIDENTIAL STREET IMPROVEMENTS	1,046,772	-	1,046,772	-
ARTERIAL STREET IMPROVEMENTS	394,755	-	394,755	-
DRUG INVESTIGATION AND ENFORCEMENT	85,125	-	85,125	-
FIRE IMPROVEMENTS	348,010	-	348,010	-
GENERAL GOVERNMENT IMPROVEMENTS	164,312	-	164,312	-
UNRESTRICTED NET ASSETS	20,194,333	11,011,319	34,071,164	(1,063,691)
TOTAL NET POSITION	\$ 226,150,953	\$ 64,353,504	\$ 290,504,457	\$ 1,737,441

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

FUNCTIONS / PROGRAMS:	PRIMARY GOVERNMENT						COMPO-
	----- PROGRAM REVENUES -----						NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION-----
	CHARGES For Services	OPERATING Grants and Contributions	CAPITAL Grants and Contribution	GOVERNMENTAL Activities	BUSINESS- TYPE Activities	TOTAL	TOTAL
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES:							
GENERAL GOVERNMENT	\$ 8,343,107	\$ 1,332,418	\$ 2,214,024	\$ -	\$ (4,796,666)	\$ -	\$ (4,796,666)
PUBLIC SAFETY	26,598,432	684,744	829,187	262,660	(24,821,841)	-	(24,821,841)
TRANSPORTATION	7,314,707	1,004,911	83,495	964,037	(5,262,264)	-	(5,262,264)
PHYSICAL ENVIRONMENT	3,625,696	4,939	1,148,507	-	(2,472,250)	-	(2,472,250)
CULTURE AND RECREATION	4,242,725	481,404	57,606	355,184	(3,348,530)	-	(3,348,530)
ECONOMIC ENVIRONMENT	4,801,342	2,323,528	78,801	-	(2,399,014)	-	(2,399,014)
INTEREST ON LONG-TERM DEBT	1,152,063	-	-	-	(1,152,063)	-	(1,152,063)
Total Governmental Activities	56,078,072	5,831,944	4,411,618	1,581,882	(44,252,628)	-	(44,252,628)
BUSINESS-TYPE ACTIVITIES:							
WATER	4,625,242	5,252,024	-	3,550	-	630,332	-
SEWER	5,624,315	6,506,634	-	103,800	-	1,086,119	-
SURFACE WATER	2,699,767	3,827,010	-	28,253	-	1,155,406	-
FOSTER GOLF COURSE	1,701,131	1,448,729	-	-	-	(252,401)	-
Total Business-Type Activities	14,550,455	17,034,397	-	135,603	-	2,619,546	-
TOTAL PRIMARY GOVERNMENT	\$ 70,628,527	\$ 22,866,341	\$ 4,411,618	\$ 1,717,485	\$ (44,252,628)	\$ 2,619,546	\$ (41,633,082)
COMPONENT UNIT:							
METROPOLITAN PARK DISTRICT	\$ 659,775	\$ 210,098	\$ 416,666	-	-	-	(33,011)
TOTAL COMPONENT UNIT	\$ 659,775	\$ 210,098	\$ 416,666	-	-	-	(33,011)
GENERAL REVENUES:							
TAXES							
PROPERTY TAXES			\$ 14,131,605	\$ -	\$ 14,131,605	\$ -	
RETAIL SALES AND USE TAXES			15,441,683	-	15,441,683	-	
NATURAL GAS USE TAX			232,208	-	232,208	-	
HOTEL/MOTEL TAXES			522,033	-	522,033	-	
UTILITY TAXES			4,001,385	-	4,001,385	-	
INTERFUND UTILITY TAXES			1,534,581	-	1,534,581	-	
BUSINESS TAXES			2,497,606	-	2,497,606	-	
EXCISE TAXES			2,860,948	-	2,860,948	-	
STATE ENTITLEMENTS			1,895,647	-	1,895,647	-	
UNRESTRICTED INVESTMENT EARNINGS			116,694	-	116,694	-	
MISCELLANEOUS			101,688	-	101,688	-	
TRANSFERS (Note 5)			1,056,843	(1,056,843)	-	-	
TOTAL GENERAL REVENUES			44,392,921	(1,056,843)	43,336,078	-	
CHANGE IN NET POSITION	140,293	1,562,703	1,702,996	-	-	-	(33,011)
NET POSITION - BEGINNING	226,010,660	62,790,801	288,801,461	1,770,452	-	-	-
NET POSITION - ENDING	\$ 226,150,953	\$ 64,353,504	\$ 290,504,457	\$ 1,737,441	-	-	-

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	GENERAL FUND	ARTERIAL STREET	LAND ACQ. REC & PARK DEVELOPMENT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
CASH AND CASH EQUIVALENTS	\$ 6,262,710	\$ -	\$ 1,068,126	\$ 5,008,571	\$ 12,339,407
INVESTMENTS	-	-	-	2,049,464	2,049,464
RECEIVABLES:					
TAXES	4,292,038	35,821	1,447	111,452	4,440,757
CUSTOMER ACCOUNTS	772,196	-	-	290,021	1,062,218
DUE FROM OTHER GOVERNMENTAL UNITS	219,770	782,613	36,753	970,035	2,009,171
RESTRICTED ASSETS:					
CASH AND CASH EQUIVALENTS	-	394,755	-	164,312	559,067
TOTAL ASSETS	\$ 11,546,714	\$ 1,213,189	\$ 1,106,326	\$ 8,593,854	\$ 22,460,083
LIABILITIES AND FUND BALANCES:					
ACCOUNTS PAYABLE	676,734	712,108	15,286	280,346	1,684,475
ACCRUED WAGES & BENEFITS	1,301,140	17,750	351	16,162	1,335,403
REVENUE COLLECTED IN ADVANCE	695,979	-	-	-	695,979
OTHER CURRENT LIABILITIES	200,360	-	500	100,000	300,860
DEFERRED REVENUE	293,944	-	-	-	293,944
TOTAL LIABILITIES	3,168,158	729,858	16,137	396,508	4,310,661
FUND BALANCES:					
RESTRICTED FOR:					
HOTEL/MOTEL TAX	-	-	-	710,707	710,707
RESIDENTIAL STREET IMPROVEMENTS	-	-	-	1,046,772	1,046,772
ARTERIAL STREET IMPROVEMENTS	-	394,755	-	-	394,755
DRUG INVESTIGATION AND ENFORCEMENT	-	-	-	85,125	85,125
FIRE IMPROVEMENTS	-	-	-	348,010	348,010
GENERAL GOVERNMENT IMPROVEMENTS	-	-	-	164,312	164,312
ASSIGNED FOR:					
ARTERIAL STREET	-	88,576	-	-	88,576
LAND ACQ. REC & PARK DEVELOPMENT	-	-	1,090,188	-	1,090,188
FACILITY REPLACEMENT	-	-	-	2,005,520	2,005,520
GENERAL GOVERNMENT IMPROVEMENTS	-	-	-	749,518	749,518
PUBLIC SAFETY EQUIPMENT	-	-	-	75,000	75,000
DEBT SERVICE	-	-	-	3,012,381	3,012,381
UNASSIGNED	8,378,557	-	-	-	8,378,557
TOTAL FUND BALANCES	8,378,557	483,331	1,090,188	8,197,345	18,149,421
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,546,714	\$ 1,213,189	\$ 1,106,326	\$ 8,593,854	\$ 22,460,083

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
 DECEMBER 31, 2012

Total governmental fund balances as reported on this statement	\$ 18,149,420
Amounts reported for governmental activities in the statement of net position are different because:	
The purchases method is used in Governmental Funds to account for Materials and Supplies - Inventory amount outstanding.	389,691
The cost of issuing long-term debt is amortized over the life of the debt in the statement of net position and expensed when paid in the governmental funds.	249,721
	639,412
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.	
Governmental funds assets	216,720,883
Internal service fund assets	2,045,759
	218,766,642
The net pension asset resulting from contributions in excess of the annual required contribution are not financial resources and therefore is not reported in the funds.	338,352
The City has an equity interest in two joint ventures. This equity interest for the provision of governmental services is not a current financial resource and therefore is not reported in the funds.	10,095,461
Deferred revenue reported for property taxes that are current and prior year tax levies that were not collected and available to pay current year liabilities	293,944
Some liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Long Term Liabilities Due Within One Year	(2,261,000)
Long Term Liabilities Due in More Than One Year	(19,472,889)
Due to Other Governmental Units	(7,392,600)
Unfunded Other Post Employment Benefits	(4,433,326)
Accrued Interest Payable	(69,185)
	(33,629,000)
Internal service funds are used by management to charge the cost of certain activities, such as health insurance and fleet maintenance, to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net position.	10,638,313
Amount due from Component Unit is expensed in governmental funds and recorded as a receivable in the statement of net position	860,408
Net position of government activities as reported on the statement of net position	\$ 226,150,953

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2012

	GENERAL FUND	ARTERIAL STREET	LAND ACQ. REC & PARK DEVELOPMENT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
TAXES	\$ 39,840,364	\$ 523,084	\$ 617,105	\$ 522,056	\$ 41,502,609
LICENSES AND PERMITS	1,604,594	-	-	-	1,604,594
INTERGOVERNMENTAL	4,708,774	1,006,599	410,888	1,762,886	7,889,147
CHARGES FOR SERVICES	2,184,369	846,240	52,229	891,518	3,974,356
FINES AND FORFEITURES	220,752	-	-	-	220,752
INVESTMENT EARNINGS	64,418	3,153	2,678	36,036	106,286
MISCELLANEOUS	71,159	43,271	-	17,547	131,977
TOTAL REVENUES	48,694,430	2,422,347	1,082,901	3,230,044	55,429,722
EXPENDITURES:					
CURRENT:					
GENERAL GOVERNMENT	8,344,177	-	-	160,334	8,504,511
PUBLIC SAFETY	24,907,510	-	-	10,796	24,918,306
PHYSICAL ENVIRONMENT	1,673,956	-	-	1,348,560	3,022,516
TRANSPORTATION	2,682,877	86,305	-	-	2,769,182
ECONOMIC ENVIRONMENT	3,394,823	-	-	1,373,121	4,767,944
CULTURE AND RECREATION	3,361,825	-	11,175	-	3,373,000
DEBT SERVICE:					
PRINCIPAL	-	-	-	2,254,200	2,254,200
INTEREST	-	-	-	1,178,464	1,178,464
CAPITAL OUTLAY	273,560	9,709,676	1,377,494	738,564	12,099,293
TOTAL EXPENDITURES	44,638,728	9,795,981	1,388,669	7,064,039	62,887,416
EXCESS (DEFICIENCY) OF REVENUES					
OVER (UNDER) EXPENDITURES	4,055,702	(7,373,634)	(305,768)	(3,833,995)	(7,457,694)
OTHER FINANCING SOURCES (USES):					
SALES OF CAPITAL ASSETS	9,903	-	-	-	9,903
TRANSFERS IN (Note 5)	2,330,665	1,314,132	-	3,980,995	7,625,792
TRANSFERS OUT (Note 5)	(5,619,148)	(386,563)	(32,016)	(136,631)	(6,174,358)
LOAN TO TUKWILA MPD	(658,706)	-	-	-	(658,706)
TOTAL OTHER FINANCING SOURCES AND USES	(3,937,286)	927,569	(32,016)	3,844,364	802,631
NET CHANGE IN FUND BALANCES	118,416	(6,446,065)	(337,784)	10,369	(6,655,064)
FUND BALANCES - BEGINNING	8,260,141	6,929,396	1,427,972	8,186,976	24,804,485
FUND BALANCES - ENDING	\$ 8,378,557	\$ 483,331	\$ 1,090,188	\$ 8,197,345	\$ 18,149,421

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES OF GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2012**

Net change in fund balances per the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$	(6,655,064)	
Amount reported as change in net position in the Statement of Activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:			
Capital Outlay		12,099,298	
Depreciation Expense		<u>(6,548,605)</u>	
Excess of Capital Outlay Over Depreciation Expense			5,550,693
The net pension asset (negative net pension obligation) amortization amount is not a financial resource and therefore not reported in the funds.			26,520
The City has equity interests in two joint ventures. The equity interests for the provision of governmental services are not current financial resources and therefore are not reported in the funds.			(371,958)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:			
Bond Principal Retirement		2,290,091	
Amortization Expense		<u>50,971</u>	
			2,341,062
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.			17,488
Because some revenues will not be collected for several months after the City's fiscal year ends, they are not considered "available" revenues in the government funds. Deferred revenues decreased by this amount this year.			(280,533)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:			
Decrease in Accrued Interest		10,251	
Increase in Compensated Absences		(175,287)	
Increase in Unfunded Other Post Employment Benefits		(790,163)	
Amortization of Cost of Issuance		(34,822)	
Decrease in Inventory		<u>(167,010)</u>	
Total Additional Expense (Increase) Decrease			(1,157,030)
Due from Component Unit			
Loan Principal		658,706	
Interest		10,408	
			669,114
Change in net assets on the Statement of Activities	\$		140,293

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
**STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2012**

	WATER UTILITY	SEWER UTILITY	FOSTER GOLF COURSE	SURFACE WATER UTILITY	TOTAL ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
CURRENT ASSETS:						
CASH AND CASH EQUIVALENTS	\$ 912,764	\$ 1,457,624	\$ 253,483	\$ 2,307,990	\$ 4,931,861	\$ 7,198,512
INVESTMENTS	3,450,000	-	-	-	3,450,000	5,280,170
RECEIVABLES:						
CUSTOMER ACCOUNTS	380,970	635,750	5,982	206,628	1,229,330	395
INTEREST ON INVESTMENTS	-	-	-	-	-	44,798
DUE FROM OTHER GOVERNMENTAL UNITS	1,261,696	-	-	47,605	1,309,301	-
INVENTORY OF MATERIALS AND SUPPLIES	240,508	52,195	255,978	49,332	598,013	12,319
CURRENT ASSETS RESTRICTED:						
CASH AND CASH EQUIVALENTS	6,035	-	57,297	-	63,332	-
TOTAL CURRENT ASSETS	6,251,973	2,145,569	572,740	2,611,556	11,581,838	12,536,195
NONCURRENT ASSETS:						
RESTRICTED CASH, CASH EQUIVALENTS	266,713	126,834	-	36,897	430,444	-
NOTES RECEIVABLE	-	407,215	-	-	407,215	-
DEFERRED CHARGES	14,567	34,737	-	6,723	56,028	-
CAPITAL ASSETS:						
LAND	87,347	69,525	1,609,575	447,671	2,214,118	-
BUILDINGS AND EQUIPMENT	1,416,567	2,181,410	6,627,496	1,165,129	11,390,602	-
OTHER IMPROVEMENTS	16,707,738	13,199,956	3,559,992	36,361,529	71,829,216	-
MACHINERY AND EQUIPMENT	825,311	1,249,739	169,496	50,707	2,295,253	9,390,266
CONSTRUCTION IN PROGRESS	2,705,804	2,618,502	-	2,271,059	7,595,365	-
LESS: ACCUMULATED DEPRECIATION	(8,992,732)	(6,753,598)	(4,196,843)	(12,318,962)	(32,262,134)	(7,344,507)
TOTAL CAPITAL ASSETS (NET OF A/D)	14,750,035	12,565,535	7,769,716	27,977,134	63,062,420	2,045,759
PLANT ACQUISITION ADJUSTMENT (NET OF A/D)	56,012	-	-	-	56,012	-
ACCUMULATED AMORTIZATION	(15,067,526)	(13,134,321)	(7,769,716)	(28,020,754)	(64,012,120)	(2,045,759)
TOTAL NONCURRENT ASSETS	15,067,526	13,134,321	7,769,716	28,020,754	64,012,120	2,045,759
TOTAL ASSETS	21,339,301	15,279,890	8,342,456	30,632,310	75,593,958	14,581,953
LIABILITIES:						
CURRENT LIABILITIES:						
ACCOUNTS PAYABLE	22,463	313,530	1,684	148,753	486,430	-
ACCRUED WAGES AND BENEFITS	26,900	15,179	28,098	37,491	107,669	17,892
DUE TO OTHER GOVERNMENTAL UNITS	95,060	192,261	-	270,953	558,293	-
ACCRUED INTEREST PAYABLE	34,361	11,387	-	9,129	54,876	-
OTHER CURRENT LIABILITIES	-	964	2,035	-	2,999	1,879,990
UNEARNED REVENUE	5,042	-	129	12,633	17,804	-
REVENUE BOND PRINCIPAL	365,100	83,700	-	16,200	465,000	-
DEPOSITS	6,035	-	52,372	-	58,407	-
TOTAL CURRENT LIABILITIES	554,981	617,021	84,318	495,159	1,751,477	1,897,882
NONCURRENT LIABILITIES:						
REVENUE BONDS PAYABLE (NET OF UNAMORTIZED PREMIUMS)	1,354,755	1,479,304	-	286,317	3,120,376	-
(NET OF UNAMORTIZED PREMIUMS), Note 11						
COMPENSATED SERVICES	93,767	46,639	84,033	81,092	305,531	-
OTHER LONG-TERM LIABILITIES	1,002,514	2,114,869	-	2,945,688	6,063,071	-
TOTAL NONCURRENT LIABILITIES	2,450,936	3,640,812	84,033	3,313,097	9,488,976	-
TOTAL LIABILITIES	3,006,017	4,257,833	168,351	3,808,256	11,240,453	1,897,882
NET POSITION:						
NET INVESTMENT IN CAPITAL ASSETS	11,988,622	8,695,401	7,769,717	24,458,000	52,911,740	2,045,759
RESTRICTED FOR:						
DEBT SERVICE	266,713	126,834	-	36,897	430,444	-
UNRESTRICTED	6,077,949	2,199,821	404,389	2,329,158	11,011,316	10,638,313
TOTAL NET POSITION	\$ 18,333,285	\$ 11,022,056	\$ 8,174,106	\$ 26,824,055	\$ 64,353,503	\$ 12,684,072

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2012

	WATER UTILITY	SEWER UTILITY	FOSTER GOLF COURSE	SURFACE WATER UTILITY	TOTAL ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
OPERATING REVENUES:						
TAXES	\$ -	\$ -	\$ 3,531	\$ -	\$ 3,531	\$ -
CHARGES FOR SERVICES	5,184,979	6,487,708	1,423,538	3,690,773	16,796,998	7,181,113
INTERGOVERNMENTAL	-	-	-	-	-	10,783
OTHER OPERATING REVENUE	-	-	-	362	362	64,018
TOTAL OPERATING REVENUES	5,184,979	6,487,708	1,427,069	3,691,135	16,790,890	7,255,914
OPERATING EXPENSES:						
OPERATIONS & MAINTENANCE	3,158,877	4,198,885	1,388,527	1,001,207	9,747,495	6,499,079
ADMINISTRATIVE AND GENERAL	90,982	147,920	-	485,682	724,584	-
TAXES	735,331	730,112	6,203	419,805	1,891,451	-
DEPRECIATION AND AMORTIZATION	519,221	379,795	306,401	762,537	1,967,954	717,452
TOTAL OPERATING EXPENSES	4,504,411	5,456,712	1,701,131	2,669,231	14,331,484	7,216,531
OPERATING INCOME (LOSS)	680,568	1,030,996	(274,062)	1,021,903	2,459,406	39,383
NON-OPERATING REVENUE (EXPENSE):						
INVESTMENT EARNINGS	54,216	2,307	21,660	5,232	83,415	312,905
INTEREST EXPENSE	(122,663)	(66,933)	-	(30,406)	(220,002)	-
GAIN/(LOSS) FR DISPOSAL OF CAPITAL ASSETS	-	-	-	(72)	(72)	59,790
AMORTIZATION OF BOND PREMIUM	8,973	1,825	-	353	11,151	-
AMORTIZATION OF BOND DISCOUNT	(6,093)	-	-	(483)	(6,576)	-
BOND ISSUE COSTS	(1,047)	(2,496)	-	-	(3,543)	-
OTHER NON-OPERATING REVENUE	11,734	15,106	-	64,829	91,669	-
TOTAL NON-OPERATING REVENUE (EXPENSE)	(54,881)	(50,192)	21,660	39,454	(43,959)	372,695
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	625,687	980,804	(252,402)	1,061,357	2,415,447	412,078
CAPITAL CONTRIBUTIONS	4,645	105,314	-	94,138	204,097	-
TRANSFERS IN (Note 5)	98,460	-	225,000	-	323,460	-
TRANSFERS OUT (Note 5)	(517,377)	(446,980)	(15,160)	(400,786)	(1,380,303)	(394,591)
CHANGE IN NET POSITION	211,415	639,138	(42,562)	754,710	1,562,702	17,487
TOTAL NET POSITION BEGINNING OF YEAR	18,121,870	10,382,918	8,216,668	26,069,345	62,790,801	12,666,585
TOTAL NET POSITION END OF YEAR	\$ 18,333,285	\$ 11,022,056	\$ 8,174,106	\$ 26,824,055	\$ 64,353,503	\$ 12,684,072

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Page 1 of 2

	WATER UTILITY	SEWER UTILITY	FOSTER GOLF COURSE	SURFACE WATER UTILITY	TOTAL ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES:						
CASH RECEIVED FROM CUSTOMERS	\$ 5,166,491	\$ 6,485,479	\$ 1,336,482	\$ 3,648,413	\$ 16,636,865	\$ 7,244,484
CASH PAID TO SUPPLIERS	(2,480,057)	(3,662,869)	(316,445)	(424,750)	(6,884,122)	(5,935,324)
CASH PAID FOR TAXES	(735,331)	(730,112)	(65,471)	(419,805)	(1,950,719)	-
CASH PAID FOR INVENTORY	6,059	(806)	(82,649)	-	(77,397)	(48,317)
CASH PAID TO EMPLOYEES	(736,511)	(410,537)	-	(919,548)	(2,066,596)	(477,030)
OTHER CASH RECEIVED (PAID)	-	-	93,701	2,429	96,131	154,950
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,211,651	1,681,154	46,069	1,845,787	4,784,661	938,763
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
OPERATING GRANT RECEIVED	-	-	-	64,829	64,829	-
TRANSFERS IN	98,460	-	225,000	-	323,460	-
TRANSFERS OUT	(517,377)	(446,980)	(15,160)	(400,786)	(1,380,303)	(394,591)
NET CASH PROVIDED (USED) BY NON-CAPITAL FINANCING ACTIVITIES	(418,917)	(446,980)	209,840	(335,957)	(992,014)	(383,808)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
PROCEEDS FROM SALE OF EQUIPMENT	9,038	-	-	(72)	8,966	79,251
PURCHASE OF CAPITAL ASSETS	(198,456)	(434,592)	-	(1,024,079)	(1,657,127)	(233,086)
CONTRIBUTED CAPITAL	3,550	103,800	-	-	107,350	-
CAPITAL GRANTS	3,791	1,513	-	65,885	71,189	-
PREMIUM & BOND ISSUANCE COSTS	2,628	1,638	-	(36)	4,229	-
PRINCIPAL PAYMENT ON DEBT	(438,880)	(272,861)	-	(286,553)	(998,293)	-
INTEREST PAYMENT ON DEBT	(131,548)	(67,682)	-	(31,112)	(230,342)	-
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(747,877)	(668,184)	-	(1,275,967)	(2,692,027)	(153,835)
CASH FLOW FROM INVESTING ACTIVITIES:						
PROCEEDS FROM SALE OF INVESTMENTS	-	-	-	-	-	2,669,266
PURCHASE OF INVESTMENTS	-	-	-	-	-	(908,579)
INTEREST RECEIVED	53,895	21,084	21,660	13,744	110,384	259,881
NET CASH PROVIDED (USED) IN INVESTING ACTIVITIES	53,895	21,084	21,660	13,744	110,384	2,020,568
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	98,753	587,075	277,569	247,607	1,211,003	2,421,688
CASH AND CASH EQUIVALENTS-BEGINNING OF YEAR	1,086,760	997,382	33,212	2,097,280	4,214,634	4,776,824
CASH AND CASH EQUIVALENTS-END OF YEAR	\$ 1,185,512	\$ 1,584,457	\$ 310,781	\$ 2,344,887	\$ 5,425,638	\$ 7,198,512
CASH AT END OF YEAR CONSISTS OF:						
CASH AND CASH EQUIVALENTS	\$ 912,764	\$ 1,457,624	\$ 253,483	\$ 2,307,990	\$ 4,931,861	\$ 7,198,512
RESTRICTED CASH-BOND PAYMENTS	266,713	126,834	-	36,897	430,444	-
RESTRICTED CASH-CUSTOMER DEPOSITS	6,035	-	57,297	-	63,332	-
TOTAL CASH	\$ 1,185,512	\$ 1,584,457	\$ 310,781	\$ 2,344,887	\$ 5,425,638	\$ 7,198,512

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Page 2 of 2

	WATER UTILITY	SEWER UTILITY	FOSTER GOLF COURSE	SURFACE WATER UTILITY	TOTAL ENTERPRISE FUNDS	GOVERNMENT ACTIVITIES INTERNAL SERVICE FUNDS
RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
OPERATING INCOME (LOSS)	\$ 680,568	\$ 1,030,996	\$ (274,062)	\$ 1,021,903	\$ 2,459,406	\$ 39,383
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
DEPRECIATION	519,221	379,795	306,401	762,537	1,967,954	717,452
ASSET (INCREASES) DECREASES:						
ACCOUNTS RECEIVABLE	(15,905)	(57,312)	2,888	(6,920)	(77,249)	-
MISCELLANEOUS AIR-REVENUE	3,984	17,524	-	(22,584)	(1,076)	5,412
INVENTORY	6,059	(806)	12,835	1,118	19,206	(5,429)
LIABILITY INCREASES (DECREASES):						
ACCOUNTS & VOUCHERS PAYABLE	21,501	317,879	1,684	(120,319)	220,744	181,942
OTHER LIABILITIES PAYABLE	(10,828)	(2,575)	129	72,346	59,073	-
DEPOSITS PAYABLE	(445)	-	96	-	(349)	-
WAGES & BENEFITS PAYABLE	(46,973)	(40,205)	(75,219)	61,013	(104,384)	-
COMPENSATED ABSENCES PAYABLE	56,469	35,657	72,317	75,691	241,534	-
TOTAL ADJUSTMENTS	531,083	650,157	320,131	823,883	2,325,254	899,378
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 1,211,651	\$ 1,681,154	\$ 46,069	\$ 1,845,787	\$ 4,784,661	\$ 938,763
SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
CAPITAL ASSETS ACQUIRED BY CONTRIBUTED CAPITAL	\$ 3,550	\$ 103,800	\$ -	\$ 28,253	\$ 135,603	\$ -
INCREASE (DECREASE) IN FAIR VALUE OF INVESTMENT	3,475	-	-	-	3,475	446,604
TOTAL NON CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	\$ 7,025	\$ 103,800	\$ -	\$ 28,253	\$ 139,078	\$ 446,604

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2012

	FIREMENS PENSION TRUST FUND	AGENCY FUND
ASSETS:		
CASH AND CASH EQUIVALENTS	\$ 1,415,638	\$ 32,030
TOTAL ASSETS	1,415,638	32,030
LIABILITIES:		
CURRENT PAYABLES	-	32,030
TOTAL LIABILITIES	-	32,030
NET POSITION:		
HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES	\$ 1,415,638	\$ -

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	FIREMENS PENSION TRUST FUND
ADDITIONS:	
OTHER CONTRIBUTIONS:	
FIRE INSURANCE PREMIUM TAXES	\$ 52,249
INVESTMENT EARNINGS	2,770
TOTAL ADDITIONS	55,019
DEDUCTIONS:	
BENEFIT PAYMENTS	60,288
ADMINISTRATIVE EXPENSES	1,150
TOTAL DEDUCTIONS	61,438
CHANGE IN NET POSITION	(6,419)
NET POSITION - BEGINNING	1,422,057
NET POSITION - ENDING	\$ 1,415,638

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Tukwila was incorporated on June 29, 1908, and operates under the laws of the State of Washington applicable to a non-charter optional code city with a Mayor/Council form of government. Tukwila is served by a Mayor and seven council members, all elected at large to four-year terms. The City provides what are considered general government services including public safety, streets, parks, planning and zoning, permits and inspection, general administrative, water services, sanitary sewer collection, and storm drainage.

The accounting and reporting policies of the City of Tukwila conform to generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described in this note.

A. The Reporting Entity

As required by generally accepted accounting principles the financial statements present the City and its component unit, an entity for which the government is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

See Note 8, Joint Ventures, for a discussion of Valley Communications Center, which is a joint public safety dispatching authority for five member cities, and South Correctional Entity (SCORE), which is a governmental administrative agency. Also, see Note 15, Risk Management, for a discussion of the Washington Cities Insurance Authority.

The City of Tukwila is a party to the following interlocal agreements:

- Cascade Water Alliance
- Jail Administration Group
- Valley Narcotics Enforcement Team
- Valley Special Weapons and Tactics Team
- Valley Civil Disturbance Unit
- Metropolitan Park District
- Regional Animal Services of King County
- City of Sea Tac Probation Services
- King County Reclaimed Water
- eCity.gov Alliance

The organizations above are separate entities in the State of Washington whereby the City may enter into these agreements pursuant to, and as authorized by, the Interlocal Cooperation Act under RCW 39.34. The City of Tukwila is not financially accountable to these organizations, none of the organizations have an ongoing financial interest in the City, and the City is not financially dependent upon these organizations.

Discretely presented Component Unit

The Metropolitan Park District (District) was formed on August 16, 2011. The City Council of the City of Tukwila is authorized pursuant to RCW 35.61.050 to serve in an ex-officio capacity as the Board of Metropolitan Park Commissioners. Through this shared governance, it is a component unit of the City. The Metropolitan Park District provides a benefit to the citizens of Tukwila serving the community as a multigenerational facility that provides health and recreation benefits to all ages. Component units are legally separate entities but so closely related to the City through shared governance that their exclusion would cause the City's financials to be misleading or incomplete.

The District is a component unit of the City of Tukwila, which operates parks and recreation programs within the City and the District. Financial data for the District is included in the City's financial statements by discrete presentation. Requests for the District's separately issued financial statements may be addressed to the Finance Director, City of Tukwila, 6200 Southcenter Blvd., Tukwila, WA 98188-2544.

B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the City and its component unit. These statements include the financial activities of the government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses.

The statements distinguish between governmental activities and business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program activity of the City. Direct expenses are those specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Indirect costs are included in the program expense reported for individual functions and activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program.

For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted.

Revenues which are not classified as program revenues are presented as general revenues of the City, and certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type. While fiduciary funds are excluded from the government-wide statements, they are included in the fund financial statements.

C. Fund Accounting

The accounts of the City are organized on the basis of funds each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The City's resources are allocated to and accounted for in individual funds according to the purpose for which they are spent and how they are controlled. There are three categories of funds: *governmental*, *proprietary* and *fiduciary*.

Governmental Funds

All governmental funds are accounted for on a "flow of current financial resources" measurement focus. This means only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements focus on measuring changes in financial position, rather than net income; they present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. The following are the City's major governmental funds:

- The General Fund is the general operating fund of the City. It accounts for all financial resources and transactions except those required to be accounted for in another fund.
- The Arterial Street Fund, a special revenue fund, is established in accordance with RCW 82.36.020 for the administration of the State-levied motor vehicle half-cent gasoline tax distributed to Tukwila.
- The Land Acquisition, Recreation and Park Development Fund is used to account for financial resources to be used for the acquisition of land, development of land, and construction of park facilities.

The other governmental funds of the City, which are Special Revenue Funds, account for the proceeds of specific revenue sources that are segregated to ensure that expenditures are made exclusively for qualified purposes.

Proprietary Funds

Proprietary Funds are accounted for on a "flow of economic resources" measurement focus. This means all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund operating statements present increases (revenues and gains) and decreases (expenses and losses) in net total assets. Proprietary funds measurement focus is based upon determination of net income, financial position, and cash flows.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to the City's customers for sales and services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. As described further below, there are two fund types in this category-enterprise and internal service.

Restricted assets shown in the government-wide financial statements and the proprietary funds balance sheet include monies reserved for payment of revenue bond debt, and deposits held for utility and golf course customer accounts. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

The City's Enterprise Funds account for utility and golf course operations which are self-supported through user charges. The utilities are financed and operated like a private business enterprise which requires periodic determination of revenues earned, expenses incurred, and net income for capital maintenance, public policy, management control and accountability. The City's major enterprise funds are as follows:

- Water Utility Fund accounts for operations and capital improvements to provide water services to the City.
- Sewer Utility Fund accounts for operations and capital improvements to provide sanitary sewer services to the City.
- Foster Golf Course Fund is used to account for the operation, maintenance, and improvements of the municipal golf course facility.
- Surface Water Utility Fund accounts for the operations and capital improvements for the City's storm drainage and surface water management function.

The City has three Internal Service Funds. The Equipment Rental Fund is used to account for the costs of maintaining and replacing all City vehicles and auxiliary equipment. All equipment costs, including depreciation, are factors in calculating the rates charged to each user department. The Insurance and Insurance – LEOFF I Funds are used to account for the costs of the City's self-insured medical plan for active employees and retired LEOFF I employees respectively. Medical and dental costs for covered employees are charged to the respective user departments. All premiums, medical and dental costs and ancillary charges are included.

Fiduciary Funds

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City has two Fiduciary Funds, Firemen's Pension Trust Fund and Agency Fund. The Firemen's Pension Trust Fund is accounted for in essentially the same manner as Proprietary Funds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve a measurement of results of operations.

D. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the City are included on the Statement of Net Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the government activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus.

E. Basis of Accounting

Basis of accounting refers to the recognition of revenues and expenditures or expenses in the accounts and reporting them in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds use the accrual basis of accounting.

Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. The modified accrual basis of accounting is followed in all governmental funds of the City. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay current liabilities. For the City, available means expected to be received within sixty (60) days of year-end. The primary accrued revenues that meet these criteria are property, sales and utility taxes.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, sales and use taxes, admission taxes, gambling taxes, utility taxes, hotel/motel taxes, grants, entitlements, and donations. These revenues are on an accrual basis. On the accrual basis, the revenue is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 4 on receivables).

Other Revenue Sources

Revenue sources which are not considered to meet the measurable and available criteria for revenue recognition include licenses and permits, fines and forfeitures, and other miscellaneous revenues since they are generally not measurable until received.

Under the modified accrual basis, expenditures are recorded when the fund liability is incurred, except for principal and interest on general long-term debt and vacation and sick pay which are recorded when paid.

As a general rule the effect of interfund activity has been eliminated via the process of consolidation from the government-wide financial statements. Internal service fund and similar internal activity has been eliminated from the government-wide statement of activities so expenses are not reported twice. Exceptions to this general rule are payments for interfund services provided and used, such as between the City's water, sewer, and surface water functions and various other functions of the City, which are not eliminated in the process of consolidation. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Amounts reported on the government-wide statements as program revenues include, charges to customers or applicants for goods, operating grants and contributions, and capital grants and contributions. General revenues include all taxes. The accrual basis of accounting is followed in all proprietary funds. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when incurred. All assets and liabilities are recorded in the fund.

F. Budgets and Budgetary Accounting

The City of Tukwila budgets its funds in accordance with the Revised Code of Washington 35A.33. In compliance with the code, biennial budgets are adopted for the general fund and special revenue funds. For governmental funds, there are no substantial differences between the budgetary basis and generally accepted accounting principles. Budgetary accounts are integrated in fund ledgers for all budgeted funds, but the financial statements include budgetary comparisons for biennially budgeted governmental funds only. Budgets established for proprietary and fiduciary funds are "management budgets" and are not legally required to be reported and, as such, are not reported in the CAFR.

The biennial appropriated budgets are adopted at the fund level and the budgets constitute the legal authority for expenditures at that level. Subsidiary revenue and expenditure records are used to compare the budgeted amounts with actual revenues and expenditures. As a management control device, the subsidiary ledgers monitor expenditures for individual functions and activities by object class. Any unexpended appropriation balances lapse at the end of the biennium.

The City of Tukwila's budget procedures are mandated by RCW 35A.33. The steps in the budget process are as follows:

- 1) Prior to November 1 on even numbered years, the Mayor submits a proposed budget to the City Council. This budget is based on priorities established by the Council and estimates provided by the City departments during the preceding months, and balanced with revenue estimates made by the Mayor.
- 2) The City Council conducts public hearings on the proposed budget in November and December.
- 3) The Council makes its adjustments to the proposed budget and adopts by ordinance a final balanced budget no later than December 31.

- 4) The final operating budget as adopted is published and distributed within the first month of the following year. Copies of the budget are made available to the public.

The City Council must approve by ordinance any amendments that increase the total for the fund. Budget amounts presented in the basic financial statements include both the original amounts and the final amended budget as approved by the City Council.

Expenditure Categories

General Government	Includes administration, finance, municipal court, attorney, and city clerk activities.
Public Safety	Includes all police and fire activities.
Physical Environment	Includes expenditures for the public works activities not chargeable to the enterprise funds.
Transportation	Includes all street and arterial street maintenance and construction.
Economic Environment	Reflects the planning and building inspection activities.
Culture and Recreation	Includes the parks and recreation activities.

G. Assets, Liabilities and Fund Equity**Cash and Cash Equivalents**

All cash and cash equivalents, restricted and unrestricted, consists of cash balances in the checking account, imprest funds, and the State Treasurer's Local Government Investment Pool. All funds in the care of other institutions are considered investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash.

Investments

Investments are held separately by each of the funds with interest earned directly for the benefit of each fund. Investments are reported on the financial statements at fair value, cost or amortized cost, depending on the type and maturity length of each investment as required by GASB Statement 31. Washington State statutes provide for the City to hold investments consisting of obligations of the Federal Government, repurchase agreements, prime banker's acceptances, and time certificates of deposit. Additional deposit and investment information is presented in Note 3.

Due from Component Unit

The City has advanced funds to the Metropolitan Park District in the form of an operating loan. The advance earns interest at 2% per annum and will be repaid over a 10 year period with the first payment due June 1, 2013.

Notes Receivable

Notes receivable in the enterprise funds consists of sewer connection fees due from customers to the utility.

Amounts due to and from Other Funds and Governments, Interfund Loans and advances Receivable

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund loans receivable/payable" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Interfund loans and advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. See Note 5 on interfund transactions.

Inventories

Inventories carried in proprietary funds are valued at average cost using the consumption method. A physical count is taken at year-end. Governmental funds use the purchase method whereby inventory items are considered expenditures when purchased.

Deferred Charges

Unamortized debt issuance costs are those costs incurred for the issuance of long-term debt, such as legal fees, printing costs and other costs. These costs are deferred and amortized over the lives of the related issues.

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets acquired in governmental funds are accounted for as expenditures in the fund when the asset is purchased. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated assets are valued at estimated fair market value at time of acquisition. Where historical cost is not known, assets are recorded at estimated historical costs. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of roads, bridges, storm sewers, water and sewer distribution and collection systems. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

Depreciation is computed using the straight line method over estimated service lives, as follows:

Asset	Estimated Service Life
Buildings	25 to 50 years
Non-Building Improvements	25 to 50 years
Utility Plant	10 to 50 years
Machinery and Equipment	2 to 50 years
Intangibles	2 to 50 years
Infrastructure	25 to 50 years

See Note 7 for additional information on capital assets.

Other Long-Term Liabilities

These liabilities are current obligations that are due within one year and include accounts payable, accrued liabilities, and other debts. The Self Insurance fund includes an incurred but not reported (IBNR) liability of \$655,300 determined using actuarial methods. This liability is multiplied by a factor of 2.5 to meet the City's financial goal of maintaining reserves at 1 x IBR for claim fluctuations plus 1.5 x IBNR for the IBNR liability of \$1,638,250.

Compensated Absences

City policy and labor contracts with City of Tukwila employees call for the accumulation of vacation and sick leave. At termination of employment, employees with the required length of service may receive cash payments for all accumulated vacation leave to a maximum of 384 hours. Sick leave termination benefits are based on a percentage of accumulated sick leave up to a maximum of 180 hours. The payment is based on current wages at termination.

The entire compensated absence liability is reported on the government-wide financial statements. In the enterprise funds, the entire amount of compensated absences is reported as a fund liability. This reporting format is in compliance with GASB Statement No. 16.

The current portion reported on the schedule of long-term liabilities is calculated using the first-in-first-out (FIFO) approach.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Long-term debt outstanding at year-end is outlined in Note 11.

Fund Balance/Net Position

Fund balance represents the difference between the current assets and current liabilities. The City restricts those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for general appropriation or expenditure.

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has not spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The remaining balance is reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes of which both restricted and unrestricted net position is available. This is followed by committed resources, then assigned, and lastly unassigned resources.

In 2011, the 2003 Limited General Obligation Bond debt obtained to finance the construction of the golf course clubhouse was transferred from the Foster Golf Course fund to a governmental debt service fund. This amount is excluded from the net investment in capital assets for the governmental activities. It is included in the total for the net investment in capital assets calculation for the primary government.

In 2012, the City revised the Reserve Policy which addresses the various types of the City's operating and restricted use funds. The objectives of this Policy are to establish, attain, and restore minimum fund balances, including self-insurance health care reserve funds, and specified review and reporting of fund balances.

At the close of each fiscal year, the General Fund balance and the Reserve Fund balance shall each equal or exceed 10% of the previous year General Fund revenue, exclusive of significant non-operating, non-recurring revenues such as real estate sales or transfers in from other funds.

Enterprise funds, at the close of each fiscal year, the unrestricted fund balance shall equal or exceed 20% of the previous year revenue, exclusive of non-operating, non-recurring revenues such as real estate sales, transfers in from other funds or debt proceeds.

The City shall maintain a reserve balance in each of its self-insured health care funds an amount equal to 2.5 times or 250%, of the actuarially determined IBNR (incurred but not reported) reserve. The contingency reserve balance will be combined with the IBNR reserve balance and recorded as one liability in each of the self-insured health care plan funds.

Fund Balance Components

The fund balance amounts for governmental funds have been classified in accordance with GASB Statement No. 54 and are reported as nonspendable, restricted, committed, assigned or unassigned.

- Nonspendable fund balance includes items that cannot be spent. This includes activity that is not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds are restricted, committed or assigned) and activity that is legally or contractually required to remain intact, such as a principal balance in a permanent fund.
- Restricted fund balances have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

- Committed fund balances can be used only for specific purposes pursuant to constraints imposed by a formal action in the form of ordinances and resolutions of Tukwila Councilmembers, the City's highest level of decision-making authority. This formal action is the passage of an ordinance by City Council creating, modifying, or rescinding an appropriation. These committed amounts cannot be used for any other purpose unless Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- Assigned fund balance includes amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the General Fund, this is the residual amount within the fund that is not restricted or committed.
- Unassigned fund balance is the residual amount of the General Fund not included in the four categories described above. Also, any deficit fund balances within the other governmental fund types are reported as unassigned.

Each fund has been analyzed to classify the fund balance in accordance with GASB Statement No. 54. Funds are created by the Legislature and money is authorized to be transferred to the fund for a particular purpose. At this point, balances in these funds are at least committed, and may be further restricted depending on whether there is an external party, constitutional provision, or enabling legislation constraint involved.

The following table illustrates the use of fund balance resources for governmental funds. The City applies restricted resources first when an expense is incurred for purposes of which both restricted and unrestricted net position is available in the governmental funds.

General Fund						
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 8,260,142	\$ 8,260,142
Additions	-	-	-	-	51,052,023	51,052,023
Expenditures	-	-	-	-	(50,933,608)	(50,933,608)
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 8,378,557	\$ 8,378,557
Restricted-Committed-Assigned-Unassigned						
Arterial Street						
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Beginning Fund Balance	\$ -	\$ 2,696,537	\$ -	\$ 4,232,859	\$ -	\$ 6,929,396
Additions	-	3,737,157	192,353	-	-	3,929,510
Expenditures	-	(6,038,939)	(192,353)	(4,144,283)	-	(10,375,575)
Ending Fund Balance	\$ -	\$ 394,755	\$ -	\$ 88,576	\$ -	\$ 483,331
Restricted-Committed-Assigned-Unassigned						
Land Acquisition Recreation & Park Development						
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Beginning Fund Balance	\$ -	\$ 88,487	\$ -	\$ 1,339,485	\$ -	\$ 1,427,972
Additions	-	1,049,120	33,779	-	-	1,082,899
Expenditures	-	(1,137,607)	(33,779)	(249,298)	-	(1,420,684)
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 1,090,188	\$ -	\$ 1,090,188
Restricted-Committed-Assigned-Unassigned						

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Hotel Motel Tax						
Beginning Fund Balance	\$ -	\$ 787,568	\$ -	\$ -	\$ -	\$ 787,568
Additions	-	1,393,197	-	-	-	1,393,197
Expenditures	-	(1,470,058)	-	-	-	(1,470,058)
Ending Fund Balance	\$ -	\$ 710,707	\$ -	\$ -	\$ -	\$ 710,707
Restricted-Committed-Assigned-Unassigned						
Street						
Beginning Fund Balance	\$ -	\$ 903,937	\$ -	\$ -	\$ -	\$ 903,937
Additions	-	266,340	-	-	-	266,340
Expenditures	-	(123,506)	-	-	-	(123,506)
Ending Fund Balance	\$ -	\$ 1,046,771	\$ -	\$ -	\$ -	\$ 1,046,771
Restricted-Committed-Assigned-Unassigned						
Drug Seizure						
Beginning Fund Balance	\$ -	\$ 154,711	\$ -	\$ 75,000	\$ -	\$ 229,711
Additions	-	-	-	-	-	-
Expenditures	-	(69,586)	-	-	-	(69,586)
Ending Fund Balance	\$ -	\$ 85,125	\$ -	\$ 75,000	\$ -	\$ 160,125
Restricted-Committed-Assigned-Unassigned						
Debt Service Funds						
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ 3,316,313	\$ -	\$ 3,316,313
Additions	-	-	-	3,128,732	-	3,128,732
Expenditures	-	-	-	(3,432,664)	-	(3,432,664)
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 3,012,381	\$ -	\$ 3,012,381
Restricted-Committed-Assigned-Unassigned						
Facility Replacement						
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ 2,027,014	\$ -	\$ 2,027,014
Additions	-	-	-	3,752	-	3,752
Expenditures	-	-	-	(25,246)	-	(25,246)
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 2,005,520	\$ -	\$ 2,005,520
Restricted-Committed-Assigned-Unassigned						
General Government Improvement						
Beginning Fund Balance	\$ -	\$ 397,064	\$ -	\$ 211,549	\$ -	\$ 608,613
Additions	-	1,846,858	-	537,969	-	2,384,827
Expenditures	-	(2,079,610)	-	-	-	(2,079,610)
Ending Fund Balance	\$ -	\$ 164,312	\$ -	\$ 749,518	\$ -	\$ 913,830
Restricted-Committed-Assigned-Unassigned						
Fire Improvement						
Beginning Fund Balance	\$ -	\$ 313,819	\$ -	\$ -	\$ -	\$ 313,819
Additions	-	34,191	-	-	-	34,191
Expenditures	-	-	-	-	-	-
Ending Fund Balance	\$ -	\$ 348,010	\$ -	\$ -	\$ -	\$ 348,010
Restricted-Committed-Assigned-Unassigned						

Risk Management and Risk Retention

It is the City of Tukwila's policy to self-insure for unemployment benefits because of the insignificant liability. Medical and dental self-insurance coverage is also provided for employees. All buildings, City equipment, and City vehicles are insured by carriers for property coverage at replacement value.

The City of Tukwila is a member of the Washington Cities Insurance Authority (WCIA) as of January 1, 1984. The WCIA is an organization of Washington municipal entities numbering 153 as of December 31, 2012. WCIA provides pooled self-insurance coverage for general liability, vehicle liability, false arrest, and errors and omissions. See Note 15 for additional information on risk management.

Operating Revenues and Expenses

Operating revenues are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for the use of the golf course and the internal use of vehicles, computers and facilities. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. All other revenues and expenses are classified as non-operating including investment earnings, interest expense and the gain or loss on the disposition of capital assets.

Contributions of Capital

Contributions of capital in proprietary fund financial statement arise from outside contributions of capital assets, for example, developers, and grants or outside contributions of resources restricted to capital acquisition and construction.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. On the government-wide statement of activities, the exchange transactions between the internal service funds and the user funds are eliminated. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in proprietary funds.

Transfers between governmental and business-type activities on the government-wide statement of activities are reported separately after general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

H. Changes in Accounting Standards

The City implemented the following Government Accounting Standards Board (GASB) statement in 2012:

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance

that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

- Financial Accounting Standards Board (FASB) Statements and Interpretations
- Accounting Principles Board Opinions
- Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The requirements of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions, and there have been no expenditures exceeding legal appropriations in any of the funds of the City of Tukwila.

NOTE 3 – DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool available for use by all funds. Interest earned on pooled investments is recorded in the participating funds. Investments are also held separately by several of the funds, with interest earned directly for the benefit of each fund. As required by State law, all investments of the City's funds are obligations of the U.S. Government, or deposits with Washington State banks that participate in the Washington Public Deposit Protection Commission (WPDPC).

Cash and Cash Equivalents

At year-end, the carrying amount of the City's bank balance was \$3,598,223. Of the bank balance, \$250,000 was covered by Federal depository insurance and the WPDPC insured the remainder. The City also maintains imprest funds totaling \$19,250. The City participates in the State Treasurer's Investment Pool, which is a 2a7-like unrated pool, overseen by the State Treasurer's Office. The fair value of the City's position in the pool is the same as the value of the pool shares. Because of its highly liquid nature, the Pool funds are considered cash equivalents.

Deposits and Investments

The City's investment portfolio includes certificate of deposits insured by the Washington State Public Depository Commission and municipal bonds issued by state and local agencies. These investments are reported at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Also, the Firemen's Pension Fund is authorized to invest in stocks, bonds, and mutual funds.

At December 31, 2012, the City had the following deposits and investments:

SCHEDULE OF INVESTMENTS BY MATURITY

	Maturity Date	Credit Rating	Market Value
Certificates of Deposit:			
US Bank	2/15/2013	*	\$ 3,450,000
Sound Community Bank	3/4/2014	*	3,074,090
Regal Bank	12/20/2014	*	250,000
Total Certificate of Deposits			6,774,090
Municipal Bonds:			
Lodging Tax	7/1/2016	Aa3 / A+	538,465
Revenue - Facilities	7/1/2017	Aa1 / AA+	563,050
Limited General Obligation	12/1/2017	Aa3 / A1	607,134
Revenue - Facilities	7/1/2019	Aa1 / AA+	585,195
Limited General Obligation	9/1/2020	A1	377,213
Unlimited General Obligation	12/1/2020	Aa1 / Aa3	1,334,487
Total Municipal Bonds			4,005,544
TOTAL INVESTMENTS			\$ 10,779,634

* No credit rating with certificate of deposit accounts; accounts are insured by the Public Depository Protection Commission.

RECONCILIATION OF ALL CASH, DEPOSITS AND INVESTMENTS

AS REPORTED ON STATEMENT OF NET POSITION:	
Cash and Cash Equivalents:	\$24,469,780
Investments	10,779,634
Current Assets Restricted:	
Cash and cash equivalents	1,052,844
Total Cash, Cash Equivalents and Investments	\$36,302,258

SUMMARY BY TYPE:	
Cash and Cash Equivalents:	
Cash on hand	\$ 19,250
Cash in bank-book balance	25,503,374
Total cash and cash equivalents	25,522,624
Investments:	
Certificates of deposit	6,774,090
Municipal bonds	4,005,545
Total investments	10,779,634
Total Cash, Cash Equivalents, and Investments	\$36,302,258

Restricted Assets - Governmental	
Bond Proceeds-General Govt Improvement	\$ 164,312
Impact Fees	394,755
Restricted Assets-Governmental	\$ 559,067
Restricted Assets - Business-Type	
Customer Deposits-Water Utility	\$ 6,035
Customer Deposits-Golf Course	42,298
Lease Deposits-Golf Course	15,000
Revenue Bond Reserve Account-Water/Sewer/Surface Water	430,444
Restricted Assets-Business-Type	\$ 493,777
Total Restricted Assets	\$ 1,052,844

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits at least half of the City's cash and investment portfolio to maturities of less than one year. Investment maturities are limited as follows:

- 1) At the time of investment, a minimum of thirty percent (30%) of the cash and investment portfolio will be comprised of investments maturing or available within one year.
- 2) At the time of investment, eighty percent (80%) of the portfolio will be comprised of investments maturing or available within five (5) years and no instruments shall have a maturity exceeding ten (10) years, except when compatible with a specific fund's investment needs.
- 3) The average maturity of the portfolio shall not exceed three and one half (3 ½) years or forty-two (42) months.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes and the City's investment policy limit the types of securities authorized for investment by the City. The principal governing statutes are RCW 39.59 and RCW 39.60. The Finance Director may further restrict eligible investments by this policy at his/her discretion. Authorized investments include (but are not limited to):

- 1) U.S. Treasury Securities.
- 2) U.S. Agency Securities (i.e., obligations of any government-sponsored corporation eligible for collateral purposes at the Federal Reserve).
- 3) Certificates of Deposit, Money Market Deposit Accounts and savings deposits with qualified depositories within statutory limits as promulgated by the PDPC at the time of investment.
- 4) Bankers Acceptances (BA's) purchased on the secondary market with a rating of A-1, P-1, its equivalent or better.
- 5) General Obligation Bonds of a state or local government which have at the time of the investment one of the three highest credit ratings of a nationally-recognized rating agency.
- 6) The Washington State Local Government Investment Pool (LGIP).

As of December 31, 2012, the City's investments in municipal bonds were rated Aa1 to A1 by Moody's Investor Service. The City currently maintains a rating of AA- with Fitch's Investor Service for its general obligation debt and A1 with Moody's Investor Service.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The City of Tukwila diversifies its investments by security type and institution as described below:

- 1) No more than fifty percent (50%) of the City's cash and investment portfolio, at the time of purchase, shall be in any single financial institution.
- 2) Except, that no more than seventy-five percent (75%) of the City's portfolio, at the time of purchase, shall be invested in the Washington State Local Government Investment Pool, and
- 3) No more than seventy-five percent (75%) of the City's portfolio, at the time of purchase, shall be invested in U.S. Treasury or Agency securities.

NOTE 4 – RECEIVABLES**Taxes Receivable**

Taxes receivable consists of property taxes, sales and use tax, and gambling taxes. Customer accounts receivable consists of amounts owed by private individuals or organizations for good and services provided. Uncollectible amounts are considered immaterial and the direct write-off method is used. Other types of accounts receivable include utility taxes due from private organizations and customer accounts receivable for amounts owed which billings have not been prepared.

	Governmental Activities	Business- Type Activities	Total
Taxes Receivable			
Property	\$ 317,035	\$ -	\$ 317,035
Sales & Use	3,380,239	-	3,380,239
Admission/Gambling/Parking	743,484	-	743,484
Total Taxes Receivable	4,440,757	-	4,440,757
Customer Receivable			
Utility Tax	590,383	-	590,383
Miscellaneous	472,230	1,196,224	1,668,454
Total Customer Receivable	1,062,613	1,196,224	2,258,837
Interest	44,798	33,105	77,903
Total Receivables	\$ 5,548,167	\$ 1,229,329	\$ 6,777,496

Property Taxes Receivable

The County treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Collections are distributed daily via wire transfer.

Property Tax Calendar

January 1 st	Taxes are levied and become an enforceable lien against properties.
February 14 th	Tax bills are mailed.
April 30 th	First of two equal installment payments is due. If taxes are less than \$50, full payment is due. (RCW 84.56.020)
May 31 st	Assessed value of property established for next year's levy at 100 percent of market value.
October 31 st	Second installment is due. (RCW84.56.020)

Assessed values are established by the County Assessor at 100% of fair market value. A revaluation of all property is required every two years. On May 31 of each year the assessed value of property is established for the next year's property tax levy.

Property taxes levied by the County Assessor and collected by the County treasurer become a lien on the first day of the levy year and may be paid in two equal installments if the total amount exceeds \$50. The first half of real property taxes is due on April 30 and the balance is due October 31. Delinquent taxes bear interest at the rate of 12% and are subject to additional penalties if not paid as scheduled.

During the year, property tax revenues are recognized when cash is received. At year-end, unpaid property taxes are recorded as a receivable. Property tax receivables at year-end not expected to be collected within 60 days after the current period are reported as deferred revenue in the governmental funds financial statements. The tax rate for general City operations is limited to \$3.60 per \$1,000 of assessed value. Of this amount, up to \$0.45 per thousand may be designated for contribution to the Firemen's Pension Fund, if a report by a qualified actuary indicates that additional funds are required.

The payment of principal and interest on limited tax (non-voted) bonds issued by the City is made from the general levy. Accordingly, the issuance of limited tax general obligation bonds has the effect of reducing property taxes available for the general operations of City government. State law also provides that the City's operating levy may not exceed 101% of the largest single levy of the past three years. The State Constitution provides that the total of all taxes upon real and personal property by the State and all taxing entities, including the City, shall not in any year exceed 1% (\$10 per \$1,000) of the true and fair monetary value of such property. This limitation may be exceeded upon the approval of 60% of the City voters at an election in which the total vote exceeds 40% of the votes cast at the last general election.

The City's regular levy for 2012 was \$2.95408 per \$1,000 of assessed valuation of \$4,649,191,308 for a total regular levy of \$13,705,220.

Intergovernmental Grants and Entitlements

All receivables from other governments are recorded at year-end as amounts Due from Other Governmental Units. These amounts represent federal, state, and local reimbursement-type grants, and are reported as receivables and intergovernmental revenues in the year when the related expenditures are incurred.

NOTE 5 – INTERFUND TRANSACTIONS

Interfund activity is the term used to describe similar financial transactions between funds of the primary government.

Reciprocal interfund activity involves the exchange of equal or almost equal value between funds.

Services Provided/Used – Transactions that would be treated as revenues, expenditures or expenses if they involve external organizations, such as buying goods and services in return for equal or almost equal value, are similarly treated when they involve other funds of the City of Tukwila.

Interfund Loans/Advances – Loans between funds are classified as interfund loans receivable and payable or as advances to and from other funds in the fund statements. Interfund loans are offset by a reservation of fund equity. Interfund loans are subject to elimination upon consolidation.

Nonreciprocal interfund activity does not involve the exchange of equal or almost equal value between funds.

Transfers – Transactions to support the operations of other funds are recorded as “Transfers” and classified with “Other Financing Sources or Uses” in the fund statements. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Contributions – Contributions to the capital of enterprise or internal service funds, transfers of capital assets between proprietary and governmental funds, transfers to establish or reduce working capital in other funds, and transfers of remaining balances when funds are closed are classified non-operating revenue.

Reimbursements – Repayments from funds responsible for expenditures or expenses to the funds that initially paid for them. These transactions are expenditures/expense in the fund responsible and as a reduction of expenditure/expensed in the fund being reimbursed.

There were no interfund loans outstanding at December 31, 2012. Interfund transfers were as follows:

SUMMARY OF INTERFUND TRANSFERS

Government and Internal Service Funds	General Fund	Other	Internal	Total
		Government Funds	Service Funds	
Transfers In	\$ 2,330,665	\$ 5,295,127	\$ -	\$ 7,625,792
Transfers Out	(5,619,148)	(555,210)	(394,591)	(6,568,949)
Net Transfers In (Out)	<u>\$ (3,288,483)</u>	<u>\$ 4,739,917</u>	<u>\$ (394,591)</u>	<u>\$ 1,056,843</u>

Proprietary Funds	Water/Sewer	Surface Water	Foster Golf	Total
	Utility	Utility	Course	
Transfers In	\$ 98,460	\$ -	\$ 225,000	\$ 323,460
Transfers Out	(964,357)	(400,786)	(15,160)	(1,380,303)
Net Transfers In (Out)	<u>\$ (865,897)</u>	<u>\$ (400,786)</u>	<u>\$ 209,840</u>	<u>\$ (1,056,843)</u>

The principal purposes for interfund transfers include interfund subsidies and transfers into debt service and capital projects funds.

NOTE 6 – OPERATING LEASES

During 2012 the City maintained operating lease agreements for the purpose of leasing City operated machinery and equipment.

Tukwila leases office/ storage space for the purposes of the Records Center, Seattle Southside Visitor Center and the Neighborhood Resource Center. In addition the city leased a postage machine, copiers and a fax machine during 2012. Costs associated with these activities are as follows.

SCHEDULE OF FUTURE MINIMUM LEASE PAYMENTS

	2012	2013	2014	2015	2016
Records Center ¹	63,185	66,510	27,713	-	-
Neighborhood Resource Center ²	8,790	19,800	20,400	10,200	-
Seattle Southside Visitors Center	39,144	40,314	41,520	42,132	42,132
Postage Machines	11,966	11,966	11,966	11,966	11,966
Office Equipment	39,056	52,545	53,909	53,200	53,414
Total Lease Payments	162,141	191,135	155,508	117,498	107,512

¹ Leasing of the Records Center expires on 5/31/2014. The tenant is responsible for the cost of utilities and maintenance of building, which is estimated, based on square footage and reconciled annually by the lessor.

² Leasing of the Neighborhood Resource Center expires on 6/30/2015.

NOTE 7 – CAPITAL ASSETS**Primary Government**

Capital asset activity for the year ended December 31, 2012, was as follows:

GOVERNMENTAL ACTIVITIES

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 39,459,061	\$ 1,042,448	\$ -	\$ 40,501,509
Construction in Progress	39,453,817	10,023,011	(1,534,628)	47,942,200
Total capital assets, not being depreciated	78,912,878	11,065,459	(1,534,628)	88,443,709
Capital assets, being depreciated:				
Buildings	21,771,200	502,357	-	22,273,557
Other Improvements	17,570,236	129,568	-	17,699,804
Machinery and Equipment	17,022,319	401,799	(431,810)	16,992,308
Infrastructure	148,134,969	1,460,891	-	149,595,860
Intangible Assets	372,141	333,043	(99,422)	605,762
Total capital assets being depreciated	204,870,865	2,827,658	(531,232)	207,167,290
Less accumulated depreciation for:				
Buildings	(9,539,205)	(552,644)	-	(10,091,849)
Other Improvements	(8,930,665)	(825,631)	-	(9,756,296)
Machinery and Equipment	(10,497,033)	(1,319,555)	421,807	(11,394,781)
Infrastructure	(41,031,093)	(4,475,169)	-	(45,506,262)
Intangible Assets	(85,430)	(85,108)	75,368	(95,170)
Total accumulated depreciation	(70,083,426)	(7,258,107)	497,175	(76,844,358)
Total capital assets, being depreciated, net	134,787,439	(4,430,449)	(34,057)	130,322,932
Governmental activity capital assets, net	\$ 213,700,317	\$ 6,635,010	\$ (1,568,685)	\$ 218,766,642

BUSINESS-TYPE ACTIVITIES

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
Business-type Activities				
Capital assets, not being depreciated:				
Land	\$ 2,214,118	\$ -	\$ -	\$ 2,214,118
Construction in Progress	7,850,959	1,607,440	(1,863,034)	7,595,365
Total capital assets, not being depreciated	10,065,077	1,607,440	(1,863,034)	9,809,483
Capital assets, being depreciated:				
Buildings	11,390,601	-	-	11,390,601
Other Improvements	69,891,182	1,939,042	(1,009)	71,829,216
Machinery and Equipment	2,295,765	-	(512)	2,295,253
Intangible Assets	90,647	-	-	90,647
Total capital assets being depreciated	83,668,195	1,939,042	(1,521)	85,605,717
Less accumulated depreciation for:				
Buildings	(2,986,840)	(304,540)	-	(3,291,381)
Other Improvements	(25,702,935)	(1,557,705)	937	(27,259,703)
Machinery and Equipment	(1,608,009)	(103,555)	512	(1,711,052)
Intangible Assets	(32,480)	(2,154)	-	(34,635)
Total accumulated depreciation	(30,330,265)	(1,967,954)	1,449	(32,296,770)
Total capital assets, being depreciated, net	53,337,930	(28,912)	(72)	53,308,949
Business Type activity capital assets, net	\$ 63,403,007	\$ 1,578,528	\$ (1,863,106)	\$ 63,118,432

CAPITAL ASSET INCREASES

<u>Governmental Activities</u>	
Capital Asset - Increases:	
Capital Outlays	\$ 12,099,297
Capital Improvements	(5,868)
Developer Turnovers	23,813
Construction in Progress to Capital (Infrastructure)	1,534,629
Internal Service Funds (Equipment Rental)	241,246
Capital Assets - Total Increases	<u>13,893,117</u>
<u>Business-Type Activities</u>	
Capital Asset - Increases:	
Capital Outlays	\$ 1,655,196
Developer Turnovers	28,253
Construction in Progress to Capital - Infrastructure	1,863,034
Capital Assets - Total Increases	<u>\$ 3,546,484</u>

DEPRECIATION

Depreciation expense for 2012 was charged to functions/programs as follows:	
Governmental Activities:	
General Government	\$ 149,282
Public Safety	346,061
Physical Environment	610,548
Transportation	4,501,922
Economic Environment	4,835
Culture and Recreation	842,899
Intangible Assets	85,108
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	717,452
Total 2012 depreciation expense - governmental activities	<u>\$ 7,258,107</u>
<u>Business-type Activities</u>	
Water Utility - Depreciation	\$ 519,221
Sewer Utility - Depreciation	379,795
Foster Golf Course - Depreciation	306,401
Surface Water Utility - Depreciation	762,537
Total 2012 accumulated depreciation increases - business-type activities	<u>\$ 1,967,954</u>

NOTE 8 – JOINT VENTURES**Valley Communications Center**

The "Valley Communications Center" was established August 20, 1976, when an Interlocal Agreement was entered into by the four original participating municipal corporations, including the cities of Renton, Kent, Auburn, and Tukwila, with Federal Way formally admitted during 2000. The agreement is sanctioned by the provisions and terms of the Interlocal Cooperation Act pursuant to RCW 39.34. The initial duration of the agreement was five years, and thereafter is automatically extended for consecutive five-year periods.

The purpose of the joint operation, hereafter referred to as Valley Com, is to provide improved consolidated emergency communications (dispatch) services for police, fire, and medical aid, to the five participating cities and to several subscribing agencies. Separate agreements between Valley Com and the subscribing agencies have been executed, which set forth conditions of services and rates charged. The allocation of prorated financial participation among the five participating cities is the percentage of estimated dispatched calls attributed to each jurisdiction compared to the total estimated dispatched calls for the current 12-month period ending December 31.

The 2012 cost distribution for the five participating cities is as follows:

City	Dispatchable Calls	Percent of Total
Renton	72,004	21.18%
Kent	96,126	28.28%
Auburn	65,612	19.30%
Tukwila	33,645	9.90%
Federal Way	72,547	21.34%
Total	339,934	100.00%

Valley Com is governed by an Administration Board composed of the Mayors from the five participating cities of Renton, Kent, Auburn, Tukwila, and Federal Way. The Board is responsible for the following functions: (1) Adopting an annual budget after review by participating legislative bodies; (2) Appointment and/or discharge of the Director; (3) Approves personnel policy and makes final decisions on all major policy changes; (4) Reviews and approves all contracts.

In addition, an Operating Board was established and consists of two members of each participating City's Public Safety Departments, including the heads of such departments or their designees. The Operating Board performs the following functions: (1) Oversees the operation of Valley Com and advises and makes recommendations to the Administration Board; (2) Makes recommendation on Director selection; (3) Presents proposed policies and budgets to the Administration Board; (4) Approves disbursement of funds by the Director.

The Director presents a proposed budget to the Operating Board on or before August 15 of each year. The proposed budget is then presented to the Administration Board by September 1 of each year. The Administration Board can make changes to the proposed Valley Com budget as it finds necessary, but final approval falls to the legislative body of each participating city, in accordance with the provisions of the Interlocal Agreement.

The share of equity belonging to the five participating cities is as follows:

ITEM	RENTON	KENT	AUBURN	TUKWILA	FEDERAL WAY	TOTAL
Equity January 1, 2012	\$ 4,996,753	\$ 7,052,093	\$ 4,723,727	\$ 2,812,717	\$ 3,258,408	\$ 22,843,698
Current Year Increase/(Decrease)	65,681	87,685	59,850	30,690	66,176	310,082
Equity December 31, 2012	\$ 5,062,434	\$ 7,139,778	\$ 4,783,577	\$ 2,843,407	\$ 3,324,584	\$ 23,153,780
Percent of Equity	21.86%	30.84%	20.66%	12.28%	14.36%	100.00%

Liabilities are the responsibility of the five participating cities in direct proportion to their equity position. In August 1993, Valley Com entered into an interlocal cooperation agreement, pursuant to RCW 39.34 RCW, with the subregions of King County, Seattle, and the Eastside Public Safety Communications Agency. This agreement governs the development, acquisition and installation of the 800 MHz emergency radio communications system funded by a \$57 million King County levy approved in November 1992. This agreement provides that upon voluntary termination of any subregion's participation in the system, it surrenders its radio frequencies, relinquishes its equipment and transfers any unexpended levy proceeds and associated equipment replacement reserves to another subregion or consortium of subregions. Thus, in accordance with this agreement, the participating cities of Valley Com have no equity interest in Valley Com's 800-MHz communications system.

During 2000, the Valley Communications Center Development Authority was created to issue \$12,758,000 in General Obligation Bonds to finance construction, equipment, and land for a new facility completed in 2002. Each of the five participating cities is responsible for one-fifth of the debt obligation, which originally was \$2,551,600 per City. The basic agreement shall not be terminated until all bonds issued by Valley Communications Center Development Authority have been paid and retired.

A complete set of financial statements are available from Valley Communications Center, 27519 108th Ave SE, Kent, WA 98030, or by telephone 253-372-1300.

South Correctional Entity (SCORE)

The South Correctional Entity (SCORE) consolidated correctional facility was established February 25, 2009, when an interlocal agreement (the "Original Interlocal Agreement") was entered into by seven participating municipal governments, the "Member Cities" of Auburn, Burien, Des Moines, Federal Way, Renton, SeaTac and Tukwila, under the authority of the Interlocal Cooperation Act (RCW 39.34). This "Original Interlocal Agreement" was amended and restated October 1, 2009 and named the City of Des Moines as the "Host City" and the remaining Member Cities as "Owner Cities". This interlocal agreement is known as the "Formation Interlocal Agreement". Pursuant to a separate "Host City Agreement" dated October 1, 2009, the Host City will not enjoy the same equity position as the Owner Cities until all debts issued are paid and the Host City fulfills all of its obligations as outlined in the Agreement.

SCORE, a governmental administrative agency pursuant to RCW 39.34.030 (3), has the power to acquire, construct, own, operate, maintain, equip, and improve a correctional facility known as the "SCORE Facility" and to provide correctional services and functions incidental thereto, for the purpose of detaining arrestees and sentenced offenders in the furtherance of public safety and emergencies within

the jurisdiction of the Member Cities. The SCORE Facility may serve the Member Cities and Subscribing Agencies which are in need of correctional facilities. Any agreement with a Subscribing Agency shall be in writing and approved by SCORE as provided within the SCORE Formation Interlocal Agreement.

Financing for the acquisition, construction, equipping, and improvement of the SCORE Facility will be provided by bonds issued by the South Correctional Entity Facility Public Development Authority (the "SCORE PDA"), a public development authority chartered by the City of Renton pursuant to RCW 35.21.730 through 35.21.755 and secured by the full faith and credit of the Cities of Auburn, Burien, Federal Way, Renton, SeaTac, and Tukwila (the "Owner Cities"). The SCORE PDA issued \$86 million in special obligation bonds in 2009 to carry out the facility development project. The following is a summary of the debt service requirements for the bond issue:

SUMMARY OF DEBT SERVICE REQUIREMENTS

Year	Debt Service Schedule				Debt Service Allocation to Owner Cities					
	Principal	Interest	35% BABs Subsidy	Total	Auburn 31%	Burien 4%	Federal Way 18%	Renton 36%	SeaTac 3%	Tukwila 8%
2013	\$ 1,915,000	\$ 5,126,998	\$(1,675,089)	\$ 5,366,909	\$ 1,663,742	\$ 214,676	\$ 966,044	\$ 1,932,087	\$ 161,007	\$ 429,353
2014	1,950,000	5,066,566	(1,654,975)	5,361,591	1,662,093	214,464	965,087	1,930,173	160,848	428,927
2015	1,990,000	4,995,069	(1,632,787)	5,352,282	1,659,207	214,091	963,411	1,926,822	160,568	428,183
2016	2,065,000	4,911,886	(1,632,787)	5,344,099	1,656,671	213,764	961,938	1,923,876	160,323	427,528
2017	2,145,000	4,820,241	(1,621,980)	5,343,261	1,656,411	213,730	961,787	1,923,574	160,298	427,461
2018-2022	11,990,000	22,399,915	(7,748,350)	26,641,565	8,258,885	1,065,663	4,795,482	9,590,963	799,247	2,131,325
2023-2027	14,485,000	18,727,798	(6,710,481)	26,502,317	8,215,718	1,060,093	4,770,417	9,540,834	795,070	2,120,185
2028-2032	17,725,000	13,590,870	(4,959,695)	26,356,175	8,170,414	1,054,247	4,744,112	9,488,223	790,685	2,108,494
2033-2037	21,855,000	7,082,263	(2,731,829)	26,205,434	8,123,685	1,048,217	4,716,978	9,433,956	786,163	2,096,435
2038-2039	10,115,000	676,321	(353,824)	10,437,497	3,235,624	417,500	1,878,749	3,757,499	313,125	835,000
Totals	\$86,235,000	\$87,397,927	\$(30,721,797)	\$ 142,911,130	\$ 44,302,450	\$ 5,716,445	\$ 25,724,004	\$ 51,448,007	\$ 4,287,334	\$ 11,432,891

The City of Tukwila reports its share of equity interest in the Governmental Activities column within the Government-wide financial statements under non-current assets. The share of equity belonging to the six participating cities is as follows:

ITEM	FEDERAL WAY						TOTAL
	AUBURN	BURIEN	FEDERAL WAY	RENTON	SEATAC	TUKWILA	
Equity January 1, 2012	\$ 3,189,320	\$ 411,525	\$ 1,851,863	\$ 3,703,728	\$ 308,643	\$ 823,050	\$ 10,288,129
Current Year Increase/(Decrease)	(1,820,461)	(234,898)	(1,057,043)	(2,114,084)	(176,174)	(469,796)	(5,872,456)
Equity December 31, 2012	\$ 1,368,859	\$ 176,627	\$ 794,820	\$ 1,589,644	\$ 132,469	\$ 353,254	\$ 4,415,673
Percent of Equity	31.00%	4.00%	18.00%	36.00%	3.00%	8.00%	100.00%

Note: Interest is to be paid from bond proceeds during the construction period (2010-2011).

The investment in joint venture for SCORE on the Statement of Net Position includes Tukwila's share of debt issued in 2009. The City's share of SCORE debt is \$6,898,800. See Note 11 for additional information on long-term debt. Completed financial statements for SCORE and SCORE PDA can be obtained from the SCORE office, 20817 17th Avenue South, Des Moines, WA 98198.

NOTE 9 – PENSION PLANS

Washington State Department of Retirement Systems

Substantially all of the City's full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, PO Box 48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website at www.drs.wa.gov/administration/annual-report/cafr/. The following disclosures are made pursuant to GASB Statements No. 27, *Accounting for Pensions by State and Local Government Employers* and No. 50, *Pension Disclosures, an Amendment of GASB Statements No. 25 and No. 27*.

Public Employees Retirement System (PERS) Plans 1, 2, and 3

Plan Description

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges currently in the Judicial Retirement System); employees of legislative committees; community and technical colleges, college and university employees not participating in higher education retirement programs; employees of district and municipal courts; and employees of local governments. Approximately 50 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

PERS members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. Employees who fail to choose within 90 days default to PERS Plan 3. Notwithstanding, PERS Plan 2 and Plan 3 members may opt out of plan membership if terminally ill, with less than five years to live.

PERS is comprised of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

PERS Plan 1 and Plan 2 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2012, the rate was five and on-half percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can

elect to withdraw total employee contributions and interest thereon upon separation from PERS-covered employment.

PERS Plan 1 members are vested after the completion of five years of eligible service.

Plan 1 members are eligible for retirement after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The monthly benefit is two percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

The monthly benefit is subject to a minimum for retirees who have 25 years of service and have been retired 20 years, or who have 20 years of service and have been retired 25 years. If a survivor option is chosen, the benefit is reduced. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity. The benefit amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60, at which time the benefit is converted to the member's service retirement amount. A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit amount is two percent of the AFC for each year of service reduced by two percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. Plan 1 members may elect to receive an optional COLA amount (based on the Consumer Price Index), capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 members can receive credit for military service while actively serving in the military if such credit makes them eligible to retire. Members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

The survivor of a PERS Plan 1 member who dies after having earned ten years of service credit has the option, upon the member's death, of either a monthly survivor benefit or the lump sum of contributions plus interest.

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is two percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is now cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

PERS Plan 2 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65.
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option. The surviving spouse or eligible child(ren) of a PERS Plan 2 member who dies after having earned ten years of service credit has the option of either a monthly benefit or lump sum payment of the member's contributions plus interest. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 percent to 15 percent of salaries, based on member choice. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 investments are made in the same portfolio as that of PERS 2/3 defined benefit plan.

For DRS' fiscal year 2012, PERS Plan 3 employee contributions were \$95.2 million, and plan refunds paid out were \$66.2 million.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is one percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

Effective June 7, 2006, PERS Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service, if twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 by June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.
- If they have 30 service credit years and are at least 55 years old, they have the choice of a benefit that is reduced by three percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.

PERS Plan 3 benefit retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is two percent of the AFC per year of service. For Plan 3, the monthly benefit amount is one percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at three percent annually.

PERS Plan 2 and Plan 3 member may have up to ten years of interruptive military service credit; five years at no cost and five years that may be purchased by paying the required contributions.

PERS Plan 2 and Plan 3 members who become totally incapacitated for continued employment while serving the uniformed services, or a surviving spouse or eligible child(ren), may request interruptive military service credit.

PERS Plan 2 and Plan 3 members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

PERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's retirement benefit.

Beneficiaries of a PERS Plan 2 or Plan 3 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Director of the Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PERS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of member's covered employment, if found eligible by the Department of Labor and Industries.

From January 1, 2007 through December 31, 2007, judicial members of PERS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) Program enacted in 2006. Justices and judges in PERS Plan 1 and Plan 2 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of AFC. Judges in PERS Plan 3 could elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of AFC.

Members who chose to participate would: accrue service credit at the higher multiplier beginning with the date of their election; be subject to the benefit cap of 75 percent of AFC; stop contributing to the Judicial Retirement Account (JRA); pay higher contributions; and be given the option to increase the multiplier on past judicial service. Members who did not choose to participate would: continue to accrue service credit at the regular multiplier; not be subject to a benefit cap; continue to participate in JRA, if applicable; continue to pay contributions at the regular PERS rate; and never be a participant in the JBM Program.

Newly elected or appointed justices and judges who choose to become PERS members on or after January 1, 2007, or who had not previously opted into PERS membership, were required to participate in the JBM Program. Members required into the JBM program would: return to prior PERS Plan if membership had previously been established; be mandated into Plan 2 and not have a Plan 3 transfer choice, if a new PERS member; accrue the higher multiplier for all judicial service; not contribute to JRA; and not have the option to increase the multiplier for past judicial service.

There are 1,184 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2011:

Type of Membership	Membership
Retirees and Beneficiaries Receiving Benefits	79,363
Terminated Plan Members Entitled to but not yet Receiving Benefits	29,925
Active Plan Members Vested	105,578
Active Plan Members Non-vested	46,839
Total	261,705

Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at six percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Director of the Department of Retirement Systems sets Plan 3 employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the employee's age. As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program. The methods used to determine the contribution requirements are established under state statute in accordance with RCW 41.40 and RCW 41.45.

The required contribution rates expressed as a percentage of covered payroll as of December 31, 2011, are as follows:

Members Not Participating in JBM:

	PERS Plan I	PERS Plan II	PERS Plan III
Employer*	7.21%	7.21%	7.21% **
Employee	6.00%	4.64%	Minimum 5% to maximum 15%

* The employer rates include the employer administrative expense fee currently set at 0.16%.
** Plan 3 defined benefit portion only.

Both the City and the employees made the required contributions. The City's contributions to PERS for the years ended December 31 were as follows:

	PERS Plan I	PERS Plan II	PERS Plan III
2012	\$ -	\$ 902,516	\$ 144,456
2011	2,078	753,456	113,753
2010	3,494	640,034	98,350

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)

Plan Description

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 are Plan 2 members. Membership in the system includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters and, as of July 24, 2005, those emergency medical technicians who were given the option and chose LEOFF Plan 2 membership. LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers, who were first included prospectively effective July 27, 2003, being an exception.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established by Initiative 790 to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature for the LEOFF Plan 2 retirement plan.

LEOFF defined benefit retirement benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays through state legislative appropriations. LEOFF retirement benefit provisions are established in Chapter 41.26 RCW and may be amended only by the State Legislature.

LEOFF Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50. The benefit per year of service calculated as a percent of final average salary (FAS) is as follows:

Term of Service	Percent of final Average
20 or more years	2.0%
10 but less than 20 years	1.5%
5 but less than 10 years	1.0%

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months' salary within the last ten years of service. A cost-of-living allowance is granted (based on the Consumer Price Index).

LEOFF Plan 1 provides death and disability benefits. Death benefits for survivors of Plan 1 members on active duty consist of the following: (1) If eligible spouse, 50 percent of the FAS, plus 5 percent of FAS for each eligible surviving child, with a limitation on the combined allowances of 60 percent of the FAS; or (2) If no eligible spouse, eligible children receive 30 percent of FAS for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of FAS, divided equally.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 1 member who dies as a result of injuries or illness sustained in the course of employment, if found eligible by the Department of Labor and Industries.

The LEOFF Plan 1 disability allowance is 50 percent of the FAS plus 5 percent for each child up to a maximum of 60 percent. Upon recovery from disability before the age of 50, a member is restored to service with full credit for service while disabled. Upon recovery after the age of 50, the benefit continues as the greater of the member's disability allowance or service retirement allowance.

LEOFF Plan 1 members may purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's allowance.

LEOFF Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members may retire at the age of 50 with 20 years of service, or at the age of 53 with five years of service, with an allowance of two percent of the FAS per year of service. (FAS is based on the highest consecutive 60 months.) Plan 2 members who retire prior to the age of 53 receive reduced benefits. Benefits are actuarially reduced for each year that the benefit commences prior to age 53 and to reflect the choice of a survivor option. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. A cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

LEOFF Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The plan 2 allowance amount is two percent of the FAS for each year of service. Benefits are actuarially reduced for each year that the member's age is less than 53, unless the disability is duty-related, and to reflect the choice of a survivor option. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. A catastrophic disability benefit equal to 70 percent of their FAS, subject to offsets for workers' compensation and Social Security disability benefits received, is also available to those LEOFF Plan 2 members who are severely disabled in the line of duty and incapable of future substantial gainful employment in any capacity.

Effective June 2010, benefits to LEOFF Plan 2 members who are catastrophically disabled include payment of eligible health care insurance premiums.

Members of LEOFF Plan 2 who leave service because of a line of duty disability are allowed to withdraw 150 percent of accumulated member contributions. This withdrawal benefit is not subject to federal income tax. Alternatively, members of LEOFF Plan 2 who leave service because of a line of duty disability may be eligible to receive a retirement allowance of at least 10 percent of FAS and two percent per year of service beyond five years. The first 10 percent of the FAS is not subject to federal income tax.

LEOFF Plan 2 retirees may return to work in an eligible position covered by another retirement system, chose membership in that system and suspend their pension benefits, or not choose membership and continue receiving pension benefits without interruption.

LEOFF Plan 2 members who apply for retirement may purchase up to five years of additional service credit. The cost of this credit is the actuarial equivalent of the resulting increase in the member's benefit. LEOFF Plan 2 members can purchase service credit for military service that interrupts employment. Additionally, LEOFF Plan 2 members who become totally incapacitated for continued employment while serving in the uniformed services may apply for interruptive military service credit. Should any such member die during this active duty, the member/s surviving spouse or eligible child(ren) may purchase service credit on behalf of the deceased member.

LEOFF Plan 2 members may also purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

Beneficiaries of a LEOFF Plan 2 member who is killed in the course of employment receive retirement benefits without actuarial reduction, if found eligible by the Director of the Department of Labor and Industries.

Benefits to eligible surviving spouses and dependent children of LEOFF Plan 2 members killed in the course of employment include the payment of on-going health care insurance premiums paid to the Washington State Health Care Authority.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 2 member who dies as a result of injuries or illness sustained in the course of employment, if found eligible by the Department of Labor and Industries.

There are 374 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2011:

Type of Membership	Membership
Retirees and Beneficiaries Receiving Benefits	9,947
Terminated Plan Members Entitled to but not yet Receiving Benefits	656
Active Plan Members Vested	13,942
Active Plan Members Non-vested	3,113
Total	27,658

Funding Policy

Starting on July 1, 2000, LEOFF Plan 1 employers and employees contribute zero percent as long as the plan remains fully funded. Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plan. LEOFF Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. All employers are required to contribute at the level required by state law. The Legislature, by means of a special funding arrangement, appropriated money from the state General Fund to supplement the current service liability and fund the prior service costs of LEOFF Plan 2 in accordance with the requirements of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. However, this special funding situation is not mandated by the state constitution and this funding requirement could be returned to the employers by a change of statute.

The required contribution rates expressed as a percentage of covered payroll as of December 31, 2012 are as follows:

	LEOFF Plan I	LEOFF Plan II
Employer	0.16%	5.24%
Employee	0.00%	8.46%

Both the City and the employees made the required contributions. The City's required contributions to the LEOFF system for the years ended December 31 are as follows:

	LEOFF Plan I	LEOFF Plan II
2012	\$ 410	\$ 691,175
2011	489	654,131
2010	714	640,494

Public Safety Employee's Retirement System (PSERS) Plan 2

Plan Description

PSERS is a cost-sharing multiple-employer retirement system comprised of a single defined benefit plan, PSERS Plan 2. PSERS was created by the 2004 legislature and became effective July 1, 2006.

PSERS Plan 2 membership includes full-time employees of a covered employer on or before July 1, 2006, who meet at least one of the PSERS eligibility criteria, and elected membership during the election period of July 1, 2006 to September 30, 2006; and those full-time employees, hired on or after July 1, 2006 by a covered employer, that meet at least one of the PSERS eligibility criteria.

A *covered employer* is one that participates in PSERS. Covered employers include the following: state of Washington agencies: Department of Corrections, Department of Natural Resources, Parks and Recreation Commission, Gambling Commission, Washington State Patrol, and Liquor Control Board; Washington State counties; and Washington State cities except for Seattle, Tacoma and Spokane.

To be eligible for PSERS, an employee must work on a full-time basis and have one of the following:

- Completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington and carry a firearm as part of the job.
- Primary responsibility to ensure the custody and security of incarcerated or probationary individuals.
- Limited authority to function as a Washington peace officer, as defined in RCW 10.93.020.
- Primary responsibility to supervise eligible members who meet the above criteria.

PSERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. PSERS retirement benefit provisions are established in Chapter 41.37 RCW and may be amended only by the State Legislature.

PSERS Plan 2 members are vested after the completion of five years of eligible service. PSERS Plan 2 members may retire at the age of 65 with five years of service, or at the age of 60 with at least 10 years of PSERS service credit, with an allowance of two percent of the average final compensation (AFC) per year of service. The AFC is the monthly average of the member's 60 consecutive highest-paid service credit months, excluding any severance pay such as lump-sum payments for deferred sick leave, vacation or annual leave. Plan 2 members who retire prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a three percent per year reduction for each year between the age at retirement and age 60 applies. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

PSERS Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. Eligibility is based on the member being totally incapacitated for continued employment with a PSERS employer and leaving that employment as a result of the disability. The disability allowance is two percent of the average final compensation (AFC) for each year of service. AFC is based on the member's 60 consecutive highest creditable months of service. Service credit is the total years and months of service credit at the time the member separates from employment. Benefits are actuarially reduced for each year that the member's age is less than 60 (with ten or more service credit years in PSERS), or less than 65 (with fewer than ten service credit years).

PSERS Plan 2 members can purchase service credit for military service that interrupts employment. Additionally, PSERS members who become totally incapacitated for continued employment while

servicing in the uniformed services, may apply for interruptive military service credit. Should any such member die during this active duty, the member's surviving spouse or eligible child(ren) may purchase service credit on behalf of the deceased member.

PSERS members may also purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

Beneficiaries of a PSERS Plan 2 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applies to any member killed in the course of employment, if found eligible by the Director of the Department of Labor and Industries.

There are 76 participating employers in PSERS. Membership in PSERS consisted of the following as of the latest actuarial valuation date for the plan of June 30, 2011:

Type of Membership	Membership
Retirees and Beneficiaries Receiving Benefits	15
Terminated Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members Vested	167
Active Plan Members Non-vested	4,020
Total	4,203

Funding Policy

Each biennium, the state Pension Funding Council adopts PSERS Plan 2 employer and employee contribution rates. The employer and employee contribution rates for Plan 2 are developed by the Office of the State Actuary to fully fund Plan 2. All employers are required to contribute at the level established by the Legislature. The methods used to determine the contribution requirements are established under state statute in the accordance with Chapters 41.37 and 41.45 RCW.

The required contribution rates expressed as a percentage of covered payroll as of December 31, 2012 are as follows:

	PSERS Plan II
Employer	8.887%
Employee	6.36%

Both the City and the employees made the required contributions. The City's required contributions to the LEOFF system for the years ended December 31 are as follows:

	PSERS Plan II
2012	\$ 11,187
2011	8,712
2010	-

Firemen's Pension System

Plan Description

The City is the administrator of the Firemen's Pension Plan which is a closed, single-employer, defined benefit pension plan that was established in conformance with RCW Chapter 41.18. This plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Membership is limited to fire fighters employed prior to March 1, 1970 when the LEOFF retirement system was established. The City's obligation under the Firemen's Pension Plan consists of paying all benefits, including payments to beneficiaries, for fire fighters who retired prior to March 1, 1970 and excess benefits over LEOFF for covered fire fighters who retired after March 1, 1970. Benefits and refunds of the defined benefit pension plan are recognized when due and payable in accordance with the Plan. The Plan does not issue a separate financial report.

Membership of the Firemen's Pension Plan consisted of the following at December 31, 2012.

Type of Membership	Total
Retirees and beneficiaries receiving benefits	9
Retirees currently receiving full retirement benefits through the Law Enforcement Officers and Fire Fighters Retirement Plan (LEOFF)	2
Total	11

Funding Policy

Under State law, the Firemen's Pension Plan is provided an allocation of all monies received by the State from taxes on fire insurance premiums; interest earnings; member contributions made prior to the inception of LEOFF; and City contributions required to meet projected future pension obligations. An actuarial valuation was completed as of January 1, 2011 and it was determined that current assets of the fund, along with future revenues from state fire insurance taxes and interest earnings, will be sufficient to pay all future Firemen's Pension Plan pension benefits. In 2012 \$52,249 was received from the state from taxes on fire insurance premiums. On-behalf payments of fringe benefits and salaries for the City's employees were recognized as revenues and expenditures/expenses during the period. Costs to administer the plan are paid for through investment earnings and General Fund resources. The Actuarial Valuation of Firefighters' Pension Fund table is reported in the Required Supplemental Information section, and a recap of the Schedule of Funding Progress is as follows:

PENSION SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2000	\$1,076	\$1,243	\$167	87%	\$112	149%
January 1, 2003	1,215	1,135	(80)	107	0	N/A
January 1, 2005	1,265	1,182	(83)	107	0	N/A
January 1, 2007	1,336	1,310	(26)	102	0	N/A
January 1, 2009	1,445	1,610	165	90	442	37
January 1, 2011	1,430	1,582	152	90	371	41

The Firemen's Pension Plan does not issue a stand-alone financial report and is not included in another Public Employee Retirement System or another entity. Biennially a complete actuarial valuation financial report, including an accounting update for intervening years, is prepared by Milliman USA, Incorporated. This report is available from the City of Tukwila.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Benefits are recognized when due and payable in accordance with the plan.

ANNUAL PENSION COST AND NET PENSION OBLIGATION

	2010	2011	2012
1 Annual normal cost (BOY)	\$ -	\$ -	\$ -
2 Amortization of UAAL (BOY)	11,185	11,523	11,523
3 Interest to EOY	(1 + 2 x i*)	391	461
4 ARC at EOY	(1 + 2 + 3)	11,576	11,984
5 Interest on NPO	(9,057)	(11,400)	(12,393)
6 Adjustment to ARC	(18,236)	(21,647)	(24,488)
7 Annual Pension cost	(4 + 5 - 6)	20,755	22,231
8 Employer contributions**	46,989	47,065	50,599
9 Change in NPO	(7 - 8)	(26,234)	(24,834)
10 NPO at BOY	(11 prior yr)	(258,764)	(284,998)
11 NPO at EOY	(9 + 10)	\$ (284,998)	\$ (309,832)

* (i) is the assumed interest rate that year: 3.5% in 2010, 4.0% in 2011, and 4.00% in 2012.
 ** Employer contributions for pensions are total contributions to the Fund net of disbursements from the Fund for medical expenses under RCW 41.26.150 and administrative expenses.

The Annual Required Contribution (ARC) was computed using the Entry Age Normal Cost Method. Under this method, the projected benefits are allocated on a level basis as a percentage of salary over the earnings of each individual between entry age and exit age. The amount allocated to each year is called the Normal Cost and the portion of the Actuarial Present Value of all benefits not provided for by future Normal Cost payments is called the Actuarial Accrued Liability. Since all members have already retired, the amount of the Normal Cost is zero. The Unfunded Actuarial Accrued Liability (UAAL) is the Actuarial Accrued Liability minus the actuarial value of the Fund's assets.

ANNUAL DEVELOPMENT OF PENSION COST

Fiscal Year Ended	Annual Required Contribution	Interest on Net Pension Obligation	ARC Adjustment	Annual Pension Cost	Total Employer Contributions	Change in Net Pension Obligation	Net Pension Obligation Balance	--- Amortization---			Ending Balance
								(Gain)/ Loss	Factor	(Gain)/ Loss	
2010	11,576	(9,057)	(18,236)	20,755	46,989	(26,234)	(284,998)	(35,413)	14.1897	(18,236)	(284,998)
2011	11,984	(11,400)	(21,647)	22,231	47,065	(24,834)	(309,832)	(35,081)	13.1657	(21,647)	(309,832)
2012	11,984	(12,393)	(24,488)	24,079	50,599	(26,520)	(336,352)	(38,615)	12.6523	(24,488)	(336,352)

PERCENTAGE OF ANNUAL PENSION COST CONTRIBUTED

Fiscal Year Ending	Annual Pension Cost (APC)	Contribution as a* Percentage of APC	Net Pension Obligation (Asset)
December 21, 2010	20,755	226	(284,998)
December 21, 2011	22,231	212	(309,832)
December 21, 2012	24,079	210	(336,352)

* In years with a negative APC, this percentage is not applicable.

The information presented in the preceding required schedules were determined as part of the actuarial valuations at the dates indicated.

The key actuarial assumptions used for the January 1, 2011 valuation were:

Actuarial Valuations	
Actuarial valuation date	January 1, 2012
Actuarial cost method	Entry Age Normal
Amortization Method	30-year, closed as of January 1, 1999
Remaining amortization period	18 years
Asset valuation method	Fair market value
Assumptions	
Investment rate of return	3.75%
Projected salary increases	3.50%
Price inflation	2.50%
Cost-of-living adjustments	Based upon salary increase assumption when appropriate, for FPF benefits.*
	Based upon inflation assumption for some FPF benefits and all LEOFF benefits.

* Under the Firemen's Pension Trust Fund, most adjustments are based on the change in salary for the rank of members held at retirement or based on the Consumer Price Index. Adjustments are determined in accordance with RCW 41.18.150, RCW 41.20 and RCW 41.26

The Schedule of Funding progress, presented as required supplementary information following the notes of the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The Schedule of Employer Contributions is also included as required supplementary information following the notes to the financial statements.

NOTE 10 – OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLAN

Plan Description

The City is the administrator of the Retiree Medical and Long-Term Care Benefits for LEOFF 1 Employees Plan which is a closed, single-employer, defined benefit, other post-employment benefit plan (OPEB). The benefits are authorized under state statute, RCW Chapters 41.16 and 41.18 and 41.26 and may be amended by the state legislature. This plan provides medical, dental and long-term care benefits to eligible retirees. Membership is limited to eligible law enforcement officers and fire fighters hired prior to the March 1, 1970 establishment of LEOFF, as well as eligible members of LEOFF hired prior to October 1, 1977. Financial reporting for the LEOFF retiree healthcare plan is included in the City's Comprehensive Annual Financial Report. Triennially, a complete actuarial valuation financial report is prepared by Milliman USA, Incorporated. This report is available from the City.

Membership

As of December 31, 2012, there were 3 active employees and 38 retirees meeting the eligibility requirements of a LEOFF 1 member. This is considered a closed group with no new members.

Funding Policy

Funding for LEOFF 1 retiree healthcare costs is provided entirely by the City as required by RCW. The City's funding policy is based upon pay-as-you-go financing requirements. The employee or retiree is not required to contribute to the cost of the plan. The annual contribution represents the cost of employer-paid benefits.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize unfunded actuarial liabilities over a period 21 years as of January 1, 2008. The following tables show the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

ANNUAL OPEB COST AND NET OPEB OBLIGATION

	2010	2011	2012
1 Annual normal cost (BOY)	\$ 105,058	\$ 91,385	\$ 91,385
2 Amortization of UAAL (BOY)	1,196,165	1,124,502	1,124,502
3 Interest to EOY (1 + 2 x i*)	65,061	48,635	48,635
4 ARC at EOY (1 + 2 + 3)	1,366,284	1,264,522	1,264,522
5 Interest on Net OPEB Obligation	90,941	112,598	145,727
6 Adjustment to ARC	143,332	213,809	287,945
7 Annual OPEB cost (4 + 5 - 6)	1,313,893	1,163,311	1,122,304
8 Employer contributions	317,771	335,090	332,141
9 Change in Net OPEB Obligation (7- 8)	996,122	828,221	790,163
10 Net OPEB Obligation at BOY (11 prior yr)	1,818,820	2,814,942	3,643,163
11 Net OPEB Obligation at EOY (9 + 10)	\$ 2,814,942	\$ 3,643,163	\$ 4,433,326

* (i) is the assumed interest rate that year: 5% in 2009, 4% in 2011, and 4% in 2012.

The net OPEB obligation of \$4,433,326 is included as a non-current liability on the Statement of Net Position.

ANNUAL DEVELOPMENT OF OPEB COST

Fiscal Year Ended	Annual Required Contribution	Interest on Net OPEB Obligation	ARC Adjustment	Annual OPEB Cost	Total Employer Contributions	Change in Net OPEB Obligation	Net OPEB Obligation Balance	--- Amortization---			Ending Balance
								(Gain)/ Loss	Factor*	(Gain)/ Loss	
2008	\$ 1,366,284	\$ -	\$ -	\$ 1,366,284	\$ 557,103	\$ 809,181	\$ 809,181	\$ 809,181	13.4622	\$ -	\$ 809,181
2009	1,366,284	40,459	61,839	1,444,904	335,265	1,009,639	1,818,820	1,031,019	13.0853	61,839	1,818,820
2010	1,366,284	90,941	143,332	1,313,893	317,771	996,122	2,814,942	1,048,513	12.6896	143,332	2,814,942
2011	1,264,522	112,598	213,809	1,163,311	335,090	828,221	3,643,163	929,432	13.1657	213,809	3,643,163
2012	1,264,522	145,727	287,945	1,122,304	332,141	790,163	4,433,326	932,381	12.6523	287,945	4,433,326

* Based on a 21-year closed amortization as of January 1, 2008

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

PERCENTAGE OF ANNUAL OPEB COST CONTRIBUTED

Fiscal Year Ending	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 21, 2010	1,313,893	317,771	24	2,814,942
December 21, 2011	1,163,311	335,090	29	3,643,163
December 21, 2012	1,122,304	332,141	30	4,433,326

Funded Status and Funding Progress

As of January 1, 2011, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$14.8 million, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$14.8 million and a funded ratio of 0%. The funded ratio is 0%, because the City funds benefits on a pay-as-you-go basis.

SCHEDULE OF FUNDING PROGRESS (rounded to thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2008	\$0	\$16,103	\$16,103	0%	\$581	4%
January 1, 2011	0	14,805	14,805	0%	371	3

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial

value of assets, consistent with the long-term perspective of the calculations. Significant methods and assumptions were as follows:

Actuarial Valuations		
Valuation date	January 1, 2011	
Actuarial Cost Method	Entry Age Normal	
Amortization Method	21-year, closed as of January 1, 2008	
Remaining Amortization Period	18 years	
Asset Valuation Method	Fair market value	
Assumptions		
Investment rate of return	4.00%	
Medical inflation	<u>Year</u>	<u>Medical Cost Rate</u>
	2011	7.80%
	2012	7.10%
	2013	6.50%
	2014-2019	5.90%
	2020-2030	5.80%
	2031-2036	5.70%
Long-term care inflation	4.75%	

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, provides the multi-year trend information showing whether the actuarial value of plan assets is increasing or decreasing over time relative to the actual.

NOTE 11 – LONG-TERM DEBT

Governmental Activities Long-Term Debt

General Obligation Bonds are direct obligations of the City for which its full faith and credit are pledged. Debt service for voter-approved issues, of which the City has none, would be funded by special property tax levies. Debt service for City Council authorized bonds, also called councilmanic bonds, is funded from regular property taxes, sales taxes, or other general revenues, and is generally paid from debt service funds. The City currently maintains a rating of A1 from Moody's Investor Service and a rating of AA- from Fitch's Rating Service for its General Obligation Bonds.

General Obligation Bonds outstanding at year-end are as follows:

- 2003 Limited Tax General Obligation (LTGO) bonds were issued as payment to King County for Arterial Street projects including South Park Bridge transfer and for construction of a new golf course clubhouse. In December 2011, this fund assumed the Golf Course portion of this debt and the Arterial Street portion was refunded.
- 2003 LTGO refunding bonds were issued to refund the remaining debt of the 1994 LTGO bonds. 1994 LTGO bonds were issued to pay for the Community Center and Fire Station #53.
- 2008 LTGO bonds were issued to refund the remaining debt the 1999 LTGO bonds. 1999 LTGO bonds were issued to purchase an additional City Hall Annex (6300 building) and economic revitalization projects.
- 2010 LTGO bonds were issued for the construction and realignment of Southcenter Parkway in the Tukwila South Annexation area and for the cost of emergency preparedness capital and other equipment.
- 2011 LTGO refunding bonds were issued to refund a portion of the bonds issued in 2003 for the city's Arterial Street program.

Business-Type Activities Long-Term Debt

Revenue bond indebtedness issued to fund proprietary activities is recorded in proprietary funds. Debt service payments are made from operating revenues generated by the proprietary funds. In proprietary funds, unamortized debt issue costs are recorded as deferred charges and bonds are displayed net of premium or discount; annual interest expense is decreased by amortization of debt premium and increased by the amortization of debt issue costs and discount. The City currently maintains a rating of Aaa from Moody's Investor Service for debt in this category.

State of Washington Public Works Trust Fund Loans are a low interest rate loans available from the State of Washington Department of Commerce, Local Government & Infrastructure Division for qualifying projects and are a direct responsibility of the City. This debt is repaid by proprietary fund revenues.

The City is in compliance with all Washington State debt limitation statutes and bond indenture agreements.

The schedules that follow summarize the long-term debt transactions of the City for the year ended December 31, 2012.

CHANGES IN LONG-TERM LIABILITIES SUMMARY

	GENERAL OBLIGATION	REVENUE BONDS UTILITIES	PUBLIC WORKS TRUST FUND LOANS	COMPENSATED ABSENCES	DUE TO OTHER GOVERNMENTS	CAPITAL LEASES	TOTAL
Outstanding 01/01/2012	\$20,260,000	\$3,980,000	\$7,179,635	\$3,260,355	\$7,746,800	\$35,891	\$42,462,681
Added	-	-	-	2,871,748	-	-	2,871,748
Retired / redeemed	(1,900,000)	(440,000)	(558,271)	(2,679,160)	(354,200)	(35,891)	(5,967,522)
Outstanding 12/31/2012	\$18,360,000	\$3,540,000	\$6,621,364	\$3,452,943	7,392,600	\$ -	\$39,366,907
Add: Premium net of deferred charges							274,852
Total Long-Term Liabilities							\$39,641,758

Debt Service to Maturity

Following is a schedule showing the debt service requirements to maturity for the City's long-term debt, excluding compensated absences.

Year Ended December 31	Government Activities				
	General Obligation Bonds		Due to Other Governments		TOTAL
	Principal	Interest	Principal	Interest	
2013	\$ 1,890,000	\$ 804,337	\$ 371,000	\$ 431,205	\$ 3,496,542
2014	2,040,000	728,137	371,200	416,886	3,556,223
2015	1,645,000	635,872	385,200	401,751	3,067,823
2016	1,710,000	574,007	171,600	385,619	2,841,226
2017	1,765,000	512,213	179,200	377,278	2,833,891
2018 - 2022	7,175,000	1,388,590	994,800	1,741,759	11,300,149
2023 - 2027	2,135,000	125,031	1,204,800	1,424,774	4,889,805
2028 - 2032	-	-	1,478,000	992,274	2,470,274
2033 - 2037	-	-	1,823,600	448,419	2,272,019
2038 - 2042	-	-	413,200	13,669	426,869
Totals	\$ 18,360,000	\$ 4,768,186	\$ 7,392,600	\$ 6,833,634	\$ 37,154,420

Year Ended December 31	Business-Type Activities				
	Revenue Bonds		Public Works Trust Fund Loans		TOTAL
	Principal	Interest	Principal	Interest	
2013	\$ 485,000	\$ 168,044	\$ 558,293	\$ 33,107	\$ 1,224,443
2014	495,000	139,953	558,293	30,315	1,223,561
2015	520,000	110,172	558,293	27,524	1,215,989
2016	150,000	91,950	558,293	24,732	824,975
2017	155,000	85,950	558,293	21,941	821,184
2018 - 2022	895,000	317,700	2,765,414	19,149	3,997,264
2023 - 2027	860,000	99,000	1,064,484	5,322	2,028,807
2028 - 2032	-	-	-	-	-
2033 - 2037	-	-	-	-	-
2038 - 2042	-	-	-	-	-
Totals	\$ 3,540,000	\$ 1,012,769	\$ 6,621,364	\$ 162,091	\$ 11,336,224

Changes in Long-Term Debt

CHANGES IN LONG-TERM LIABILITIES – GOVERNMENTAL FUNDS

ITEM	Interest Rates	Maturity	Authorized	OUTSTANDING 12/31/2011	ISSUED	REDEEMED	OUTSTANDING 12/31/12	Due Within One Year
GOVERNMENTAL ACTIVITIES:								
Limited General Obligation (GO) Bonds Payable:								
2003 Refunding Facilities	4.00-5.00	12/01/14	\$ 4,195,000	\$ 1,335,000	\$ -	\$ 425,000	\$ 910,000	\$ 445,000
2003 Streets & Golf Course	4.25-4.65	12/01/23	6,277,500	3,795,000	-	555,000	3,240,000	575,000
2008 Refunding Streets/Facilities	4.00-6.00	12/01/19	6,180,000	5,095,000	-	550,000	4,545,000	500,000
2010 Streets / Equipment	2.00-5.41	12/01/24	5,870,000	5,415,000	-	345,000	5,070,000	355,000
2011 Refunding Streets (2003 GO)			4,620,000	4,620,000	-	25,000	4,595,000	15,000
Total Bonds Payable			27,142,500	20,260,000	-	1,900,000	18,360,000	1,890,000
Unamortized Deferred Credits (Charges):								
Issuance premiums			-	953,059	-	125,227	827,832	-
Issuance discounts/defeasance			-	(672,611)	-	(74,255)	(598,356)	-
Net Bonds Payable			27,142,500	20,540,448	-	1,950,971	18,589,476	1,890,000
Due to Other Governments								
2009 SCORE	3.00-6.62	01/01/39	6,898,800	6,898,800	-	153,200	6,745,600	156,000
2010 Valley Com	4.30-5.75	12/01/15	1,065,000	848,000	-	201,000	647,000	215,000
Total Due Other Governments			7,963,800	7,746,800	-	354,200	7,392,600	371,000
Unamortized Deferred Credits (Charges):								
Issuance premiums			-	-	-	-	-	-
Issuance discounts and costs			-	-	-	-	-	-
Net Due Other Governments			7,963,800	7,746,800	-	354,200	7,392,600	371,000
Capital leases			125,977	35,891	-	35,891	-	-
Compensated Absences:			-	2,969,125	2,630,026	2,454,738	3,144,413	-
Total Governmental Funds			\$35,232,277	\$ 31,292,264	\$2,630,026	\$ 4,795,600	\$ 29,126,489	\$2,261,000

Note: The beginning balance has been restated due to current year reclassifications.

CHANGES IN LONG-TERM LIABILITIES – BUSINESS-TYPE ACTIVITIES

ITEM	Interest Rates	Maturity	Authorized	OUTSTANDING 12/31/2011	ISSUED	REDEEMED	OUTSTANDING 12/31/12	Due Within One Year
BUSINESS-TYPE ACTIVITIES:								
Bonds Payable:								
1995 Water/Sewer Revenue	4.15-6.63	02/01/15	\$ 4,500,000	\$ 1,370,000	\$ -	\$ 310,000	\$ 1,060,000	\$ 330,000
2006 Water/Sewer/SWM Revenue	4.00-4.50	12/01/26	3,180,000	2,610,000	-	130,000	2,480,000	135,000
Total Bonds Payable			7,680,000	3,980,000	-	440,000	3,540,000	465,000
Unamortized Deferred Credits (Charges):								
Issuance Premiums			-	69,221	-	11,150	58,070	-
Issuance Discounts/def defeasance			-	(18,788)	-	(6,093)	(12,695)	-
Net Bonds Payable			7,680,000	4,030,433	-	445,057	3,585,376	465,000
Public Works Trust Fund Loans:								
2003 Loan-Water/Sewer	0.50	07/01/21	273,870	144,543	-	14,581	129,962	14,454
2003 Loan-Surface Water	0.50	07/01/21	219,725	115,944	-	11,448	104,496	11,597
2004 Loan-Water/Sewer	0.50-2.00	07/01/24	5,016,000	3,547,522	-	272,886	3,274,635	272,886
2004 Loan-Surface Water	0.50-2.00	07/01/24	684,000	483,753	-	37,212	446,541	37,212
2004 Loan-Surface Water	1.00	07/01/24	4,196,056	2,887,874	-	222,144	2,665,730	222,144
Total Public Works Trust Fund Loans			10,389,651	7,179,635	-	568,271	6,621,364	568,293
Compensated Absences:			-	291,230	241,722	224,422	308,530	2,999
Total Business-Type Activities			\$19,382,651	\$ 11,501,298	\$ 241,722	\$ 1,227,750	\$ 10,515,269	\$1,026,292

Due to Other Governments

Valley Communication Center Public Development Authority issued General Obligation bonds in 2000 for a new dispatch facility and refunded the debt in April 2010. The City is contracted to pay 20% of the debt service of these 15-year bonds that mature in 2015. This debt is paid from the General fund.

SCORE Public Development Authority issued General Obligation bonds in 2009 to acquire, construct, improve, and equip a consolidated correctional facility to be located in Des Moines, Washington. The City is contracted to pay 8% of the debt service of these 30 year bonds that mature in 2039. This debt is paid from the General fund.

LONG-TERM LIABILITIES RECONCILIATION

	Government Funds	Enterprise Funds	Balance 12-31-12
General obligation bonds	\$18,360,000	\$ -	\$18,360,000
Revenue bonds		3,540,000	3,540,000
Public Works Trust Fund loans		6,621,364	6,621,364
Due to Other Governments	7,392,600	-	7,392,600
Capital Leases	-	-	-
Employee leave benefits	3,144,413	308,530	3,452,943
Net Premiums / Deferred charges	229,476	45,376	274,852
Total long-term debt	\$29,126,489	\$ 10,515,270	\$39,641,758

Debt Limit Capacities

State law provides that debt cannot be incurred in excess of the following percentages of the value of the taxable property of the City: 1.5% without a vote of the people; 2.5% with a vote of the people; 5.0% with a vote of the people, provided the indebtedness in excess of 2.5% is for utilities; 7.5% with a vote of the people, provided the indebtedness in excess of 5.0% is for parks or open space development.

At December 31, 2012, the debt limits for the City were as follows:

SUMMARY OF DEBT LIMIT CAPACITIES

Item	Without a Vote 1.5%	-----With a Vote of the People----- 2.5%	5.0%	7.5%
Legal Limit	\$ 70,134,446	\$ 116,890,744	\$ 233,781,487	\$ 350,672,231
Outstanding Net Indebtedness	27,655,096	27,655,096	27,655,096	27,655,096
Margin Available	\$ 42,479,350	\$ 89,235,648	\$ 206,126,391	\$ 323,017,135

Long-term Liabilities other than debt

Claims are paid from one or more fund based on the nature of the transaction. Employees' compensable leave is the City's liability for all unused vacation and sick leave and unpaid overtime accrued by employees and, payable under specified conditions. This obligation is paid only at the time of termination, usually from the same funding source(s) from which the employee's salary or wage compensation was paid.

The City does not report a liability for termination benefits because it is not reasonable estimable.

LID No. 33

Tukwila Urban Access Improvement Project Local Improvement District (LID) No. 33 was formed on November 16, 2009 by Ordinance No. 2260. The project was designed to improve congestion within the City's Urban Center. The project included a partial lid over Southcenter Parkway, removal of conflicting turning movements, and the widening of Southcenter Parkway.

Construction for the project began in March 2011 and was completed in October 2011. The project was closed out and accepted as complete by City Council on February 19, 2013.

A variety of funding sources were used to pay for the project including federal and state grants, impact fees, city funds, a right-of-way donation, and special assessments. The City chose to fund the project internally, rather than obtain external, short-term financing then apply special assessments to property owners after the project was completed. Fund 104 Arterial Streets, where the project was accounted for, loaned the project funds as needed using a draw method at an interest rate of 1.80%. As of December 31, 2012, the total amount of the loan is \$8,137,082 plus accrued interest of \$193,032. The loan will be repaid when the special assessment bonds are issued in 2013.

Since the loan payable by the LID project and the loan receivable by the arterial street fund are contained within the same fund, the transactions have been eliminated in the consolidation and reporting process.

NOTE 12 – CONSTRUCTION COMMITMENT

Upon completion, the projects will be capitalized in their appropriate categories in the Government Wide Statements and in the proprietary fund financials, if applicable. As of December 31, 2012 the City had \$5.1 million contractual obligations on construction projects.

NOTE 13 – LITIGATION

There are several lawsuits in which the City is involved. The City Attorney estimates that the potential claims against the will have no material financial impact.

NOTE 14 – RISK MANAGEMENT

The City of Tukwila is a member of the Washington Cities Insurance Authority (WCIA).

Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and / or jointly contracting for risk management services. WCIA has a total of 153 Members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are \$4 million per occurrence self-insured layer, and \$20 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are \$16 million per occurrence subject to aggregate sublimits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of insurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines. These revenues directly offset portions of the membership's annual assessment.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy

direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day to day operations of WCIA.

The City insures its buildings, equipment, and vehicle property insurance with WCIA. They self-fund up to \$250,000 with standard property insurance purchased above that amount. Travelers insures boiler machinery and Anderson & Black Insurance insures employee dishonesty coverage.

The City of Tukwila has a Risk Management and a Safety Committee to oversee risk management. In addition, the WCIA provides support for a proactive risk analysis program and a loss control manual.

There were no significant reductions in insurance coverage in the past year. During the year under audit and in the past three years, no settlement has exceeded insurance coverage.

The City self-insures for unemployment benefits. This is budgeted each year and has not exceeded \$60,000 per year. This expense is budgeted in department 20 within the general fund and no reserves are allocated because of the limited liability and historical cost.

The City also self-insures for medical, dental and other health care benefits. A third-party administrator, Healthcare Management Administrators, Inc., provides claims administration. The City has a stop-loss policy with Sun Life Insurance Company, which provides individual limits of \$125,000 and a plan limit of \$7,480,385 in 2012. Each fund contributes an appropriate amount each year to pay premiums and claims. Liabilities include an actuarially determined amount for claims that have been incurred but not reported (IBNR's) and a contingency reserve equal to 2.5 times the IBNR reserve.

The following table reflects changes in the balances of claims liabilities for 2012 and 2011.

SUMMARY OF HEALTH CARE CLAIM LIABILITIES

ITEM	Health Benefit Insurance 2012	Health Benefit Insurance 2011	Insurance – LEOFF I 2012	Insurance – LEOFF I 2011
Claims Liabilities at Beginning of Year	\$ 1,499,600	\$ 1,155,647	\$ 193,200	\$ 97,401
Claims expenses:				
Current year and changes in estim:	4,426,949	4,300,120	426,251	249,957
Claims payments and expenses	(4,082,996)	(4,312,224)	(303,351)	(277,058)
Claims Liabilities at End of Year	\$ 1,843,553	\$ 1,143,543	\$ 316,100	\$ 70,300

NOTE 15 – SUBSEQUENT EVENTS

On February 1, 2013 the City sold a \$1 million limited tax general obligation bond to Cashmere Valley Bank in a private sale. The City and the Tukwila Metropolitan Park District (MPD) entered into an interlocal agreement for the City to loan the proceeds to the MPD. The proceeds will be used to pay for improvements to the pool and related facilities owned by the MPD. The MPD will repay the loan in installments equal to the debt service payments required by the City. The bonds will be paid back over 10 years with the first payment due June 1, 2013 and the final payment due December 1, 2022.

CITY OF TUKWILA, WASHINGTON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	ORIGINAL BUDGET (GAAP BASIS)	FINAL BUDGET (GAAP BASIS)	ACTUAL RESULTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
TAXES	\$ 40,550,620	\$ 40,550,620	\$ 39,840,363	\$ (710,257)
LICENSES AND PERMITS	1,908,566	1,908,566	1,604,594	(303,972)
INTERGOVERNMENTAL	4,060,841	4,143,051	4,708,774	565,723
CHARGES FOR SERVICES	2,678,400	2,700,400	2,184,369	(516,031)
FINES AND FORFEITURES	213,270	213,270	220,752	7,482
INVESTMENT EARNINGS	137,258	137,258	64,418	(72,840)
MISCELLANEOUS	51,800	51,800	71,159	19,359
TOTAL REVENUES	49,600,755	49,704,965	48,694,430	(1,010,536)
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	8,688,421	8,918,421	8,344,177	574,244
PUBLIC SAFETY	24,566,657	25,100,635	24,907,510	193,125
PHYSICAL ENVIRONMENT	1,994,094	1,994,094	1,673,956	320,138
TRANSPORTATION	2,676,535	2,756,535	2,682,877	73,658
ECONOMIC ENVIRONMENT	3,439,920	3,439,920	3,394,823	45,097
CULTURE AND RECREATION	3,492,862	3,630,482	3,361,825	268,657
CAPITAL OUTLAY	84,000	307,000	273,560	33,440
TOTAL EXPENDITURES	44,942,489	46,147,087	44,638,728	1,508,359
EXCESS OF REVENUES OVER EXPENDITURES	4,658,266	3,557,878	4,055,702	497,823
OTHER FINANCING SOURCES (USES):				
SALES OF CAPITAL ASSETS	1,300,500	672,882	9,903	(662,979)
BOND PROCEEDS	-	1,100,000	-	(1,100,000)
TRANSFERS IN (Note 5)	3,298,617	2,391,235	2,330,665	(60,570)
TRANSFERS OUT (Note 5)	(7,444,767)	(7,532,732)	(5,619,148)	1,913,584
LOAN TO TUKWILA METROPOLITAN PARK DISTRICT	-	(1,825,000)	(658,706)	1,166,294
TOTAL OTHER FINANCING SOURCES AND USES	(2,845,650)	(5,193,615)	(3,937,286)	1,256,329
NET CHANGE IN FUND BALANCES	1,812,616	(1,635,737)	118,416	1,754,152
FUND BALANCES - BEGINNING	6,505,139	6,505,139	8,260,141	1,755,002
FUND BALANCES - ENDING	\$ 8,317,755	\$ 4,869,402	\$ 8,378,557	\$ 3,509,154

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ARTERIAL STREET FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	ORIGINAL		FINAL		VARIANCE WITH	
	BUDGET	BUDGET	BUDGET	BUDGET	ACTUAL	FINAL BUDGET
	(GAAP BASIS)	(GAAP BASIS)	RESULTS		POSITIVE	(NEGATIVE)
REVENUES:						
TAXES	\$ 211,257	\$ 211,257	\$ 523,083	\$ 311,826		
INTERGOVERNMENTAL	580,581	9,941,581	1,006,599	(8,934,982)		
CHARGES FOR SERVICES	-	-	846,240	846,240		
INVESTMENT EARNINGS	3,820	3,820	3,153	(667)		
MISCELLANEOUS	1,061,000	466,000	43,271	(422,729)		
TOTAL REVENUES	1,856,658	10,622,658	2,422,347	(8,200,312)		
EXPENDITURES:						
CURRENT:						
TRANSPORTATION	-	-	86,305	(86,305)		
CAPITAL OUTLAY	6,359,204	16,083,204	9,709,676	6,373,528		
TOTAL EXPENDITURES	6,359,204	16,083,204	9,795,981	6,287,223		
EXCESS (DEFICIENCY) OF REVENUES						
OVER (UNDER) EXPENDITURES	(4,502,546)	(5,460,546)	(7,373,634)	(1,913,088)		
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN (Note 5)	2,000,000	2,000,000	1,314,132	(685,868)		
TRANSFERS OUT (Note 5)	(123,933)	(123,933)	(386,563)	(262,630)		
GENERAL OBLIGATION BONDS PROCEEDS	350,000	9,230,000	-	(9,230,000)		
TOTAL OTHER FINANCING SOURCES AND USES	2,226,067	11,106,067	927,569	(10,178,498)		
NET CHANGE IN FUND BALANCES	(2,276,479)	5,645,521	(6,446,065)	(12,091,586)		
FUND BALANCES - BEGINNING	4,789,469	4,789,469	6,929,396	2,139,927		
FUND BALANCES - ENDING	\$ 2,512,990	\$ 10,434,990	\$ 483,331	\$ (9,951,659)		

The notes to the financial statements are an integral part of this statement.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The City of Tukwila budgets its funds in accordance with the Revised Code of Washington 35A.33. In compliance with the code, biennial budgets are adopted for the general fund and special revenue funds. For governmental funds, there are no substantial differences between the budgetary basis and generally accepted accounting principles. Budgetary accounts are integrated in fund ledgers for all budgeted funds, but the financial statements include budgetary comparisons for biennially budgeted governmental funds only. Budgets established for proprietary and fiduciary funds are "management budgets" and are not legally required to be reported and, as such, are not reported in the CAFR.

The biennial appropriated budgets are adopted at the fund level and the budgets constitute the legal authority for expenditures at that level. Subsidiary revenue and expenditure records are used to compare the budgeted amounts with actual revenues and expenditures. As a management control device, the subsidiary ledgers monitor expenditures for individual functions and activities by object class. Any unexpended appropriation balances lapse at the end of the biennium.

The City of Tukwila's budget procedures are mandated by RCW 35A.33. The steps in the budget process are as follows:

- 1) Prior to November 1 on even numbered years, the Mayor submits a proposed budget to the City Council. This budget is based on priorities established by the Council and estimates provided by the City departments during the preceding months, and balanced with revenue estimates made by the Mayor.
- 2) The City Council conducts public hearings on the proposed budget in November and December.
- 3) The Council makes its adjustments to the proposed budget and adopts by ordinance a final balanced budget no later than December 31.
- 4) The final operating budget as adopted is published and distributed within the first month of the following year. Copies of the budget are made available to the public.

The City Council must approve by ordinance any amendments that increase the total for the fund. Budget amounts presented in the basic financial statements include both the original amounts and the final amended budget as approved by the City Council.

Expenditure Categories

General Government	Includes administration, finance, municipal court, attorney, and city clerk activities.
Public Safety	Includes all police and fire activities.
Physical Environment	Includes expenditures for the public works activities not chargeable to the enterprise funds.
Transportation	Includes all street and arterial street maintenance and construction.
Economic Environment	Reflects the planning and building inspection activities.
Culture and Recreation	Includes the parks and recreation activities.

The information presented in the following required schedules was determined as part of the actuarial valuations at the dates indicated.

FIREMEN'S PENSION TRUST FUND

SCHEDULE OF FUNDING PROGRESS (rounded to thousands)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2000	\$1,076	\$1,243	\$167	87%	\$112	149%
January 1, 2003	1,215	1,135	(80)	107	0	N/A
January 1, 2005	1,265	1,182	(83)	107	0	N/A
January 1, 2007	1,336	1,310	(26)	102	0	N/A
January 1, 2009	1,445	1,610	165	90	442	37
January 1, 2011	1,430	1,582	152	90	371	41

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Employer Contributions	Fire Insurance Premiums	Total Employer Contributions	Annual Required Contribution (ARC)	Percentage of ARC Contributed
December 31, 2008	\$ (1,841)	\$ 52,571	\$ 50,730	\$ (1,998)	- %
December 31, 2009	(18,425)	48,537	30,112	11,576	260
December 31, 2010	(3,000)	49,989	46,989	11,576	406
December 31, 2011	(7,800)	54,865	47,065	11,984	393
December 31, 2012	(1,650)	52,249	50,599	11,984	422

FIREMEN'S PENSION TRUST FUND

Actuarial Valuations

Actuarial valuation date	January 1, 2011
Actuarial cost method	Entry Age Normal
Amortization method	30-year, closed as of January 1, 1999
Remaining amortization period	18 years
Asset valuation method	Fair market value

Assumptions

Investment rate of return	4.00%
Projected salary increases	3.75%
Price inflation	2.75%
Cost-of-living adjustments	Based upon salary increase assumption when appropriate, for FPF benefits.*
	Based upon inflation assumption for some FPF benefits and all LEOFF benefits.

* Under the Firemen's Pension Trust Fund, most adjustments are based on the change in salary for the rank of members held at retirement or based on the Consumer Price Index. Adjustments are determined in accordance with RCW 41.18.150, RCW 41.20 and RCW 41.26

**RETIREE MEDICAL AND LONG-TERM CARE BENEFITS
 FOR LEOFF 1 EMPLOYEES**

SCHEDULE OF FUNDING PROGRESS
 (rounded to thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liabilities (UAAL)*	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2008	\$0	\$16,103	\$16,103	0%	\$581	4%
January 1, 2011	0	14,805	14,805	0%	371	3

* Only two valuations completed to date

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Employer Contributions	Fire Insurance Premiums	Percentage of ARC Contributed
December 31, 2009	\$335,265	\$1,366,284	25%
December 31, 2010	317,771	1,366,284	23
December 31, 2011	335,090	1,264,522	26
December 31, 2012	332,141	1,264,522	26

Actuarial Valuations

Valuation date	January 1, 2011	
Actuarial cost method	Entry Age Normal	
Amortization method	21-year, closed as of January 1, 2008	
Remaining amortization period	18 years	
Asset valuation method	Fair market value	

Assumptions

Investment rate of return	4.00%	
Medical inflation	Year	Medical Cost Rate
	2011	7.80%
	2012	7.10%
	2013	6.50%
	2014-2019	5.90%
	2020-2030	5.80%
	2031-2036	5.70%
Long-term care inflation	4.75%	

1 Federal Agency Name / Pass-Through Agency Name	2 Federal Program Name	3 CFDA Number	4 Other I.D. Number	5 Expenditures			6 Foot-note Ref.
				From Pass-Through Awards	From Direct Awards	Total	
U.S.Dept of Agriculture / pass-through from Off of Superintendent of Public Instruction	Child & Adult Care Food Program	10.558	17141471	1,213		1,213	
U.S.Dept of Agriculture / pass-through from WA St DNR	Cooperative Forestry Assistance	10.664	K244-10-DG-010	10,000		10,000	
U.S.Dept of Housing & Urban Development / pass-through from King County Housing & Comm Development	Community Development Block Grant	14.218	562862	3,761		3,761	
			5433919	75,039		75,039	
			Subtotal	78,800		78,800	
U.S.Dept of Justice	Bulletproof Vest Partnership Prog	16.607	N/A		6,849	6,849	
U.S.Dept of Justice	ARRA-Pub Safety Partner & Com Pol	16.710	2009RKWX0885		238,931	238,931	3
U.S.Dept of Justice / pass-through from City of Seattle	Edward Byrne Memorial JAG Program	16.738	2009-DJ-BX-0336	1,195		1,195	
U.S.Dept of Transportation / pass-through from WA DOT	Highway Planning and Construction	20.205	TCSP-TCSP(010) Trans Oriented Dev	354,269		354,269	
			STPE-CM-1320(002) Tuk Urb Ctr Ped/Bike	295,443		295,443	
			Subtotal	649,712		649,712	
U.S.Dept of Transportation / pass-through from WA DOT	Job Access Reverse Commute	20.516	GCB1081	83,495		83,495	
U.S.Dept of Transportation / pass-through from WTSC	Occupant Protect Incentive Grants	20.602	Seat Belts	689		689	
U.S.Dept of Energy / pass-through from WA Dept of Commerce	ARRA-Energy Eff. & Conservation	81.128	F1052110-009	4,219		4,219	3
U.S.Dept of Homeland Security / pass-through from Pierce County Emergency Management	National Urban Search & Rescue Response System	97.025	WATF1	1,788		1,788	

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

CITY OF TUKWILA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2012

1 Federal Agency Name / Pass-Through Agency Name	2 Federal Program Name	3 CFDA Number	4 Other I.D. Number	5 Expenditures			6 Foot-note Ref.
				From Pass-Through Awards	From Direct Awards	Total	
U.S.Dept of Homeland Security / pass-through from WA St Military Dept.	Disaster Grants-Public Assistance	97.036	FEMA-4056-DR-WA	77,024		77,024	
U.S.Dept of Homeland Security / pass-through from WA St Military Dept.	Emergency Mgmt Performance Grant	97.042	E12-111	82,207		82,207	
			E12-353	5,053		5,053	
			Subtotal	87,260		87,260	
TOTAL FEDERAL AWARDS EXPENDED				995,396	245,781	1,241,176	

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2012

NOTE 1 - BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards and State / Local Financial Assistance is prepared on the same basis of accounting as the City's financial statements. The City uses the modified accrual basis of accounting for governmental fund types and the accrual basis for proprietary funds.

NOTE 2 - PROGRAM COSTS

The amounts shown as current year expenditures represent only the federal or state or local portion of the program costs. Actual program costs, including the City's portion, may be more than shown.

NOTE 3 - AMERICAN RECOVERY AND REINVESTMENT ACCT (ARRA) OF 2009

Expenditures for this program were funded by ARRA.

NOTE 4 - FEDERAL GOVERNMENT REVENUE RECONCILIATION

Revenue from the Federal government	1,312,403
Less: Direct Federal interest rate subsidies	(66,657)
Less: Revenue recognized in 2012 but expended in prior years	(4,569)
Less: Revenue overstated in 2012	(1)
Expenditures of Federal awards	1,241,176



ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

Our mission is to work with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office employees are located around the state to deliver services effectively and efficiently.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

State Auditor
Chief of Staff
Director of State and Local Audit
Deputy Director of State and Local Audit
Deputy Director of State and Local Audit
Deputy Director of State and Local Audit
Deputy Director of Quality Assurance
Deputy Director of Communications
Local Government Liaison
Public Records Officer
Main number
Toll-free Citizen Hotline

Troy Kelley
Doug Cochran
Chuck Pfeil, CPA
Kelly Collins, CPA
Jan M. Jutte, CPA, CGFM
Sadie Armijo
Barb Hinton
Thomas Shapley
Mike Murphy
Mary Leider
(360) 902-0370
(866) 902-3900

Website
Subscription Service

www.sao.wa.gov
www.sao.wa.gov/EN/News/Subscriptions

APPENDIX B

FORM OF BOND COUNSEL OPINION

This page left blank intentionally.



[FORM OF BOND COUNSEL OPINION]

City of Tukwila, Washington

Re: City of Tukwila, Washington, \$6,687,500
Local Improvement District No. 33 Bonds

We have served as bond counsel to the City of Tukwila, Washington (the “City”), in connection with the issuance of the above referenced bonds (the “Bonds”), and in that capacity have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion. As to matters of fact material to this opinion, we have relied upon representations contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

The Bonds are issued by the City pursuant to Ordinance No. 2411 (the “Bond Ordinance”) for the purpose of providing the funds necessary to (i) reimburse the City for a portion of the costs of the public improvements in Local Improvement District No. 33, (ii) make a deposit in the City’s Local Improvement Guaranty Fund, and (iii) pay the costs of issuance and sale of the Bonds, all as described in the Bond Ordinance.

The Bonds are payable solely from special assessments levied in Local Improvement District No. 33 and paid into the Local Improvement Fund, District No. 33 of the City (the “LID Bond Fund”) and the Local Improvement Guaranty Fund of the City.

Reference is made to the Bonds and the Bond Ordinance for the definitions of capitalized terms used and not otherwise defined herein.

We have not been engaged to review and thus express no opinion concerning the completeness or accuracy of any official statement, offering circular or other sales or disclosure material relating to the issuance of the Bonds or otherwise used in connection with the Bonds.

Under the Internal Revenue Code of 1986, as amended (the “Code”), the City is required to comply with certain requirements after the date of issuance of the Bonds in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, including, without limitation, requirements concerning the qualified use of Bond proceeds and the facilities financed or refinanced with Bond proceeds, limitations on investing gross proceeds of the Bonds in higher yielding investments in certain circumstances and the arbitrage rebate requirement to the extent applicable to the Bonds. The City has covenanted in the Bond Ordinance to comply with those requirements, but if the City fails to comply with such requirements, interest on the Bonds could become taxable retroactive to the date of issuance of the Bonds. We have not undertaken and do not undertake to monitor the City’s compliance with such requirements.

Further, pursuant to authority delegated in the Bond Ordinance, the City's Designated Representative has designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Based upon the foregoing, as of the date of initial delivery of the Bonds to the purchaser thereof and full payment therefor, it is our opinion that under existing law:

1. The City is a duly organized and legally existing code city under the laws of the State of Washington.

2. The Bonds have been duly authorized and executed by the City and are issued in full compliance with the provisions of the Constitution and laws of the State of Washington and the ordinances of the City relating thereto.

3. The Bonds constitute valid and binding obligations of the LID Bond Fund and the Local Improvement Guaranty Fund of the City, except only to the extent that enforcement of payment may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and by the application of equitable principles and the exercise of judicial discretion in appropriate cases.

4. The Bonds are not general obligations of the City.

5. Assuming compliance by the City after the date of issuance of the Bonds with applicable requirements of the Code, the interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals; however, while interest on the Bonds also is not an item of tax preference for purposes of the alternative minimum tax applicable to corporations, interest on the Bonds received by corporations is to be taken into account in the computation of adjusted current earnings for purposes of the alternative minimum tax applicable to corporations, interest on the Bonds received by certain S corporations may be subject to tax, and interest on the Bonds received by foreign corporations with United States branches may be subject to a foreign branch profits tax. We express no opinion regarding any other federal tax consequences of receipt of interest on the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

We bring to your attention the fact that the foregoing opinions are expressions of our professional judgment on the matters expressly addressed and do not constitute guarantees of result.

Respectfully submitted,

APPENDIX C

BOOK-ENTRY ONLY SYSTEM

The following information (except for the final paragraph) has been provided by The Depository Trust Company, New York, New York (“DTC”), and the City makes no representation as to the accuracy or completeness thereof. Each actual purchaser of a Bond (a “Beneficial Owner”) should confirm the following with DTC or the Participants (as hereinafter defined).

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds in the principal amount of each such maturity and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owners entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co., or such other DTC nominee, do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BOND OWNERS OR REGISTERED OWNERS OF THE BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

When notices are given, they shall be sent by the Bond Registrar to DTC only. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Bond Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Bond Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Bonds to Cede & Co. (or any other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC or any successor (the "Depository") may determine not to continue to act as securities depository for the Bonds, and the City may advise the Depository of its determination to discontinue book-entry of the Bonds through such Depository. If the City is unable to retain a qualified successor to the Depository or the City has determined that it is in the best interest of the City not to continue the book-entry system of transfer or that the interests of Beneficial Owners might be adversely affected if the book-entry system is continued, Bond certificates will be delivered to the Beneficial Owners or their nominees in registered form, in the denomination of \$5,000 or any integral multiple of \$5,000. In the event the book-entry system is discontinued, the persons to whom Bond certificates are delivered and in whose names the Bonds are registered will be treated as "bond owners" for all purposes of the Bond Ordinance.

The City will have no responsibility or obligation to Participants or the persons for whom they act as nominees with respect to the Bonds regarding (i) the accuracy of any records maintained by DTC or Participants of any amount in respect of principal or redemption price of or interest on the Bonds, or (ii) any notice which is permitted or required to be given to Registered Owners under the Bond Ordinance (except such notice as is required to be given by the City to DTC), or (iii) the selection by DTC of any Participant to receive payment in the event of a partial redemption of the Bonds, or (iv) any consent given or other action taken by DTC as Registered Owner of the Bonds, or (v) any other event or purpose. The City and the Bond Registrar may treat and consider Cede & Co., in whose name each Bond is registered on the Bond Register, as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. For the purposes of this Official Statement, the term "Beneficial Owner" shall include the person for whom the Participant acquires an interest in the Bonds.

This page left blank intentionally.

**NEW ISSUE – BANK QUALIFIED
BOOK-ENTRY ONLY**

STANDARD & POOR’S RATING: BBB
(See “**UNDERWRITING AND LEGAL - Rating**” herein)

In the opinion of Bond Counsel, under existing federal law and assuming compliance with applicable requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the issue date of the Bonds, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals. While interest on the Bonds also is not an item of tax preference for purposes of the alternative minimum tax applicable to corporations, interest on the Bonds received by corporations is taken into account in the computation of adjusted current earnings for purposes of the alternative minimum tax applicable to corporations, interest on the Bonds received by certain S corporations may be subject to tax, and interest on the Bonds received by foreign corporations with United States branches may be subject to a foreign branch profits tax. Receipt of interest on the Bonds may have other federal tax consequences for certain taxpayers. See “TAX MATTERS.”

CITY OF TUKWILA, WASHINGTON

\$6,687,500

LOCAL IMPROVEMENT DISTRICT NO. 33 BONDS

DATED: Date of Delivery

DUE: January 15, 2031

The City of Tukwila, Washington (the “City”) Local Improvement District No. 33 Bonds (the “Bonds”), are issued as fully registered bonds under a book-entry system. Initially, the Registered Owner of the Bonds will be Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository (the “Securities Depository”). Individual purchases of the Bonds will be made in the principal amount of \$5,000 each or integral multiples thereof within a single maturity, with the exception of one Bond which will be issued in the amount of \$2,500 or \$2,500 plus any integral multiple of \$5,000. Purchasers of the Bonds (the “Beneficial Owners”) will not receive certificates representing their beneficial ownership interests in the Bonds purchased. The fiscal agent of the State of Washington (the “State”), currently The Bank of New York Mellon in New York, New York, will act as the registrar, paying agent, transfer agent and authenticating agent for the Bonds (the “Bond Registrar”).

The Bonds shall bear interest as shown in the Estimated Redemption Schedule set forth on the inside cover. Interest on the Bonds will be payable on January 15, 2015, and each January 15 thereafter to the maturity or earlier redemption of the Bonds. For so long as the Bonds are held in book-entry form, the principal of and interest on the Bonds will be paid by the Bond Registrar to the Securities Depository, which in turn is obligated to remit such payments to its broker-dealer participants for subsequent disbursement to the Beneficial Owners. See “DESCRIPTION OF THE BONDS – Registration and Bond Registrar” and Appendix C – DTC AND ITS BOOK ENTRY ONLY SYSTEM.

The Bonds are subject to redemption by the City prior to their maturity on each interest payment date to the extent the amounts deposited in the Local Improvement Fund, District No. 33 (the “LID Bond Fund”) are in excess of the amount necessary to pay interest currently due on all unpaid Bonds. The Bonds will be redeemed in order of their estimated redemption dates, as shown on the inside front cover. See “DESCRIPTION OF THE BONDS – Redemption Provisions and Purchases.” The principal amount of Bonds to be retired each year is only an estimate. Depending on the rate of payment of assessments and other money, if any, deposited in the LID Bond Fund, Bonds may be called earlier or later than shown (but in no event later than January 15, 2031) which could affect the yield on the Bonds.

ESTIMATED REDEMPTION SCHEDULE — See Inside Cover

The Bonds are being issued to reimburse the City for a portion of the costs of constructing public improvements within Local Improvement District No. 33 (“LID 33”), including making a deposit to the City’s Local Improvement Guaranty Fund and paying the costs of issuance of the Bonds. See “PURPOSE AND USE OF PROCEEDS.”

The Bonds are special fund obligations of the City, payable solely out of the LID Bond Fund, to be funded from collections of local improvement district assessments levied against the benefited properties located within the boundaries of LID 33 and money on deposit in the City’s Local Improvement Guaranty Fund, as more fully described herein under “SECURITY FOR THE BONDS.” **The Bonds do not constitute an obligation of the State of Washington or any political subdivision thereof other than the City. The Bonds are not general obligations of the City, and neither the full faith and credit nor the taxing power of the City is pledged to the payment of the Bonds.**

The City has designated the Bonds as “qualified tax-exempt obligations” for banks, thrift institutions and other financial institutions under Section 265(b)(3) of the Code. See “TAX MATTERS.”

The Bonds are offered when, as and if issued, subject to the approving legal opinion of Foster Pepper PLLC, Seattle, Washington, Bond Counsel. The form of Bond Counsel’s opinion is attached as Appendix B. It is expected that the Bonds will be available for delivery in New York, New York to the Bond Registrar on behalf of DTC by Fast Automated Securities Transfer, on or about November 19, 2013.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

PiperJaffray

Dated: November 19, 2013

**ESTIMATED REDEMPTION SCHEDULE, INTEREST RATES,
YIELDS, PRICES AND CUSIP NUMBERS**

CITY OF TUKWILA

\$6,687,500 LOCAL IMPROVEMENT DISTRICT NO. 33 BONDS

(MATURITY DATE: JANUARY 15, 2031)

Estimated Redemption Date (Jan. 15)	Amount	Interest Rate	Yield	Price	CUSIP*
2015 - 2018	\$1,792,500	3.150%	3.150%	100.00%	899053AD4
2019 - 2023	2,225,000	4.500	4.500	100.00	899053AJ1
2024 - 2029	2,670,000	5.375	5.375	100.00	899053AQ5

* The CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the America Bankers Association by Standard & Poor's. The CUSIP numbers are not intended to create a database and do not serve in any way as a substitute for CUSIP service. CUSIP numbers have been assigned by an independent company not affiliated with the City and are provided solely for convenience and reference. The CUSIP numbers for a specific maturity are subject to change after the issuance of the Bonds. Neither the City nor the Underwriter takes any responsibility for the accuracy of the CUSIP numbers.

CITY OF TUKWILA, WASHINGTON

6200 SOUTHCENTER BLVD.
TUKWILA, WASHINGTON 98188
TELEPHONE: (206) 433-1800
www.tukwilawa.gov*

ELECTED OFFICIALS

Member	Position	Term Expires
Jim Haggerton	Mayor	December 31, 2015
Kathy Hougardy	Council President	December 31, 2015
Joe Duffie	Councilmember	December 31, 2013
Dennis Robertson	Councilmember	December 31, 2015
Allan Ekberg	Councilmember	December 31, 2013
Verna Seal	Councilmember	December 31, 2013
De'Sean Quinn	Councilmember	December 31, 2013
Kate Kruller	Councilmember	December 31, 2015

CERTAIN APPOINTED OFFICIALS

David Cline	City Administrator
Peggy McCarthy	Finance Director
Stephanie Brown	Human Resources Director
Christy O'Flaherty	City Clerk
Bob Giberson	Public Works Director

BOND REGISTRAR

The Bank of New York Mellon (current Fiscal Agent)
New York, New York

BOND COUNSEL

Foster Pepper PLLC
Seattle, Washington

UNDERWRITER

Piper Jaffray & Co.
Seattle, Washington

* The City's website is not part of this Official Statement and investors should not rely on information presented in the City's website in determining whether to purchase the Bonds. This inactive textual reference to the City's website is not a hyperlink and does not incorporate the City's website by reference.

The information within this Official Statement has been compiled from official and other sources considered reliable and, while not guaranteed as to accuracy, is believed to be correct as of its date. The City makes no representation regarding the accuracy or completeness of the information in Appendix C – “DTC AND ITS BOOK-ENTRY SYSTEM,” which has been obtained from DTC’s website. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made by use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

Information on website addresses set forth in this Official Statement is not incorporated into this Official Statement and cannot be relied upon to be accurate as of the date of this Official Statement, nor can any such information be relied upon in making investment decisions regarding the Bonds.

No dealer, broker, salesperson, or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the City or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. In connection with this offering, the Underwriter may over allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued or recommenced at any time without prior notice to any person.

The Bonds have not been registered under the Securities Act of 1933, as amended, and the Bond Ordinance has not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such acts. The Bonds have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary may be a criminal offense.

The presentation of certain information, including tables of receipts from taxes and other revenues, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue to be repeated in the future.

Certain statements contained in this Official Statement do not reflect historical facts, but rather are forecasts and “forward-looking statements.” No assurance can be given that the future results discussed herein will be achieved, and actual results may differ materially from the forecasts described herein. In this respect, the words “estimate,” “forecast,” “project,” “anticipate,” “expect,” “intend,” “believe” and other similar expressions are intended to identify forward-looking statements. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. All estimates, projections, forecasts, assumptions and other forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth in this Official Statement. These forward-looking statements speak only as of the date they were prepared. The City specifically disclaims any obligation to update any forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of this Official Statement, except as otherwise expressly provided in “CONTINUING DISCLOSURE UNDERTAKING.”

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety. The offering of the Bonds is made only by means of this entire Official Statement.

TABLE OF CONTENTS

<p>INTRODUCTION 1</p> <p>DESCRIPTION OF THE BONDS 1</p> <p style="padding-left: 20px;">Authorization..... 1</p> <p style="padding-left: 20px;">Principal Amount, Date, Interest Rate and Maturity..... 1</p> <p style="padding-left: 20px;">Registration and Bond Registrar..... 1</p> <p style="padding-left: 20px;">Redemption Provisions and Purchases 2</p> <p style="padding-left: 20px;">Failure to Pay Bonds..... 3</p> <p style="padding-left: 20px;">Refunding 3</p> <p>PURPOSE AND USE OF PROCEEDS 4</p> <p style="padding-left: 20px;">Purpose 4</p> <p style="padding-left: 20px;">Sources and Uses of Proceeds 4</p> <p>SECURITY FOR THE BONDS 4</p> <p style="padding-left: 20px;">Sources of Payment 4</p> <p style="padding-left: 20px;">Payment of Assessments..... 4</p> <p style="padding-left: 20px;">Guaranty Fund..... 5</p> <p style="padding-left: 20px;">Delinquent Assessments, Assessment Lien and Foreclosure 7</p> <p style="padding-left: 20px;">Impediments to Foreclosure 7</p> <p>LOCAL IMPROVEMENT DISTRICT NO. 33..... 8</p> <p style="padding-left: 20px;">General 8</p> <p style="padding-left: 20px;">LID 33 and Project Description 9</p> <p style="padding-left: 20px;">Property Use Within LID 33..... 9</p> <p style="padding-left: 20px;">Special Benefit Study 10</p> <p style="padding-left: 20px;">Assessments..... 10</p> <p>CERTAIN INVESTMENT CONSIDERATIONS 12</p> <p style="padding-left: 20px;">Special Obligations of the City 12</p> <p style="padding-left: 20px;">Effect of Delinquent Assessments 12</p> <p style="padding-left: 20px;">Redemption Dates..... 13</p> <p style="padding-left: 20px;">Limitations of the Guaranty Fund..... 13</p> <p style="padding-left: 20px;">Secondary Market Liquidity 14</p>	<p style="padding-left: 20px;">Limitations on Remedies 14</p> <p style="padding-left: 20px;">Future LID Financings..... 14</p> <p>THE CITY 14</p> <p style="padding-left: 20px;">Government Organization..... 15</p> <p style="padding-left: 20px;">Labor Relations..... 15</p> <p style="padding-left: 20px;">Pension Funding 16</p> <p style="padding-left: 20px;">Other Post-Employment Benefits 18</p> <p style="padding-left: 20px;">Accounting and Financial Reporting 19</p> <p style="padding-left: 20px;">City Investments and Investment Policy..... 20</p> <p style="padding-left: 20px;">Risk Management 21</p> <p>GENERAL AND ECONOMIC INFORMATION..... 22</p> <p style="padding-left: 20px;">Population 22</p> <p style="padding-left: 20px;">Retail Sales 23</p> <p style="padding-left: 20px;">Major Employers 23</p> <p style="padding-left: 20px;">Residential Building Permit Activity 24</p> <p style="padding-left: 20px;">Income 25</p> <p style="padding-left: 20px;">Employment and Workforce Data 26</p> <p>TAX MATTERS..... 26</p> <p style="padding-left: 20px;">Certain Other Federal Tax Consequences of Ownership of the Bonds. 27</p> <p>CONTINUING DISCLOSURE UNDERTAKING 28</p> <p style="padding-left: 20px;">Undertaking to Provide Annual Financial Information and Notice of Listed Events 28</p> <p>UNDERWRITING AND LEGAL 29</p> <p style="padding-left: 20px;">Underwriting..... 29</p> <p style="padding-left: 20px;">Rating 29</p> <p style="padding-left: 20px;">Absence of Material Litigation 30</p> <p style="padding-left: 20px;">Approval of Counsel..... 30</p> <p style="padding-left: 20px;">Conflicts of Interest 30</p> <p>CONCLUDING STATEMENT 30</p>
<p>APPENDIX A: AUDITED FINANCIAL STATEMENTS FOR THE GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2012</p> <p>APPENDIX B: FORM OF BOND COUNSEL OPINION</p> <p>APPENDIX C: DTC AND ITS BOOK-ENTRY ONLY SYSTEM</p> <p>APPENDIX D: SUMMARY OF LID 33 AND SECURITY FOR THE BONDS</p>	

This page left blank intentionally.

CITY OF TUKWILA, WASHINGTON

\$6,687,500

LOCAL IMPROVEMENT DISTRICT NO. 33 BONDS

INTRODUCTION

The City of Tukwila, Washington (the “City”), a municipal corporation organized under the laws of the State of Washington (the “State”), furnishes this Official Statement in connection with the offering of \$6,687,500 aggregate principal amount of its Local Improvement District No. 33 Bonds (the “Bonds”). The aggregate principal amount of the Bonds represents the portion of the assessment roll for Local Improvement District No. 33 (the “LID 33”) remaining uncollected after the expiration of the 30-day prepayment period for making cash payments without interest, penalty or cost. This Official Statement, which includes the cover page, the inside cover page, the table of contents and appendices, provides information concerning the City and the Bonds.

All of the summaries of provisions of the constitution and laws of the State, of ordinances and resolutions of the City, and of other documents, are subject to their complete text and do not purport to be complete statements of such laws or documents, copies of which may be obtained from the City upon request. A full review should be made of the entire Official Statement. The offering of the Bonds to prospective investors is made only by means of the entire Official Statement.

Unless otherwise defined in this Official Statement, capitalized terms have the meanings set forth in the Bond Ordinance described below.

DESCRIPTION OF THE BONDS

Authorization

The Bonds are issued under the provisions of the constitution, chapters 39.46 and 35.45 of the Revised Code of Washington (“RCW”) and other applicable laws of the State, and pursuant to Ordinance No. 2411 of the City passed on October 7, 2013 (the “Bond Ordinance”).

Principal Amount, Date, Interest Rate and Maturity

The Bonds will be issued in the aggregate principal amount of \$6,687,500 and will be dated and bear interest from the date of their initial delivery. The Bonds will mature on January 15, 2031, and will bear interest (payable commencing January 15, 2015, and annually on each January 15 thereafter) until maturity or earlier redemption at the rates set forth on the inside cover page of this Official Statement. Interest on the Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Registration and Bond Registrar

Book-Entry System. The Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”). DTC will act as initial Securities Depository for the Bonds. Individual purchases of the Bonds will be made in book-entry form only in minimum denominations of \$5,000 or integral multiples thereof within a maturity, with the exception of one Bond which will be issued in the amount of \$2,500 or \$2,500 plus any integral multiple of \$5,000 (“Authorized Denominations”). Purchasers (“Beneficial Owners”) will not receive certificates representing their interest in the Bonds. For information about DTC and its book-entry system, see Appendix C—“DTC AND ITS BOOK-ENTRY ONLY SYSTEM.” The City makes no representation as to the accuracy or completeness of the information in Appendix C provided by DTC. Purchasers of the Bonds should confirm this information with DTC or its Participants.

Bond Registrar. The principal of and interest on the Bonds will be payable by the fiscal agent of the State, currently The Bank of New York Mellon, in New York, New York (the “Bond Registrar”) (or such fiscal agent or agents as the State may from time to time designate). So long as Cede & Co. is the Registered Owner of the Bonds, principal

of and interest on the Bonds will be payable by wire transfer by the Bond Registrar to DTC, which, in turn, is obligated to remit such principal and interest to its participants for subsequent disbursement to the Beneficial Owners of the Bonds, as further described in Appendix C – “DTC AND ITS BOOK-ENTRY ONLY SYSTEM.”

Termination of Book-Entry System. If the Bonds are no longer in held book-entry form by the Securities Depository, the City will execute, authenticate and deliver at no cost to the Beneficial Owners, Bonds in fully registered form, in Authorized Denominations. The principal of the Bonds will then be payable upon due presentment and surrender to the Bond Registrar, and interest on the Bonds will be payable by check or draft mailed to the Registered Owners, at the address appearing upon the registration books on the 15th day of the month preceding the interest payment date (the “Record Date”). The City is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received at least ten days prior to the Record Date and at the sole expense of the Registered Owner. The Bonds will be transferable as provided in the Bond Ordinance.

Redemption Provisions and Purchases

The City will call Bonds for redemption in whole or in part in Authorized Denominations, in the order shown in the Estimated Redemption Schedule set forth on the inside cover of this Official Statement, on each interest payment date when there is money in the LID Bond Fund from assessment payments (including principal, interest and penalties thereon), and other money of the City, above the amount required for payment of interest payable on all unpaid Bonds on that interest payment date. Such Bonds will be redeemed at a redemption price equal to the stated principal amount to be redeemed plus interest accrued thereon to the redemption date.

The principal amount of Bonds to be redeemed each year is only an estimate. The Bonds may be redeemed earlier or later than indicated by the estimated redemption schedule shown on the inside cover, depending on the rate at which property assessments are paid (but no later than the Maturity Date, January 15, 2031) and other money, if any, is deposited in the LID Bond Fund, which could affect the yield on the Bonds. The estimated redemption schedule and the interest rates on the Bonds are based on an assumption that the assessments not paid at the expiration of the 30-day prepayment period will be paid in 15 approximately equal annual principal installments. Property owners may prepay those assessments at any time, with interest to the next installment due date. The estimated redemption schedule on the inside front cover is based on an assumption that there will be no additional prepayments of assessments, but the City anticipates that there will be such prepayments, recognizing that it is difficult to predict whether or when prepayments might occur. In addition, it is possible that some property owners will not pay their assessments when due. See “SECURITY FOR THE BONDS – Payment of Assessments” for information on the estimated redemption schedule and delinquent assessments.

Selection of Bonds for Redemption; Partial Redemption. For so long as a Bond is registered in the name of the Securities Depository, if less than all of the principal amount of that Bond is to be redeemed, the Securities Depository will select the proportion of that Bond to be redeemed in accordance with the operational arrangements between the City and the Securities Depository (the “Letter of Representations”). If a Bond is not registered in the name of the Securities Depository, the Bond Registrar will select the proportion of that Bond to be redeemed randomly in such manner as the Bond Registrar determines. All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in Authorized Denominations. If less than all of the outstanding principal amount of any Bond is redeemed, upon surrender of that Bond to the Bond Registrar, there will be issued to the Registered Owner, without charge therefor, a new bond (or bonds, at the option of the Registered Owner) bearing the same estimated redemption date and interest rate in the aggregate principal amount to remain outstanding.

Notice of Redemption. While the Bonds are held by the Securities Depository in book-entry only form, any notice of redemption will be given at the time, to the entity and in the manner required by the Letter of Representations, and the Bond Registrar will not be required to give any other notice of redemption. If the Bonds cease to be in book-entry only form, unless waived by any Registered Owner of the Bond to be redeemed, official notice of any redemption of will be given by the Bond Registrar on behalf of the City by mailing a copy of an official redemption notice by first-class mail, postage prepaid, not less than 15 nor more than 45 days prior to the date fixed for redemption, to the Registered Owners of the Bonds to be redeemed at the addresses appearing on the Bond Register at the time the Bond Registrar prepares the notice. The requirements of the preceding sentence will be satisfied when notice has been mailed, whether or not it is actually received by an Owner.

Conditional Notice of Redemption. In the case of any redemption, the notice may state that the City retains the right to rescind the redemption notice by giving a notice of rescission to the affected Registered Owners at any time on or prior to the date fixed for redemption. Any notice of redemption that is so rescinded will be of no effect, and the Bonds for which the notice of redemption has been rescinded will remain outstanding.

Effect of Call for Redemption. Interest on the principal portion of each Bond called for redemption will cease to accrue on the date fixed for redemption unless the notice of redemption is rescinded as described above.

Purchase. The City has reserved the right to purchase any or all of the Bonds at any time at any price acceptable to the City plus accrued interest to the date of purchase.

Failure to Pay Bonds

If the principal of any Bond is not paid when properly presented at its maturity or date fixed for redemption, the City will be obligated to pay interest on the unpaid principal amount of that Bond at the same rate provided in the Bond from and after its maturity or date fixed for redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the LID Bond Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner. See “SECURITY FOR THE BONDS – Guaranty Fund – *Guaranty Fund Warrants.*”

Refunding

The City may issue refunding bonds pursuant to the laws of the State or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (a) paying when due the principal of and interest on any or all of the Bonds (the “defeased Bonds”); (b) redeeming the defeased Bonds prior to their maturity; and (c) paying the costs of the refunding or defeasance. If the City sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the “Trust Account”), money and/or noncallable, nonprepayable “Government Obligations” (as defined in RCW 39.53.010, as now in effect or hereafter amended) maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bonds in accordance with their terms, then all right and interest of the owners of the defeased Bonds in the covenants of the Bond Ordinance and in the funds and accounts obligated to the payment of the defeased Bonds will cease and become void. Thereafter, the owners of defeased Bonds will have the right to receive payment of the principal of and interest on the defeased Bonds solely from the trust account and the defeased Bonds will be deemed no longer outstanding.

The term “Government Obligations” has the meaning given in chapter 39.53 RCW, as amended, currently: (1) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America and bank certificates of deposit secured by such obligations; (2) bonds, debentures, notes, participation certificates, or other obligations issued by the Banks for Cooperatives, the Federal Intermediate Credit Bank, the Federal Home Loan Bank system, the Export-Import Bank of the United States, Federal Land Banks, or the Federal National Mortgage Association; (3) public housing bonds and project notes fully secured by contracts with the United States; and (4) obligations of financial institutions insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, to the extent insured or to the extent guaranteed as permitted under any other provision of State law.

PURPOSE AND USE OF PROCEEDS

Purpose

The Bonds are being issued to reimburse the City for a portion of the costs of constructing public improvements within LID 33, including making a deposit to the City's Local Improvement Guaranty Fund and paying the costs of issuance of the Bonds. See "LOCAL IMPROVEMENT DISTRICT NO. 33 – LID 33 and Project Description."

Sources and Uses of Proceeds

The proceeds from the Bonds will be applied as follows:

<u>Sources of Funds</u>	
Par Amount of the Bonds	\$6,687,500
<u>Uses of Funds</u>	
Deposit to Project Fund	\$5,929,163
Deposit to Guaranty Fund	668,750
Issuance Expenses ⁽¹⁾	<u>89,587</u>
Total	\$6,687,500

- (1) Includes Underwriter's discount, bond counsel fees, rating agency fees, printing and mailing costs of the Preliminary Official Statement and Official Statement, and other expenses associated with the issuance of the Bonds.

SECURITY FOR THE BONDS

Sources of Payment

The Bonds are a special fund obligation of the City. Principal of and interest on the Bonds are payable solely from (i) the amounts deposited into the LID Bond Fund, including but not limited to those amounts collected from assessments made in LID 33, together with interest and any penalties thereon, and (ii) the Local Improvement Guaranty Fund of the City (the "Guaranty Fund"), created pursuant to chapter 35.54 RCW and chapter 3.64 of the Tukwila Municipal Code.

The Bonds do not constitute an obligation of the State of Washington or any political subdivision thereof other than the City. The Bonds are not general obligations of the City, and neither the full faith and credit nor the taxing power of the City is pledged to the payment of the Bonds. No money paid from taxation by the City, other than to the extent deposited into the Guaranty Fund, is pledged to pay principal of and interest on the Bonds. See "Guaranty Fund" below. The payment of assessment installments are secured by a lien on each of the properties within LID 33 that are subject to assessment. The remedy of the Owner of a Bond is confined to mandating City officials to perform their statutory duties in enforcing the assessments and applying proceeds thereof and, if necessary, any money on deposit in the Guaranty Fund to the payment of the principal of and interest on the Bonds. See "Delinquent Assessments, Assessment Lien and Foreclosure" below.

For a summarized description of LID 33, including the payment of assessments and the Guaranty Fund securing payment of interest and principal on the Bonds, see Appendix D – "SUMMARY OF LID 33 AND SECURITY FOR THE BONDS."

Payment of Assessments

Pursuant to Ordinance No. 2408, passed by the City Council on September 3, 2013, as amended by Ordinance No. 2412, passed by the City Council on October 21, 2013, the City confirmed in the final assessment roll of LID 33 in the amount of \$9,475,893.89 and levied such assessment amount against the benefiting property within LID 33. Of this total amount, \$2,788,349.57 has been prepaid as of the close of the prepayment period, October 16, 2013,

leaving the balance of \$6,687,544.32 payable as described below. The City is required by law to deposit assessment installments (and interest and penalties thereon) within LID 33 in the LID Bond Fund as received.

Assessments are paid in 15 approximately equal annual installments of principal, together with interest on the unpaid principal. The first annual installment is due and payable during the 30-day period following the date that is one year from the date the City first published notice that the assessment roll is in its hands for collection. The end of this period, and due date for the first installment, is October 16, 2014. Thereafter, each succeeding installment, together with the interest due on the remaining unpaid balance, will become due annually each October 16. Interest on outstanding assessments will be charged at a rate of 5.521% (0.5% above the City's cost of borrowing on the Bonds). A 12% penalty on the principal and interest due upon that installment, and all delinquent installments will continue to be charged interest at the rate of 5.521% per annum.

Property owners may elect to prepay some or all of the outstanding annual installment payments at any time; however, any payment made must be accompanied by interest on the amount prepaid that would accrue to the next annual installment due date. Any installment not paid when due will become delinquent. The method for enforcing the collection of delinquent installments is described below.

Guaranty Fund

In addition to the pledge of assessments, the Bonds are secured by a continuing claim and charge against the Guaranty Fund. The Guaranty Fund was established by, and is administered pursuant to, chapter 35.54 RCW and chapter 3.64 of the Tukwila Municipal Code. The purpose of the Guaranty Fund is to guarantee, to the extent of money in the fund, the payment of local improvement district bonds and warrants issued by the City.

In addition to securing the payment of principal and interest due on local improvement bonds, money in the Guaranty Fund may be used to purchase certificates of delinquency for general taxes on properties subject to local improvement assessments underlying the local improvement bonds secured by the Guaranty Fund, and the City may then foreclose the lien of such certificates of delinquency. The Guaranty Fund may also be used to purchase property subject to local improvement assessments at or after a county foreclosure. Upon acquiring title to such property, the City is authorized to sell or lease the property and to deposit the proceeds of such disposition in the Guaranty Fund.

Guaranty Fund Warrants. If there is insufficient money in the LID Bond Fund and the Guaranty Fund to make payments on the Bonds when due, the City must issue interest bearing warrants against the Guaranty Fund ("Guaranty Fund Warrants") to meet such payment; *provided*, the aggregate amount of Guaranty Fund Warrants may not exceed 5% of the total amount of all bonds and notes outstanding against the Guaranty Fund. State law requires that any time there are sufficient funds in the Guaranty Fund, the City is required to pay Guaranty Fund Warrants in the order of their number and date of issue. The Finance Director of the City is required to fix the rate of interest on Guaranty Fund Warrants in accordance with State law. The interest rate on any Guaranty Fund Warrant may be higher or lower than the interest rate borne by the Bond with respect to which such Guaranty Fund Warrant is issued.

Source of Funding. Upon issuance of the Bonds, the City will deposit Bond proceeds in the amount of \$668,750 in the Guaranty Fund. The City has pledged in the Bond Ordinance to take such actions as may be necessary, consistent with the City's municipal code and state law, to maintain such balance in the Guaranty Fund as the City determines is reasonable. In addition, under State law, the City must continue funding the Guaranty Fund with: (1) deposits of excess money in any local improvement fund after the bonds or warrants payable from such local improvement fund are retired; (2) interest on amounts in the Guaranty Fund; and (3) annual excess tax levies that are sufficient to pay the warrants issued against the Guaranty Fund during the preceding fiscal year (see "Taxation Procedures" below).

Transfer of Excess Money. State law allows the City Council to transfer assets from its Guaranty Fund to its General Fund only if the City Finance Director certifies that the Guaranty Fund has sufficient funds to meet all outstanding obligations secured by the Guaranty Fund and other obligations reasonably expected to be incurred in the near future. Such transfers may not reduce the balance of the Guaranty Fund to less than 10% of the net outstanding obligations guaranteed by the fund. (See “SECURITY FOR THE BONDS – Guaranty Fund – *Current Balance*” below.) If the net cash of the Guaranty Fund is reduced below this minimum amount within five years after such transfer, the City will be obligated to pay, to the extent of the amount transferred, valid claims against the Guaranty Fund as a general obligation of the City.

Taxation Procedures. As described above, the City may impose an *ad valorem* property tax on all taxable property within the City to provide funding for the Guaranty Fund. Such tax is levied by the City in a specific amount, which is transmitted to the County Assessor of King County (the “County”), who computes the tax rates for all taxing districts within the County on the basis of each property’s assessed value. The assessed value of real property for tax purposes is determined by the County Assessor at 100% of its true and fair value, based on a 6-year valuation cycle in accordance with State statutes and State Department of Revenue regulations. Property owned by railroads, airlines and public utilities is assessed by the State Department of Revenue.

No later than each November 30, the City must certify to the County legislative authority for the purpose of levying property taxes, the City’s budget or estimate of amounts to be raised by taxation on the assessed valuation of the property in the City. Based on the information submitted by the taxing districts, the County computes the levy rates, and compiles the aggregate levies of all taxing districts within the County, applies statutory and constitutional rate and amount limitations, and submits the amount of taxes to be levied to the Department of Revenue for State purposes.

The Office of the Treasury Manager, Finance and Business Operations Division, Department of Executive Services of King County (the “County Treasurer”) collects all taxes, fines, forfeitures and penalties. Real property taxes are due and payable each April 30. However, if the amount due from a taxpayer exceeds \$50, the taxpayer can pay half of the tax on April 30 and pay the balance on October 31. On or before the 10th day of each month, the County Treasurer must remit to each city treasurer that city’s *pro rata* share of all taxes collected for the previous month. Delinquent taxes are subject to additional interest and penalty charges. If taxes are not paid within three years after becoming delinquent, the County Treasurer may issue certificates of delinquency to the county for such taxes, together with any interest and costs thereon, and commence foreclosure proceedings in superior court.

Property taxes and all charges and expenses relating to the taxes constitute a statutory lien on the property taxed. The lien attaches to the property from and including January 1 in the year in which the tax is levied, and is discharged only when the taxes are paid. Such liens have priority over assessment liens, including the liens securing assessments made in LID 33. See “SECURITY FOR THE BONDS – Special Assessments” above.

Tax Limitations. By law, the tax levy in any one year for purposes of the Guaranty Fund may not exceed the greater of: (1) 12% of the outstanding obligations secured by the Guaranty Fund; or (2) the total amount of delinquent assessments and interest thereon before the levy as of September 1. Any levy made by the City to fund the Guaranty Fund is in excess of all other statutory rate and amount limitations, but is subject to Article VII, Section 2 of the Washington Constitution. The state constitution limits the aggregate of the regular tax levy rates upon real and personal property by the State and certain overlapping taxing districts to no more than one percent of the true and fair value of such property (i.e., \$10.00 per \$1,000 of true and fair value). For tax collection year 2013, the highest aggregate regular levy rate within the City for all taxes subject to this limitation totaled \$8.61315 per \$1,000 of assessed value. Levy rates are dependent on assessed valuation and can fluctuate year to year independently of taxing district levy amounts.

Current Balance. As described above, upon issuance of the Bonds, the City will deposit into the Guaranty Fund Bond proceeds in the amount of \$668,750. The City expects to invest money on deposit in the Guaranty Fund in the State Local Government Investment Pool, money market accounts, certificates of deposit and other legally authorized investments. See “THE CITY – City Investments and Investment Policy.”

Other than the Bonds, the City currently has no other local improvement district bonds outstanding. The City may at any time issue additional local improvement bonds guaranteed by the Guaranty Fund, and there is no statutory

requirement that the amount in the Guaranty Fund be increased upon the issuance of such bonds. The City currently does not anticipate creating any additional local improvement districts. See “CERTAIN INVESTMENT CONSIDERATIONS – Future City Financings” below.

Delinquent Assessments, Assessment Lien and Foreclosure

Payment of the principal of and interest on the Bonds is dependent on the timely payment and collection of assessments when due.

Under State law, special assessments on the property within an LID are secured by a lien on the property that is superior to any other lien or encumbrances except any lien for general property taxes. See “Impediments to Recovery in Foreclosure – *Homestead Exemption*,” below. State law and the City’s municipal code require the City to foreclose upon an assessment lien under two circumstances: (1) if on the first day of any year, two installments of any assessment are delinquent; or (2) if the final installment of any assessment has been delinquent for more than one year. The foreclosure proceedings must be commenced by July 1 in the year that either of such conditions occurs, and future installments not otherwise due and payable may, at the election of the City, be accelerated and the entire balance of the assessment with interest, penalty and costs would become due and payable and the collection thereof would be enforced by foreclosure.

Assessment lien foreclosure actions are tried in King County Superior Court without a jury. The City must notify the property owner at least 30 days before the foreclosure proceeding is commenced. The court may enter a default judgment or a final judgment and order of sale upon any real property involved in the action. The court’s decision may be appealed by the property owner within 30 days after the decision is rendered. Any appeal would be made to the Washington Court of Appeals. After the superior court’s judgment is rendered (and assuming such judgment is not appealed), the real property described therein must be sold by the City’s finance director or by the county sheriff. The sale will occur no earlier than 30 days after a foreclosure notice is sent to the property owner and certain other lien holders.

Once a foreclosure lawsuit has begun, a property owner with a delinquent assessment must pay the delinquent balance, including interest, penalties and City attorney fees incurred, to avoid foreclosure. If a judgment is taken against the owner, the property will be sold at public auction. The owner has the right to prevent the sale by paying the amount of the judgment at any time up to two years after the date of sale. If the property is sold, it may be redeemed by the owner or any junior lien holder at any time up to two years after the date of the sale, by paying the amount for which the property was sold, plus interest and costs of sale.

The property may be purchased by a third party, or the City may purchase property at an assessment lien foreclosure sale. The property may also be struck off to the City for lack of bidders. Any real property subject to an assessment for LID 33 that is obtained by the City at an assessment lien foreclosure sale, or struck off to the City for lack of bidders, will be held in trust for the LID Bond Fund and for the benefit of the Owners of the Bonds. If the amount collected after a foreclosure sale is less than the amount of the delinquent assessment, the property owner will not be subject to personal liability for such deficiency. If the City wishes to discharge the trust, it may pay into the LID Bond Fund an amount equal to the delinquent assessment plus interest that will have accrued to the next payment date for the Bonds.

Any money received by the City as a result of such foreclosure action is deposited in the LID Bond Fund and used to repay the Bonds.

Impediments to Recovery in Foreclosure

Homestead Exemption. Chapter 6.13 RCW permits any property owner to protect a certain portion of his or her residence from forced sale. In *City of Algona v. Sharp, et al.*, decided January 4, 1982, Division I of the Washington Court of Appeals held that the filing of a homestead exemption before a scheduled foreclosure sale of a residential property valued at \$25,000 or less effectively exempted that property from a forced sale to enforce delinquent special assessments in a special benefit assessment district such as a local improvement district or utility local improvement district. The statutory homestead exemption has since been raised to \$125,000. As of the close of the

prepayment period, four parcels within LID 33 are valued at less than \$125,000 and have aggregate assessments outstanding in the amount of \$2,719. Additional properties with assessed values below \$125,000 could be created in the future if an existing parcel were to be subdivided (or were to become subject to a condominium declaration) and the owner of such parcel requested segregation of outstanding assessment amounts. The homestead exemption is available only with respect to property that is used as the primary residence of the owner; property use within LID 33 is currently predominantly commercial. See “LOCAL IMPROVEMENT DISTRICT NO. 33 – Property Use Within LID 33.”

Tax Foreclosures Ahead of Assessment Foreclosures. A lien for general property taxes, interest and penalties (including amounts necessary to cover certain County foreclosure costs and amounts of deferred taxes due to the State relating to properties in certain tax deferral programs) is superior to the City’s assessment lien. Properties that have property tax delinquencies are subject to tax foreclosure proceedings by the County if the taxes are not paid within three years after becoming delinquent. (See “– Guaranty Fund” above.) The minimum bid at the foreclosure sale is required to satisfy only delinquent taxes, not assessments. Therefore, it is possible that a property could be sold at a tax foreclosure sale and the proceeds of the sale would be insufficient to cover the assessment lien. In 1994, the State Legislature repealed RCW 35.49.120, which expressly provided that assessment liens survived a foreclosure sale for delinquent taxes. Therefore, it is unclear under State law whether all or a part of the assessment lien would survive such a sale.

The City is authorized, but is not obligated, to protect assessment liens from a tax foreclosure sale. The City can under State law preserve its assessment liens by (1) using money on deposit in the Guaranty Fund to purchase the tax lien from the County (RCW 35.54.080); (2) purchasing the properties at the tax foreclosure sale (RCW 35.49.130); or (3) purchasing the properties from the County after they have been struck off to the County (but before the County otherwise has sold the properties) upon paying the face amount of the delinquent taxes plus costs (but less interest and penalties) (RCW 35.49.150).

If a property subject to the City’s assessment lien were to be struck off to the County at a tax foreclosure sale because of lack of bidders, and the County thereafter were to sell the property, the sale proceeds will be applied first to discharge the liens for general taxes, costs and deferred taxes, with any remaining proceeds being applied to discharge the City’s assessment lien. Under such circumstances, the City’s assessment liens will be discharged, regardless of whether the amount actually received by the City is sufficient to fully pay that property’s outstanding assessment.

Federal Bankruptcy and Other Proceedings. The City’s ability to collect assessments and foreclose its assessment lien on property within LID 33 may be substantially delayed in the event the property owner is involved in federal bankruptcy proceedings or the federal government initiates drug or gambling forfeiture liens on the property.

LOCAL IMPROVEMENT DISTRICT NO. 33

General

The State Constitution and other State laws authorize the formation of special assessment districts (generally known as local improvement districts or LIDs when formed by cities) for the purpose of paying the costs of public improvements that provide special benefits to certain properties within the city. Local improvement projects are initiated either by petition of property owners or by resolution of the City Council. Eligible projects are limited to those public improvements described in RCW 35.43.040.

After holding all properly noticed public hearings required under statute, the City Council determines whether the local improvement district should be formed.

Upon completion of construction, or earlier, if applicable, the final costs are determined and assessments calculated and levied after a hearing. When a property owner receives a notice of that property’s final assessment collection, he or she may pay all or a portion of the assessment during a period of 30 days following the notice without interest or penalties. The amount unpaid at the end of that 30 day period may be paid in annual installment payments over a

period of years. A lien against the property secures timely payment. There is no prepayment penalty if a property owner prepays all or some installments, and prepayments of assessments are common.

LID 33 and Project Description

In October 2009, the City Council by resolution declared its intention to form a local improvement district to finance the costs of improving urban access for the Southcenter area of the City, which is the City's major retail and commercial center (the "Project"). LID 33 was formed pursuant to Ordinance No. 2260 (the "LID Ordinance"), passed by the City Council on November 16, 2009.

LID 33 encompasses approximately 911 acres of land and is bounded on the west by Interstate 5, on the east by the Green River, on the north by Interstate 405 and on the south by the 19200 block of Southcenter Parkway. The Project significantly improved access and traffic flow along Southcenter Parkway, Strander Boulevard and Klickitat Drive as well as Interstate 5 on- and off-ramps adjacent to Westfield Southcenter, a major regional shopping mall. With the addition of safer, widened pedestrian sidewalks and illumination, the area is more pedestrian friendly, which is a major objective of the updated Tukwila Urban Center ("TUC") zoning, described below.

The estimated cost of the Project is approximately \$24,000,000 and the amount financed by LID 33 through assessments is \$9,475,893.89 (approximately 39% of the Project costs). The remaining Project costs have been paid by other City funds, federal and state grants and impact and mitigation fees.

Property Use Within LID 33

There are 264 parcels within LID 33. Owners of 126 of those parcels have prepaid, leaving 138 parcels with outstanding assessments. Of those, 119 parcels are developed and 19 parcels are undeveloped or are developed entirely as street-level parking lots. The developed parcels predominantly consist of commercial property with buildings. The 19 undeveloped parcels account for an estimated market value of \$56.260 million (after LID improvements) and \$1,085,286 (approximately 16%) of the outstanding assessments within LID 33.

The largest assessment of LID 33 is for Westfield Corporation Inc. ("Westfield"), with a combined assessment of \$2,881,224. Westfield owns 16 parcels (85.14 acres) within LID 33 as part of the Westfield Southcenter regional shopping mall. Of those parcels, 12 are developed and 4 are undeveloped or are developed as street-level parking lots. A \$240 million expansion of Westfield Southcenter was completed in 2008. The expansion included 289,517 square feet of anchor stores, five new restaurants, an expanded food court and a 75,200 square foot multiplex theater. The expansion extended the footprint of the existing shopping center to the south, established a second level of retail shops, and provided two new parking structures. This renovation and expansion made Westfield Southcenter the largest indoor shopping mall in the Pacific Northwest, with 1.7 million square feet of space.

Zoning and intensity of use for property within the LID 33 boundary are affected by the Project. Prior to the Project, the TUC zone allowed a wide range of commercial and light industrial uses. Multi-family residential construction was allowed only upon approval of a conditional use permit. As a result of the Project the City Council expects to amend the TUC zoning to permit multi-family residential and implement the Tukwila South Master Plan to create a multi-use regional employment center containing high technology, office, commercial, and residential uses. The increased intensity of use was taken into account in the Special Benefit Study demonstrating the effect of the Project on property values within the LID.

Approximately 85% of the parcels in LID 33 are zoned TUC, and the remainder are Heavy Industrial ("HI"), Low Density Residential ("LDR"), Mixed Use Office ("MUO") and Tukwila Valley South ("TVS"). The TVS zone is intended to provide an area of high-intensity regional uses that include commercial services, offices, light industry, warehousing and retail uses. Most of the non-TUC zoned parcels are also in the Tukwila South Overlay district, which supersedes underlying zoning and allows a range of uses that is similar to those in the revised TUC zone, except shopping centers are limited in size to 500,000 square feet.

Special Benefit Study

The City commissioned Macaulay & Associates, Ltd., certified MAI appraisers, to conduct a special benefit/proportional assessment study (the "Special Benefit Study") to provide the basis for assessments levied against property within LID 33. The purpose of the Special Benefit Study is to provide a fair and proportionate allocation of recommended assessments, based on highest and best use and market value of affected property, both without and with completion of the Project. To make estimates of probable increases in market value or special benefit resulting from the Project, market sales of land and improved properties were researched, together with rental rate information, for the various types of property found within LID 33. The Special Benefit Study found that individual properties within LID 33 specially benefit from the Project by enhanced access and traffic flow, reduced negative stigma associated with traffic congestion, and increased pedestrian safety and access. The Special Benefit Study concluded as follows regarding the total special benefit conferred by the Project:

Total Estimated Market Value without LID 33:	\$1,760,308,000
Total Estimated Market Value with LID 33:	<u>1,811,293,000</u>
Difference (Estimated Special Benefit):	\$ 50,985,000

The "Summary of Special Benefit/Proportionate Assessment Study, City of Tukwila, Tukwila Urban Center Access (Klickitat) Project," is available from the Finance Director of the City who can be reached at (206) 433-1835.

Assessments

The City levied assessments against the benefited properties located within LID 33 pursuant to the LID Ordinance. The final assessment roll for LID 33 was confirmed by Ordinance No. 2408, passed by the City Council on September 3, 2013, as amended by Ordinance No. 2412 passed by the City Council on October 21, 2013.

Local Improvement District No. 33

LID Assessment Roll	\$9,475,893.89
Less: Prepayments	<u>2,788,349.57</u>
Remaining Assessment Balance	\$6,687,544.32
Number of Parcels in LID	264
Number of Parcels Paid in Full during the Prepayment Period	<u>126</u>
Number of Parcels with Assessments Remaining	138
Estimated Market Value for Total LID 33, after Improvements	\$1,811,293,000
Estimated Market Value for Non-Prepaid Parcels	1,331,498,000
Ratio of Remaining Assessment Balance to Estimated Market Value for Non-Prepaid Parcels	0.50%
Average Estimated Market Value per Non-Prepaid Parcel	\$9,648,536
Average LID Assessment per Non-Prepaid Parcel	\$48,460

A description of the largest property owners within LID No.33 with outstanding assessments to be collected in respect of the Bonds is included under the following heading titled “Additional Description of Properties with Large Assessments” and the table below titled “Ten Largest Combined Assessments within LID 33.”

Ten Largest Combined Assessments within LID 33⁽¹⁾

	Name	No. of Parcels	Tax Parcel No. ⁽³⁾	Market Value	Market Value	Assessment Amounts Outstanding	% of Total Outstanding Assessment	% of Outstanding Assessments to Market Value
				without LID 33 Improvements ⁽²⁾	with LID 33 Improvements ⁽²⁾			
1.	Westfield Corporation, Inc.	12		\$565,498,000	\$576,372,000	\$2,112,069		
	Westfield Corporation, Inc. ⁽⁵⁾	4	(4)	34,656,000	38,616,000	769,155		
	Subtotal:	16		\$600,154,000	\$614,988,000	\$2,881,224	42.96%	0.0469%
2.	Kir Tukwila 050 LLC/KIMCO	3		\$80,578,000	\$82,439,000	\$361,464		
	Kir Tukwila 050 LLC/KIMCO ⁽⁵⁾	1	(4)	3,779,000	4,409,000	122,366		
	Subtotal:	4		\$84,357,000	\$86,848,000	\$483,830	7.21%	0.557%
3.	Wig Properties LLC-SS	1	788892-0020	\$43,770,000	\$44,932,000	\$225,697	3.36%	0.502%
4.	CLPF – Tukwila LP	1	262304-9067;	\$35,168,000	\$36,200,000	\$200,447		
	CLPF – Tukwila LP ⁽⁵⁾	1	262304-9136	159,000	187,000	5,438		
	Subtotal:	2		\$35,327,000	\$36,387,000	\$205,885	3.07%	0.566%
5.	Southcenter Corp. Square	2	262304-9144; 262304-9143	\$28,460,000	\$29,384,000	\$179,470	2.68%	0.611%
6.	Target Corporation	1	262304-9005	\$12,703,000	\$13,584,000	\$171,117	2.55%	1.260%
7.	CHA Southcenter LLC	2	643730-0020; 643730-0010	\$25,025,000	\$25,862,000	\$162,572	2.42%	0.628%
8.	Lowe’s HIW Inc.	1	022300-0030	\$17,029,000	\$17,823,000	\$154,220	2.30%	0.865%
9.	Parkway Square	3	(4)	\$17,661,000	\$18,281,000	\$120,423	1.80%	0.659%
10.	OB Fife Property II LLC	1	022310-0075	\$8,181,000	\$8,712,000	\$103,137	1.54%	1.184%
Totals		33		\$872,667,000	\$896,801,000	\$4,687,575	70.09%	0.523%
Total LID 33 (Parcels with Outstanding Assessments)		138				\$6,687,544		

(1) As of October 15, 2013, no parcels included in this table had delinquent property tax payments.

(2) Estimated market values as stated in the Special Benefit Study, which is available from the City Finance Director by calling (206) 433-1835.

(3) Current and historic assessed valuations for properties and tax payment records can be found on the King County Department of Assessments’ website (<http://info.kingcounty.gov/Assessor/eRealProperty/default.aspx>, which is not incorporated into this official statement by reference) by using the tax parcel numbers provided in this table.

(4) Tax Parcel Nos. for Westfield: 920247-0010; 920247-0020; 920247-0030; 920247-0040; 920247-0060; 920247-0070; 920247-0080; 920247-0090; 920247-100; 920247-0110; 920247-0120; 920247-0130; 920247-0140; 920247-0150; 920247-0160; and 359700-0245. Tax Parcel Nos. for Kir Tukwila: 883510-0110; 262304-9079; 262304-9110; 262304-9005. Tax Parcel Nos. for Parkway Square: 262304-9128; 262304-9137; 262304-9129.

(5) Parcels undeveloped or developed entirely as street-level parking lots.

Source: *The City and the Special Benefit Study.*

Additional Description of Properties with Large Assessments

The following provides a description of properties with currently outstanding assessments in excess of \$200,000.

Westfield. The largest assessment of LID 33 is for Westfield, with a combined outstanding assessment for 16 parcels of \$2,881,224. The properties within LID 33 owned by Westfield collectively consist of the Westfield Southcenter regional shopping mall and, as of October 30, 2013, include an AMC Theatre and 240 retail stores and restaurants such as Macy's, Nordstrom, Sears, JCPenney, LOFT, bebe, Cache, Coach, Guess, MAC, B-J's Restaurant and Brewhouse, Blue C Sushi, Joey's Southcenter, Duke's Chowder House, RACHA Thai & Asian Kitchen, The Cheesecake Factory, Rainforest Café, Bahama Breeze, and Olive Garden.

Kir Tukwila. Kir Tukwila 050 LLC/KIMCO has the second largest assessment of LID 33, with a combined outstanding assessment for 4 parcels of \$483,830. The properties within LID 33 owned by Kir Tukwila collectively consist of the Parkway Super Center, which, as of October 30, 2013, includes retail stores and restaurants such as Big Lots!, Best Buy, Sports Authority, Old Navy, Ross, Macy's Furniture Gallery, Stanford's Bar & Grill and Applebee's.

Wig Properties. Wig Properties LLC-SS has the third largest assessment of LID 33, with an outstanding assessment for a single parcel of \$225,697. The property within LID 33 owned by Wig Properties consists of Southcenter Square, which, as of October 30, 2013, includes retail stores and restaurants such as Kohl's, Nordstrom Rack, DSW Shoes, Chipotle and Panera.

CLPF—Tukwila LP (“CLPF”). CLPF has the fourth largest assessment of LID 33, with a combined outstanding assessment for 2 parcels of \$205,885. The properties within LID 33 owned by CLPF collectively consist of the Park Place Shopping Center, which, as of October 30, 2013, includes retail stores such as Toys “R” Us/Babies “R” Us, Jo-Ann Fabrics, PetSmart and K&G Fashion Superstore.

For a summarized description of LID 33, including the payment of assessments and the Guaranty Fund securing payment of interest and principal on the Bonds, see Appendix D – “SUMMARY OF LID 33 AND SECURITY FOR THE BONDS.”

CERTAIN INVESTMENT CONSIDERATIONS

Special Obligations of the City

A Bond Owners' only claim against the City for the payment of the Bonds is from the LID Bond Fund and the Guaranty Fund. The Bond Fund is funded from special assessments collected within LID 33 and other amounts required to be deposited therein from foreclosures of LID 33 liens on delinquent assessments. The Guaranty Fund is funded as described above. See “SECURITY FOR THE BONDS – Guaranty Fund – *Source of Funding.*” The City is not liable to Bond Owners for losses to the Guaranty Fund occurring in its lawful administration by the City, and the City has pledged to maintain it only as described above. See “SECURITY FOR THE BONDS – Guaranty Fund – *Transfer of Excess Money*” and “- *Taxation Procedures.*” The remedy of the Owner of a Bond is limited to compelling City officials to perform their statutory duties in enforcing the assessments and applying proceeds thereof and, if necessary, any money on deposit in the Guaranty Fund to the payment of the principal of and interest on the Bonds. A statement substantially setting forth these limitations will be printed on each Bond.

Effect of Delinquent Assessments

Payment of principal of and interest on the Bonds is dependent on the ability of property owners within LID 33 to pay their assessments. As assessments are paid, they will be applied first to interest on all the outstanding Bonds, then to make principal redemptions in the order listed on the Estimated Redemption Schedule on the inside cover. Delinquent assessments may cause a delay in redemptions and could cause shortages in meeting the interest requirements. Prior to the maturity date, the Guaranty Fund will be drawn on only to meet the interest requirements. In the event of LID Bond Fund shortages caused by nonpayment of assessments, the payment of interest is

dependent upon the City's ability to draw upon the funds in the Guaranty Fund. See "SECURITY FOR THE BONDS – Guaranty Fund" and "– Delinquent Assessments, Assessment Lien and Foreclosure" above.

There is no guarantee that assessment payment delinquencies will not be experienced in the future. State statute and City ordinance provide that foreclosure of property must begin on or before July 1 of any year in which at January 1 (i) two annual installments payments of assessments are delinquent or (ii) the final assessment payment has been delinquent for a year. Proceeds from the foreclosure of property in LID 33 may be subject to considerable delay and may not be sufficient to cover delinquent assessments and interest. See "SECURITY FOR THE BONDS – Impediments to Foreclosure" above, and "Limitations of the Guaranty Fund" below.

Redemption Dates

The principal of and interest on the Bonds are payable from special assessments levied in LID 33. Property owners may prepay their assessments in whole or in part at any time after the assessment is levied by paying the assessment plus interest accruing through the next interest payment date. The amount of Bond principal to be redeemed on any estimated redemption date depends upon the amount of assessment payments (which may reflect both prepayments and delinquencies). To the extent that funds from assessment payments are available above and beyond the interest currently due on the Bonds on any interest payment date, the City will redeem Bonds. Otherwise, there can be no assurance that Bonds will be redeemed prior to the maturity date in any amounts or on any particular date.

Because the amount of annual principal payments on the Bonds is not definite, the Bonds may not be suitable investments for investors seeking fixed payments of principal.

Limitations of the Guaranty Fund

Limit on Replenishing with Taxes. If the Guaranty Fund is used to fund a Bond interest payment, it is possible that the City will be unable to fully replenish the Guaranty Fund before the following Bond payment date solely with tax receipts. See "– *Inability to Redeem Principal Prior to Maturity*" below for certain information regarding principal payments. Also see "SECURITY FOR THE BONDS - Guaranty Fund" above. This discrepancy between when Bond payments are due, when tax levies can be made and when taxes are payable can lead to circumstances in which there could be insufficient money in the Guaranty Fund to fund the total amount due on the Bonds on a given Bond payment date, including the maturity thereof.

Limitations on Guaranty Fund Warrants. If the amount in the Guaranty Fund is insufficient to fund a shortage in the LID Bond Fund on any interest payment date or at the maturity of the Bonds, the City will be required to issue interest-bearing Guaranty Fund Warrants. The maximum amount of Guaranty Fund Warrants that can be outstanding at any time, however, is limited to an amount equal to 5% the outstanding obligations guaranteed by the Guaranty Fund. Under certain circumstances, this limitation could preclude the City from issuing Guaranty Fund Warrants to cover all Owners of defaulted Bonds. See "SECURITY FOR THE BONDS – Guaranty Fund" above. In that event, defaulted Bonds continue to bear interest at the rate stated on the Bond, until paid. See "DESCRIPTION OF THE BONDS – Failure to Pay Bonds" above.

Inability to Redeem Principal Prior to Maturity. With respect to principal payments on the Bonds, a principal payment default cannot occur prior to January 15, 2031, which is the date the Bonds mature. The City cannot use its Guaranty Fund to fund the early redemption of Bonds on estimated redemption dates. The statutes governing the use of the Guaranty Fund currently provide that the Guaranty Fund must be used to purchase defaulted bonds and warrants against the City's local improvement funds, including the LID Bond Fund. If the City encounters delays in collecting assessments for LID 33, Bond owners should not expect that the Guaranty Fund will be available to pay principal of the Bonds before their maturity. See "– Redemption Dates" above.

Tender of Defaulted Bonds Required. Payments on defaulted obligations, including any Bonds, will be paid in the order such obligations are presented to the City for payment.

No Preference Among Owners of Secured Obligations. As between the Owners of the Bonds and any other obligations secured by the Guaranty Fund, no preference will exist. The City may create additional local

improvement districts and issue bonds that are equally and ratably secured by the Guaranty Fund. There can be no assurance that the amount on deposit in the Guaranty Fund will be sufficient to cover payments due on any outstanding Bonds or future bonds which may be issued. See “Future LID Financings” below.

Secondary Market Liquidity

There can be no assurance that a secondary market in the Bonds can or will be maintained by the Underwriter or others after their issuance, and purchasers of the Bonds should be prepared to hold their Bonds to maturity or an earlier redemption date. The secondary market for assessment bonds, such as the Bonds, is not as liquid as it is for many other types of municipal obligations.

Limitations on Remedies

Any remedies available to the owners of the Bonds upon the occurrence of an event of default under the Bond Ordinance are in many respects dependent upon judicial actions, which are in turn often subject to discretion and delay and could be both expensive and time consuming to obtain. If the City fails to comply with its covenants under the Bond Ordinance or to pay principal of or interest on the Bonds, there can be no assurance that available remedies will be adequate to fully protect the interests of the owners of the Bonds.

In addition to the limitations on remedies contained in the Bond Ordinance, the rights and obligations under the Bonds and the Bond Ordinance may be limited by and are subject to bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, and other laws relating to or affecting creditors’ rights, to the application of equitable principles, and to the exercise of judicial discretion in appropriate cases.

A municipality such as the City must be specifically authorized under state law in order to seek relief under Chapter 9 of the U.S. Bankruptcy Code (the “Bankruptcy Code”). Chapter 39.64 RCW, entitled the “Taxing District Relief Act,” permits any “taxing district” (defined to include cities) to voluntarily petition for relief under the Bankruptcy Code. A creditor, however, cannot bring an involuntarily bankruptcy proceeding against a municipality, including the City. The federal bankruptcy courts have broad discretionary powers under the Bankruptcy Code. The legal opinion of Bond Counsel regarding the validity of the Bonds will be qualified by reference to bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium and other similar laws affecting the rights of creditors generally, and by general principles of equity.

Future LID Financings

The City, King County and other municipal corporations are authorized to create additional local improvement districts with boundaries that overlap those of LID 33 and impose additional assessments for the additional public improvements made therein. The City also reserves the right to issue at any time additional local improvement district bonds anywhere within or outside City boundaries secured by the Guaranty Fund, though at this time, it has no plans of issuing additional local improvement district bonds secured by the Guaranty Fund. Also see “SECURITY FOR THE BONDS - Guaranty Fund – *Current Balance*” above.

THE CITY

The City, incorporated in 1908, encompasses approximately nine square miles and has a 2013 estimated population of 19,160. The City is a non-charter code city, organized under title 35A RCW. The City provides a full range of local government services. These services include police and fire protection, emergency medical services, construction and maintenance of streets and traditional municipal infrastructure, planning and zoning, park and recreational activities and cultural events. The City provides sewer, water and surface water services and has a municipal court for traffic infractions, misdemeanors, and gross misdemeanors. Other jurisdictions provide jail services to the City. The City residents receive library services from the King County Library System. In addition, the City operates an equipment maintenance/rental fund and operates its own municipal 18-hole golf course.

Government Organization

The City's legislative body is the City Council (the "Council"). The Mayor and the seven-member Council are elected by the voters of the City. Councilmembers are elected at large, are responsible for establishing the general guidelines and policies for the City, and each serves a four-year term. The Mayor appoints the City Administrator as the City's chief administrative officer responsible for carrying out the policies and direction set by the Mayor and Council.

The Council is responsible for, among other things, passing ordinances and resolutions, adopting the budget, and adopting general policies and goals for the City. The Council holds regular meetings two times a month and special meetings as needed. All meetings are open to the public as provided by law and agenda items are prepared in advance. The current Mayor and Council members and their term expiration dates are listed below:

<u>Member</u>	<u>Position</u>	<u>Term Expires</u>
Jim Haggerton	Mayor	December 31, 2015
Kathy Hougardy	Council President	December 31, 2015
Joe Duffie	Councilmember	December 31, 2013
Dennis Robertson	Councilmember	December 31, 2015
Allan Ekberg	Councilmember	December 31, 2013
Verna Seal	Councilmember	December 31, 2013
De'Sean Quinn	Councilmember	December 31, 2013
Kate Kruller	Councilmember	December 31, 2015

Source: City of Tukwila

Key City Staff. Administration of the City is performed under the direction of the City Administrator. The City Administrator is appointed by the Mayor. City officials are appointed by the City Administrator. Following are brief biographies of key City officials:

City Administrator—David Cline. Mr. Cline was hired as the City Administrator in October 2011. Prior to joining the City, Mr. Cline was the City Administrator for the City of Lake Forest Park for five years, and also served as Interim/Assistant City Manager at the City of Burien for five years, and six years as the Finance Manager for King County District Court. Mr. Cline has twenty years of public service, including economic development, long-range financial planning, capital planning and financing, community consensus building and managing municipal departments. He is a Board Member of Washington City/County Manger's Association and serves on the Washington State LEOFF 2 Retirement Board. Mr. Cline holds a Bachelors of Arts in Public Policy from Stanford University with Honors and Distinction and is one of only 26 International City/County Management Association Credentialed Managers in the State.

Finance Director—Peggy McCarthy, CPA. Ms. McCarthy was hired as the City's Deputy Finance Director in November 2008 and has been serving as the Finance Director since 2011. Prior to joining the City, Ms. McCarthy was the Financial Reporting Manager for the King County Housing Authority. Ms. McCarthy's experience includes over 14 years in municipal finance, as well as industry experience with a Fortune 500 company, and public accounting experience at Deloitte. She serves as a Board Member of the Puget Sound Finance Officers' Association. Ms. McCarthy holds a Bachelor's Degree in Business Administration from Washington State University and graduated Summa Cum Laude with Honors.

Labor Relations

As of September 1, 2013, the City had budgeted 328 full-time equivalent employees. The majority of employees who are eligible under State laws to be represented by a labor organization are employed under provision of negotiated contracts with labor organizations. The City enters into written bargaining agreements with each of the bargaining organizations; agreements contain provisions on such matters as salaries, vacation, sick leave, medical and dental insurance, pension benefits, working conditions, and grievance procedures. Expiration dates of negotiated agreements with bargaining groups are as follows:

Status of Collective Bargaining Agreements

<u>Bargaining Unit</u>	<u>No. of Employees</u>	<u>Agreement Expires</u>
Teamsters	146	December 31, 2013
IAFF (Firefighters)	62	December 31, 2013
Police Guild	64	December 31, 2013
United Steelworkers	13	December 31, 2013
Police Commanders	4	December 31, 2013

Source: City of Tukwila

The City strives to be fair with all employees, consistent with all applicable State laws, to ensure equity, and promote labor relation policies mutually beneficial to management and employees. City officials consider all current labor relations to be satisfactory.

Pension Funding

The City provides most of its employee pensions through the following statewide cost-sharing multiple-employer plans administered by the State’s Department of Retirement Systems (“DRS”): the State Public Employees Retirement System (“PERS”), the Law Enforcement Officers and Fire Fighters Retirement System (“LEOFF”), or the Public Safety Employees Retirement System (“PSERS”). Contributions by both employees and employers are based on gross wages. PERS and LEOFF participants who joined the system by September 30, 1977 are Plan 1 members. Those PERS participants who joined on or after October 1, 1977 are Plan 2 members, unless they exercise an option to transfer to Plan 3. PERS participants joining on or after September 1, 2002 have the irrevocable option of choosing membership in PERS Plan 2 or PERS Plan 3. LEOFF participants who joined on or after October 1, 1977 are Plan 2 members. PSERS has only one benefit plan, Plan 2.

State law requires systematic actuarial funding to finance the retirement plans. Actuarial calculations to determine employer and employee contributions are prepared by the Office of the State Actuary (“OSA”), a nonpartisan legislative agency charged with advising the Legislature and Governor on pension benefits and funding policy. To calculate employer and employee contribution rates necessary to pre-fund the plans’ benefits, OSA uses actuarial cost and asset valuation methods selected by the Legislature as well as economic and demographic assumptions. The Legislature adopted the following economic assumptions for contribution rates beginning July 1, 2013: (1) 7.9% rate of investment return; (7.5% for LEOFF Plan 2); (2) general salary increases of 3.75%; (3) 3.0% rate of Consumer Price Index increase; and (4) 0.95% growth in membership (1.25% for LEOFF). The long-term investment return assumption is used as the discount rate for determining the liabilities for a plan. The 10-year average annual return on the investment of the retirement funds was 9.24%.

Plan Funding; Contribution Rates and Amounts. All State-administered retirement plans are funded by a combination of funding sources: (1) contributions from the State; (2) contributions from employers (including the State as employer and the City and other governmental employers); (3) contributions from employees; and (4) investment returns. Retirement funds are invested by the Washington State Investment Board, a 15-member board created by the Legislature in 1981.

The City’s total contribution for the year ended December 31, 2012, was \$1,749,334, representing 6.09% of covered payroll. The City contributed \$1,046,972 to PERS, \$691,175 to LEOFF and \$11,187 to PSERS in 2012 for all of the City’s employees that are covered under PERS, LEOFF and PSERS. See Appendix A – “Audited Financial Statements for the General Fund for the Year Ended December 31, 2012 – Note 9-Pension Plans” for a description of the State pension system and the plans.

Under State statute, contribution rates are adopted by the Pension Funding Council (“PFC”) (and, for LEOFF 2, by the LEOFF 2 Board) in even-numbered years for the next ensuing State biennium. The rate-setting process begins with an actuarial valuation by the OSA, who makes non-binding recommendations to the Select Committee on Pension Policy who then recommends contribution rates to the PFC and the LEOFF 2 Board. No later than the end of July in even-numbered years, the PFC and LEOFF 2 Board adopt contribution rates, which are subject to revision by the Legislature. The following table outlines the current contribution rates of employees and employers.

**Contribution Rates for the 2013-15 Biennium
Expressed as a Percentage of Covered Payroll**

	Employer ⁽¹⁾	Employee
PERS Plan 1	9.21%	6.00%
PERS Plan 2	9.21	4.92
PERS Plan 3	9.21	Variable ⁽²⁾
LEOFF Plan 1	0.18	0.00
LEOFF Plan 2	5.23	8.41 ⁽³⁾
PSERS Plan 2	10.36	6.36

(1) Includes a 0.18% DRS administration expense fee.

(2) Rates vary from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

(3) The State also contributes 3.36% to this plan.

Source: Department of Retirement Systems.

Plan Funding Status and Unfunded Actuarial Liability. While the City’s prior contributions represent its full current liability under the retirement systems, any unfunded pension benefit obligations could be reflected in future years as higher contribution rates. It is expected that the contribution rates for employees and employers in the PERS Plans 2 and 3 will increase in the coming years. The OSA website (which is not incorporated into this Official Statement by reference) includes information regarding the values, funding levels and investments of these retirement plans. According to OSA, as of June 30, 2012, PERS Plans 2 and 3, LEOFF Plans 1 and 2 and PSERS Plan 2 had no unfunded actuarial accrued liability; however, during the years 2001 through 2010 the rates adopted by the Legislature were lower than those that would have been required to produce actuarially required contributions to PERS Plan 1, a closed plan with a large proportion of the retirees. The State Actuary’s June 30, 2012 actuarial valuation showed that the funded status of PERS Plan 1 had an unfunded accrued liability of \$3.8 billion (a 69% funded ratio on an actuarial value basis), compared to a 71% funded ratio as of June 30, 2011; PERS Plans 2 and 3 had a surplus of \$2.3 billion (a 111% funded ratio); LOEFF Plan 1 had a surplus of \$1.4 billion (a 135% funded ratio); LOEFF Plan 2 had a surplus of \$1.15 billion (a 119% funded ratio); and PSERS Plan 2 had a surplus of \$14.2 million (a 111% funded ratio). OSA uses the Projected Unit Credit (“PUC”) cost method and the Actuarial Value of Assets (“AVA”) to report a plan’s funded status. PUC is one of several acceptable measures of a plan’s funded status under current GASB rules. The PUC cost method projects future benefits under the plan, using salary growth and other assumptions and applies the service that has been earned as of the valuation date to determine accrued liabilities. The Actuarial Value of Assets (“AVA”) is calculated using a methodology which smoothes the effect of short-term volatility in the Market Value of Assets (“MVA”) by deferring a portion of annual investment gains or losses over a period of up to eight years.

PERS Plans 2 and 3 are accounted for in the same pension trust fund and may legally be used to pay the defined benefits of any PERS Plan 2 and 3 member. Otherwise, assets for one plan may not be used to fund benefits for another plan: however, all employers in PERS are required to make contributions at a rate (percentage of payroll) determined by the OSA every two years for the sole purpose of amortizing the PERS Plan 1 unfunded actuarial accrued liability within a rolling 10-year period. The Legislature has established certain maximum contribution rates that began in 2009 and will continue until 2015 and certain minimum contribution rates that are to become effective in 2015 and remain in effect until the actuarial value of assets in PERS Plan 1 equals 100% of the actuarial accrued liability of PERS Plan 1. These rates are subject to change by future legislation enacted by the State Legislature to address future changes in actuarial and economic assumptions and investment performance. In 2011, the Legislature ended the future automatic annual increase, which is a fixed dollar amount multiplied by the member’s total years of service, for most retirees in the PERS Plan 1 plan, which is forecast to reduce the unfunded accrued actuarial liability in PERS Plan 1. A lawsuit has been filed challenging this legislation.

Firefighters’ Pension Plan. The City is the administrator of the Firefighters’ Pension Plan which is a closed, single-employer, defined benefit pension plan that was established in conformance with chapter 41.18 RCW. This plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Membership is limited to fire fighters employed prior to May 1, 1970 when the LEOFF retirement system was established. The City currently has 11 members receiving benefits through this Plan. Under State law, the Firefighters’ Pension Plan is provided an allocation of all monies received by the State from taxes on fire insurance premiums, interest earnings, member contributions made prior to the inception of LEOFF and City

contributions required to meet projected future pension obligations. An actuarial valuation was completed by Milliman USA, Incorporated as of January 1, 2011, and it was determined that current assets of the fund (\$1,430), along with future revenues from state fire insurance taxes and interest earnings, will be sufficient to pay all future Firefighters' Pension Plan pension benefits. In 2012, \$52,249 was received from the State from taxes on fire insurance premiums.

Other Post-Employment Benefits

In addition to pensions, many State and local governmental employers provide other post-employment benefits (“OPEB”) as a part of total compensation to attract and retain the services of qualified employees. OPEB includes post-employment health care as well as other forms of post-employment benefits when provided separately from a pension plan. The Governmental Accounting Standards Board (“GASB”) standard concerning Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions (GASB 45) provides for the measurement, recognition and display of OPEB expenses/expenditures, related liabilities (assets), note disclosures, and, if applicable, required supplementary information in the financial reports.

The City provides certain medical and disability benefits to retired firefighters and police officers who were hired prior to 1978 as required by RCW 41.26.150. Entry into this system is now closed. As of January 1, 2011, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$14.8 million and a funded ratio of 0%. The funded ratio is 0%, because the City funds benefits on a pay-as-you-go basis.

The City’s annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (“ARC”), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities over a period of thirty years. The following table shows the components of the City’s annual OPEB cost for 2012, the amount actually contributed to the plan and changes in the City’s net OPEB costs:

	Fiscal Year Ending 12/31/2012
Determination of Annual Required Contribution:	
Normal Cost at year end	\$ 91,385
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	1,124,502
Interest for year	<u>48,635</u>
Annual Required Contribution	<u>\$ 1,264,522</u>
Determination of Net OPEB Obligation:	
Annual Required Contribution	\$ 1,264,522
Interest on prior year Net OPEB Obligation	145,727
Adjustment to ARC	<u>(287,945)</u>
Annual OPEB Cost	1,122,304
Contributions made	<u>(332,141)</u>
Increase in Net OPEB Obligation	790,163
Net OPEB Obligation-beginning of year	<u>3,643,163</u>
Net OPEB Obligation-end of year	<u>\$ 4,433,326</u>

The City’s annual OPEB cost, the percentage of OPEB cost contributed to the plan, and the net OPEB obligation for the past three years were as follows:

Fiscal Year End	Annual OPEB Cost	% of OPEB Cost	Contribution as a Net Obligation
12/31/2012	\$1,122,304	30%	\$4,433,326
12/31/2011	1,163,311	29	3,643,163
12/31/2010	1,313,893	24	2,814,942

Accounting and Financial Reporting

The accounting and reporting policies of the City conform to those methods prescribed by the State Auditor under chapter 43.09 RCW. The Finance Director of the City maintains general supervision over financial transactions for all City funds. The accounts of the City are organized by fund and account group, each of which is considered a separate accounting entity. Each fund has a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The City’s resources are allocated to, and accounted for in, individual funds according to the purposes for which they are spent and the means by which spending activities are controlled. See Appendix A – “Audited Financial Statements for the General Fund for the Year Ended December 31, 2012.”

Basis of Accounting. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Governmental funds use the modified accrual basis of accounting and proprietary and fiduciary funds use the accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. For the City, available means expected to be received within 60 days of year-end. On the accrual basis, the revenue is recognized in the period in which the income is earned.

Auditing of City Finances. Accounting systems and budgetary controls are prescribed by the Office of the State Auditor in accordance with RCW 43.09.200 and RCW 43.09.230. The City complies with the systems and controls prescribed by the Office of the State Auditor and establishes procedures and records which reasonably assure safeguarding of assets and the reliability of financial reporting (see “Authorized Investments” below).

The State Auditor is required to examine the affairs of cities regularly and on a schedule determined by risk factors and financial activity. The City has been subject to financial statement and accountability audits. Financial statement audits are performed for the purpose of forming an opinion on the financial statements taken as a whole. Also considered are the City’s internal controls over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. Accountability audits include, among other things, review of the financial condition and resources of the City, whether the laws and constitution of the State are being complied with, the methods and accuracy of the accounts and reports as well as other matters (potential areas of risk related to citizen concerns, payroll, inter-fund transactions, etc.). Reports of the auditor’s examinations are filed in the office of the State Auditor and in the Finance Department of the City.

The audited financial statements of the City for the year ended December 31, 2012, attached as Appendix A, are incorporated by reference to this Official Statement. The most recent accountability audit covers the period January 1, 2012 through December 31, 2012. The State Auditor performs Accountability audits of the City every year and the City has been free of audit findings for the last 15 years.

Budgetary Process. The City prepares biennial budgets in accordance with chapter 35A.33 RCW. Biennial appropriated budgets for all funds are adopted. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Appropriations for these funds lapse at the end of the biennium. Appropriated budgets are adopted on the same basis of accounting used for financial reporting. The Council is required to hold public hearings prior to budget adoption, property tax levies and municipal revenues.

Prior to November 1 on even numbered years, the Mayor submits a proposed budget to the City Council. The budget is based on priorities established by Council and estimates provided by the City departments during the preceding months, and balanced with revenue estimates made by the Mayor. The Council conducts public hearings on the proposed budget in November and December. The Council makes its adjustments to the proposed budget and adopts by ordinance a final balanced budget no later than December 31. The final operating budget as adopted is

published and distributed within the first month of the following year. The City Council must approve by ordinance any amendments that increase the total for the fund.

City Investments and Investment Policy

In November 2010, the Council reviewed and updated the City's formal investment policy regarding the investment risks to which the City is exposed. The policy conforms to applicable State and local laws governing the investment of public funds. The primary objectives of the City's policy, in order of priority (high to low), are (1) legality, to ensure the compliance with all statutes governing the investment of public funds in the state of Washington, (2) safety, to ensure the preservation of capital in the overall investment portfolio, (3) liquidity, to enable to City to meet all operating requirements, and (4) yield, to attain a market rate of return throughout budgetary and economic cycles, while taking into account the City's investment risk constraints and cash flow requirements.

As of July 1, 2013, the City had total cash and investments in the amount of approximately \$42.2 million. The City invests approximately \$38.6 million in the Washington State Treasurer's Local Government Investment Pool (the "LGIP"), certificates of deposit and money market accounts. The City's other investments, in the amount of approximately \$3.5 million, are invested in municipal bonds.

Authorized Investments. Chapter 35.39 RCW limits the investment by a city or town of its inactive funds or other funds in excess of current needs to the following authorized investments: United States bonds; United States certificates of indebtedness; bonds or warrants of the State and any local government in the State; its own bonds or warrants of a local improvement district which are within the protection of the local improvement guaranty fund law; and any other investment authorized by law for any other taxing district or the State Treasurer. Under chapter 43.84 RCW, the State Treasurer may invest in non-negotiable certificates of deposit in designated qualified public depositories; in obligations of the U.S. government, its agencies, and wholly owned corporations; in bankers' acceptances; in commercial paper; in the obligations of the federal home loan bank, federal national mortgage association, and other government corporations subject to statutory provisions; and may enter into repurchase agreements. Utility revenue bonds and warrants of any city and bonds or warrants of a local improvement district are also eligible investments (RCW 35.39.030).

Money available for investment may be invested on an individual fund basis or may, unless otherwise restricted by law, be commingled within one common investment portfolio. All income derived from such investment may be either apportioned to and used by the various participating funds or for the benefit of the general government in accordance with city ordinances or resolutions. Funds derived from the sale of bonds or other instruments of indebtedness will be reinvested or used in such manner as the authorizing ordinances, resolutions, or bond covenants may lawfully prescribe.

Local Government Investment Pool (LGIP). The State Treasurer's Office administers the Washington State Local Government Investment Pool (the "LGIP"), a \$9.3 billion dollar fund that invests money on behalf of more than 450 participants. In its management of LGIP, the State Treasurer is required to adhere, at all times, to the principles appropriate for the prudent investment of public funds. These are, in priority order, (i) the safety of principal; (ii) the assurance of sufficient liquidity to meet cash flow demands; and (iii) to attain the highest possible yield within the constraints of the first two goals. Historically, the LGIP has had sufficient liquidity to meet all cash flow demands.

The LGIP, authorized by chapter 43.250 RCW, is a voluntary pool which provides its participants the opportunity to benefit from the economies of scale inherent in pooling. It is also intended to offer participants increased safety of principal and the ability to achieve a higher investment yield than would otherwise be available to them. The pool is restricted to investments with maturities of one year or less, and the average life typically is less than 90 days. Investments permitted under the pool's guidelines include U.S. government and agency securities, bankers' acceptances, high quality commercial paper, repurchase and reverse repurchase agreements, motor vehicle fund warrants, and certificates of deposit issued by qualified Washington State depositories. The City may withdraw funds in their entirety on less than 24-hours' notice.

Authorized Investments for Bond Proceeds. In addition to the eligible investments discussed above, bond proceeds may also be invested in mutual funds with portfolios consisting of U.S. government and guaranteed agency securities with average maturities of less than four years; municipal securities rated in one of the four highest

categories; and money market funds consisting of the same, so long as municipal securities held in the fund(s) are in one of the two highest rating categories of a nationally recognized rating agency. Bond proceeds may also be invested in shares of money market funds with portfolios of securities otherwise authorized by law for investment by local governments (RCW 39.59.030).

Risk Management

The City is a member of the Washington Cities Insurance Authority (“WCIA”). Utilizing chapter 48.62 RCW (self-insurance regulation) and chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. WCIA currently has a total of 153 Members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials’ errors or omissions, stop gap, and employee benefits liability. Limits are \$4 million per occurrence self-insured layer, and \$16 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are \$20 million per occurrence subject to aggregate sublimits in the excess layers. The board of directors of WCIA determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members’ deductible to \$750,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of insurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal agreement, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA’s assets in financial instruments which comply with all State guidelines. These revenues directly offset portions of the membership’s annual assessment.

A board of directors governs WCIA, which is comprised of one designated representative from each member. The board elects an executive committee and appoints a treasurer to provide general policy direction for the organization. The WCIA executive director reports to the executive committee and is responsible for conducting the day to day operations of WCIA.

The City insures its buildings, equipment, and vehicle property with WCIA. Travelers insures boiler and machinery and Anderson & Black insures employee dishonesty coverage.

The City has a risk management and a safety committee to oversee risk management. In addition, WCIA provides support for a proactive risk analysis program and a loss control manual. During the past four years, no settlement has exceeded insurance coverage.

The City is self-insured for unemployment claims, which are administered by third parties. Resources of approximately \$30,000 are set aside for unemployment claims. The City is insured against workers compensation claims through the Department of Labor and Industries. During 2011 and 2012, the City paid a total of \$36,605 and \$14,945, respectively, in unemployment claims.

The City also self-insures for medical, dental and other health care benefits. A third-party administrator, Healthcare Management Administrators, Inc. provides claims administration. The City has a stop-loss policy with Sun Life Insurance Company, which provides individual limits of \$125,000 and a plan limit of \$7,480,385 in 2012. During 2011 and 2012, the City paid health care claim expenses in the amounts of \$4,082,996 and \$5,085,335, respectively.

GENERAL AND ECONOMIC INFORMATION

The City is located in King County, Washington, in the Green River valley, approximately 12 miles south of downtown Seattle and 17 miles north of Tacoma, at the intersection of Interstate 5 and 405. The City is adjacent to the western city limits of Renton and the eastern city limits of SeaTac and is one mile east of the Seattle-Tacoma International Airport. The City encompasses nine square miles and has an estimated 2013 population of 19,160.

The City was primarily a residential community until completion of an interstate highway interchange in the late 1960s, when it began to develop as a major south King County industrial and commercial center. This growth began with the construction of Westfield Southcenter, a shopping mall, Andover Industrial Park, Gateway Industrial Parks and Parkway Plaza, all within City limits. The daytime shopper/visitor and working population can reach over 150,000 during the holiday shopping season.

A \$240 million expansion of Westfield Southcenter was completed in 2008. The expansion included 289,517 square feet of anchor stores, five new restaurants, an expanded food court and a 75,200 square foot multiplex theater. The expansion extended the footprint of the existing shopping center to the south, established a second level of retail shops, and provided two new parking structures. This renovation and expansion made Westfield Southcenter the largest indoor shopping mall in the Pacific Northwest, with 1.7 million square feet of space.

The County is located on Puget Sound in Washington State and covers more than 2,200 square miles. The County is the largest metropolitan county in the State in terms of cities and employment and includes more than one quarter of the State's population.

Population

Historical population of the City and the County are shown below.

Historical Population Information

<u>Year</u>	<u>The City</u>	<u>King County⁽¹⁾</u>
2013 ⁽²⁾	19,160	1,981,900
2012	19,080	1,957,000
2011	19,050	1,942,600
2010 ⁽³⁾	19,107	1,931,249
2009	18,170	1,909,205
2008	18,080	1,891,125

(1) Includes the incorporated and unincorporated portions of the County.

(2) Preliminary April 1, 2013 population estimates; subject to revision.

(3) U.S. Census numbers.

Source: Washington State Office of Financial Management; US Census Bureau (2010).

Retail Sales

Historical retail sales within the City and the County are shown below.

Retail Sales Information

<u>Year</u>	<u>The City</u>	<u>King County</u>
2013 ⁽¹⁾	\$ 391,875,610	\$10,265,549,558
2012 ⁽¹⁾	375,462,411	9,545,267,856
2012	1,685,474,338	43,038,779,843
2011	1,711,713,937	40,403,608,699
2010	1,634,523,916	38,789,855,551
2009	1,637,751,905	39,149,685,710
2008	1,999,860,023	45,158,574,084

(1) Through 1st quarter.

Source: Washington State Department of Revenue.

Major Employers

The follow tables provide State-wide employment data for certain major employers in the Puget Sound area and employment data for major employers within the City.

Puget Sound Area Major Employers⁽¹⁾

<u>Employer</u>	<u>Product/Service</u>	<u>Employees</u>
The Boeing Company	Aerospace	85,000
Joint Base Lewis-McChord	Military installation	56,000
Navy Region Northwest	Consolidated naval base operations support	43,000
Microsoft Corp.	Software, services and internet technologies	41,664
University of Washington	Public research university	29,800
Providence Health & Services	Health care, senior services, and supportive housing	20,240
Wal-Mart Stores Inc.	Retail	18,000
Fred Meyer Stores	Retail	14,590
King County Government	Local county government	12,993
United States Postal Service	Mail delivery services	11,914

(1) Does not include part-time or seasonal employment figures

Source: Puget Sound Business Journal, Book of Lists, 2013.

City of Tukwila Major Employers

Employer	Product/Service	Employees	Percentage of Total City Employees
Boeing Company	Aerospace	7,572	18.86%
Group Health Cooperative	Health care	2,386	5.94
King County Metro	Local county government/transportation	778	1.94
Costco Wholesale	Retail	703	1.75
Carlisle Interconnect Technologies	Wire/cable connectors	567	1.41
Boeing Employees Credit Union	Banking	543	1.35
Macy's	Retail	445	1.11
Red Dot Corporation	Heater/air conditioning equipment	348	0.87
J.C. Penney	Retail	337	0.84
United Parcel Service	Mail delivery services	335	0.83
Sub-total – Major Employers		14,014	34.90%
All Other Employment		26,142	65.10
Total Employment		40,156	100.00%

Source: City of Tukwila.

Residential Building Permit Activity

Residential construction activity within the City and the County for the years 2008 through 2012 are set forth in the tables below.

City of Tukwila Building Permits (New Privately-Owned Residential)

Year	Single Family		Multi-Family	
	Units	Construction Cost	Units	Construction Cost
2012	14	\$4,835,717	0	\$0
2011	8	1,931,795	0	0
2010	7	2,377,310	0	0
2009	6	1,511,968	0	0
2008	16	4,643,936	0	0

Source: U.S. Bureau of the Census, September 2013.

**King County Building Permits
(New Privately-Owned Residential)**

Year	Single Family		Multi-Family	
	Units	Construction Cost	Units	Construction Cost
2012	3,864	\$1,133,343,731	7,750	\$1,118,023,021
2011	2,765	785,840,283	3,378	431,699,572
2010	2,578	705,719,017	3,442	325,377,955
2009	2,003	538,910,481	1,183	137,161,103
2008	3,029	866,565,304	7,427	1,009,669,531

Source: U.S. Bureau of the Census, September 2013.

Income

Historical personal income and per capita income levels for the County and the State are shown below.

**King County and State of Washington
Personal and Per Capita Income**

Year	King County		State of Washington	
	Total Personal Income (\$000s)	Per Capita Income	Total Personal Income (\$000s)	Per Capita Income
2012 ⁽¹⁾	-	-	\$313,212,035	\$45,413
2011 ⁽¹⁾	\$113,922,436	\$57,837	299,685,263	43,878
2010	106,401,739	54,927	283,367,864	42,024
2009	103,120,593	53,933	276,727,871	41,504
2008	109,927,858	58,628	289,433,693	44,106
2007	106,693,888	57,735	272,624,864	42,192

(1) Most recent data available.

Source: Bureau of Economic Analysis, U.S. Department of Commerce.

**King County and Washington State
Median Household Income**

Year	King County	Washington State
2012 ⁽¹⁾	\$68,313	\$56,444
2011 ⁽²⁾	66,294	55,500
2010	65,383	54,888
2009	65,877	55,458
2008	67,027	57,858
2007	65,489	56,141

(1) Projected.

(2) Preliminary estimates.

Source: Washington State Office of Financial Management.

Employment and Workforce Data

Civilian Labor Force data is based on household survey of residents. All other estimates are based on surveys of employers and benchmarked based on covered employment as reported by all employers.

King County Labor Force, Unemployment and Nonagricultural Wage and Salary Workers

	2008	2009	2010	2011	2012
Civilian Labor Force	1,091,720	1,117,710	1,111,000	1,114,310	1,118,930
Employment	1,043,300	1,021,770	1,009,510	1,023,300	1,042,540
Unemployment	48,420	95,940	101,490	91,010	76,390
% of labor force	4.4%	8.6%	9.1%	8.2%	6.8%
Total Nonagricultural Wage and Salary Workers	1,219,167	1,153,542	1,134,767	1,153,692	1,181,958
Goods Producing	186,475	160,442	148,158	148,942	154,358
Mining, Logging & Construction	74,466	57,650	50,142	48,783	51,042
Manufacturing	112,000	102,792	98,017	100,192	103,300
Services Producing	1,032,692	993,100	986,608	1,004,750	1,027,600
Trade, Transportation, Warehousing & Utilities	224,667	209,175	206,350	211,158	216,967
Information and Financial Activities	158,892	152,975	148,641	148,900	149,500
Government	166,408	167,200	166,958	164,925	165,433

Source: Washington State Employment Security Department.

TAX MATTERS

Exclusion From Gross Income. In the opinion of Bond Counsel, under existing federal law and assuming compliance with applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issue date of the Bonds, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals.

Continuing Requirements. The City is required to comply with certain requirements of the Code after the date of issuance of the Bonds in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, including, without limitation, requirements concerning the qualified use of proceeds of the Bonds and the facilities financed or refinanced with proceeds of the Bonds, limitations on investing gross proceeds of the Bonds in higher yielding investments in certain circumstances, and the requirement to comply with the arbitrage rebate requirement to the extent applicable to the Bonds. The City has covenanted in the Bond Ordinance to comply with those requirements, but if the City fails to comply with those requirements, interest on the Bonds could become taxable retroactive to the date of issuance of the Bonds. Bond Counsel has not undertaken and does not undertake to monitor the City's compliance with such requirements.

Corporate Alternative Minimum Tax. While interest on the Bonds also is not an item of tax preference for purposes of the alternative minimum tax applicable to corporations, under Section 55 of the Code, tax exempt interest, including interest on the Bonds, received by corporations is taken into account in the computation of adjusted current earnings for purposes of the alternative minimum tax applicable to corporations (as defined for federal income tax purposes). Under the Code, alternative minimum taxable income of a corporation will be increased by 75% of the excess of the corporation's adjusted current earnings (including any tax exempt interest) over the corporation's alternative minimum taxable income determined without regard to such increase. A corporation's alternative minimum taxable income, so computed, that is in excess of an exemption of \$40,000, which exemption will be reduced (but not below zero) by 25% of the amount by which the corporation's alternative minimum taxable income exceeds \$150,000, is then subject to a 20% minimum tax.

A small business corporation is exempt from the corporate alternative minimum tax for any taxable year beginning after December 31, 1997, if its average annual gross receipts during the three-taxable-year period beginning after December 31, 1993, did not exceed \$5,000,000, and its average annual gross receipts during each successive three-taxable-year period thereafter ending before the relevant taxable year did not exceed \$7,500,000.

Tax on Certain Passive Investment Income of S Corporations. Under Section 1375 of the Code, certain excess net passive investment income, including interest on the Bonds, received by an S corporation (a corporation treated as a partnership for most federal tax purposes) that has Subchapter C earnings and profits at the close of the taxable year may be subject to federal income taxation at the highest rate applicable to corporations if more than 25% of the gross receipts of such S corporation is passive investment income.

Foreign Branch Profits Tax. Interest on the Bonds may be subject to the foreign branch profits tax imposed by Section 884 of the Code when the Bonds are owned by, and effectively connected with a trade or business of, a United States branch of a foreign corporation.

Possible Consequences of Tax Compliance Audit. The Internal Revenue Service (the “IRS”) has established a general audit program to determine whether issuers of tax-exempt obligations, such as the Bonds, are in compliance with requirements of the Code that must be satisfied in order for interest on those obligations to be, and continue to be, excluded from gross income for federal income tax purposes. Bond Counsel cannot predict whether the IRS would commence an audit of the Bonds. Depending on all the facts and circumstances and the type of audit involved, it is possible that commencement of an audit of the Bonds could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of its ultimate outcome.

Certain Other Federal Tax Consequences of Ownership of the Bonds.

Bonds “Qualified Tax Exempt Obligations” for Financial Institutions. Section 265 of the Code provides that 100% of any interest expense incurred by banks and other financial institutions for interest allocable to tax exempt obligations acquired after August 7, 1986, will be disallowed as a tax deduction. However, if the tax exempt obligations are obligations other than private activity bonds, are issued by a governmental unit that, together with all entities subordinate to it, does not reasonably anticipate issuing more than \$10,000,000 of tax exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) in the current calendar year, and are designated by the governmental unit as “qualified tax exempt obligations,” only 20% of any interest expense deduction allocable to those obligations will be disallowed.

The City is a governmental unit that, together with all subordinate entities, reasonably anticipates issuing less than \$10,000,000 of tax exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) during the current calendar year, and has designated the Bonds as “qualified tax exempt obligations” for purposes of the 80% financial institution interest expense deduction. Therefore, only 20% of the interest expense deduction of a financial institution allocable to the Bonds will be disallowed for federal income tax purposes.

Reduction of Loss Reserve Deductions for Property and Casualty Insurance Companies. Under Section 832 of the Code, interest on the Bonds received by property and casualty insurance companies will reduce tax deductions for loss reserves otherwise available to such companies by an amount equal to 15% of tax exempt interest received during the taxable year.

Effect on Certain Social Security and Retirement Benefits. Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take receipts or accruals of interest on the Bonds into account in determining gross income.

Other Possible Federal Tax Consequences. Receipt of interest on the Bonds may have other federal tax consequences as to which prospective purchasers of the Bonds may wish to consult their own tax advisors.

Potential Future Federal Tax Law Changes. Current and future legislative proposals, if enacted into law, may directly or indirectly cause interest on the Bonds to be subject in whole or in part to federal income taxation, prevent

the beneficial owners of the Bonds from realizing the full benefits of the current federal tax status of interest on the Bonds, or affect, perhaps significantly, the market value or marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors regarding the potential impact of any pending or proposed legislation or regulations.

CONTINUING DISCLOSURE UNDERTAKING

Undertaking to Provide Annual Financial Information and Notice of Listed Events

To meet the requirements of paragraph (b)(5) of United States Securities and Exchange Commission (“SEC”) Rule 15c2-12 (“Rule 15c2-12”), as applicable to a participating underwriter for the Bonds, the City will undertake (the “Undertaking”) for the benefit of holders of the Bonds to provide or cause to be provided, either directly or through a designated agent, to the Municipal Securities Rulemaking Board (“MSRB”), in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB: (a) annual financial information and operating data of the type include in this Official Statement as general described below (“annual financial information”); and (b) timely notice (not in excess of ten business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) Bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the City, as such “Bankruptcy Events” are defined in Rule 15c2-12; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

The City also will provide to the MSRB timely notice of a failure by the City to provide required annual financial information on or before the date specified below.

Type of Annual Financial Information Undertaken to be Provided. The annual financial information that the City undertakes to provide will consist of (1) annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles applicable to Washington state local governmental units, as such principles may be changed from time to time, which will not be audited, except that if and when audited financial statements are otherwise prepared and available to the City they will be provided; (2) a statement of the outstanding balance of obligations secured by the Local Improvement Guaranty Fund; (3) the balance of cash and investments in the Local Improvement Guaranty Fund at fiscal year-end; and (4) a statement of the amount of assessments that the City billed and collected in that fiscal year; and will be provided to the MSRB not later than the last day of the ninth month after the end of each fiscal year of the City (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law, commencing with the City’s fiscal year ending December 31, 2013.

The annual financial information may be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

Amendment of Undertaking. The Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, rating agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12.

The City will give notice to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial

information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

Termination of Undertaking. The City's obligations under the Undertaking shall terminate upon the legal defeasance of all of the Bonds. In addition, the City's obligations under the Undertaking shall terminate if those provisions of Rule 15c2-12 which require the City to comply with the Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of nationally recognized bond counsel or other counsel familiar with federal securities laws delivered to the City, and the City provides timely notice of such termination to the MSRB.

Remedy for Failure to Comply with Undertaking. If the City or any other obligated person fails to comply with the Undertaking, the City will proceed with due diligence to cause such noncompliance to be corrected as soon as practicable after the City learns of that failure. No failure by the City or other obligated person to comply with the Undertaking will constitute a default in respect of the Bonds. The sole remedy of any holder of a Bond will be to take such actions as that holder deems necessary, including seeking an order of specific performance from an appropriate court, to compel the City or other obligated person to comply with the Undertaking.

Prior Compliance with Continuing Disclosure Undertakings. The City has entered into undertakings to provide annual information and the notice of the occurrence of certain events with respect to all bonds issued by the City and is in compliance with all such undertakings.

UNDERWRITING AND LEGAL

Underwriting

The Bonds are being purchased by Piper Jaffray & Co. (the "Underwriter"). The purchase contract provides that the Underwriter will purchase all of the Bonds, if any are purchased, at a price of 99.30 percent of the par value of the Bonds. The Bonds will be reoffered at a price of 100.00 percent of the par value of the Bonds. After the initial public offering, the public offering prices may be varied from time to time.

The Underwriter has entered into an agreement (the "Agreement") with Pershing LLC ("Pershing"), a subsidiary of The Bank of New York Mellon Corporation, for the distribution of certain municipal securities offerings allocated to the Underwriter at the original offering prices. Under the Agreement, if applicable to the Bonds, the Underwriter will share with Pershing a portion of the fee or commission, exclusive of management fees, paid to the Underwriter.

The Underwriter of the Bonds has entered into a distribution agreement ("Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Bonds from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS&Co. sells.

Rating

Standard and Poor's Ratings Services ("S&P") assigned the Bonds the rating of "BBB." Certain information was supplied by the City to S&P to be considered in evaluating the Bonds. The rating expresses only the views of S&P and is not a recommendation to buy, sell, or hold the Bonds. An explanation of the significance of the rating may be obtained from S&P. There is no assurance that the rating will continue for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely by S&P, if in its judgment, circumstances are so warranted.

Absence of Material Litigation

There is no litigation pending or threatened questioning the validity of the Bonds nor the power and authority of the City to issue the Bonds. There is no litigation pending or threatened which would materially affect the City’s ability to meet debt service requirements on the Bonds. Because of the nature of its activities, the City is subject to certain pending legal actions which arise in the ordinary course of business. Based on the information presently known, the City believes that the ultimate liability for any of such legal actions will not be material to the financial position of the City.

Approval of Counsel

Legal matters incident to the authorization, issuance, and sale of the Bonds by the City are subject to the approving legal opinion of Foster Pepper PLLC, Seattle, Washington, Bond Counsel. The form of the opinion of Bond Counsel with respect to the Bonds is attached as Appendix B. The opinion of Bond Counsel is given based on factual representations made to Bond Counsel, and under existing law, as of the date of initial delivery of the Bonds, and Bond Counsel assumes no obligation to revise or supplement its opinion to reflect any facts or circumstances that may thereafter come to its attention, or any changes in law that may thereafter occur. The opinion of Bond Counsel is an expression of its professional judgment on the matters expressly addressed in its opinion and does not constitute a guarantee of result. Bond Counsel will be compensated only upon the issuance and sale of the Bonds.

Conflicts of Interest

All or a portion of the fees of the Bond Counsel are contingent upon the issuance and sale of the Bonds. Furthermore, Bond Counsel from time to time serves as counsel to the Underwriter with respect to issuers other than the City and transactions other than the issuance of the Bonds.

CONCLUDING STATEMENT

At the time of delivery of the Bonds, one or more officials of the City will furnish a certificate stating that to the best of his, her or their knowledge this Official Statement, as of its date and as of the date of delivery of the Bonds, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading.

Statements in this Official Statement, including matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the City and the owners of the Bonds. The execution and distribution of this Official Statement has been authorized by the City. The information contained herein should not be construed as representing all conditions affecting the City or the Bonds. Additional information may be obtained from the City. The statements relating to the Bond Ordinance are in summarized form, and in all respects are subject to and qualified in their entirety by express reference to the provisions of the Bond Ordinance.

The City has duly authorized the execution and delivery of this Official Statement.

CITY OF TUKWILA, WASHINGTON

By: _____
Finance Director

APPENDIX A

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
DECEMBER 31, 2012

This page left blank intentionally.

Washington State Auditor's Office
Financial Statements and Federal Single Audit Report

City of Tukwila
King County

Audit Period
January 1, 2012 through December 31, 2012

Report No. 1010220



Washington State Auditor
Troy Kelley

August 12, 2013

Council
City of Tukwila
Tukwila, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on the City of Tukwila's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the City's financial condition.

Sincerely,

A handwritten signature in cursive script that reads "Troy X. Kelley".

TROY KELLEY
STATE AUDITOR

Issue Date
August 12, 2013



Table of Contents

**City of Tukwila
King County
January 1, 2012 through December 31, 2012**

Federal Summary	1
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3
Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.....	5
Independent Auditor's Report on Financial Statements.....	8
Financial Section.....	11

Federal Summary

**City of Tukwila
King County
January 1, 2012 through December 31, 2012**

The results of our audit of the City of Tukwila are summarized below in accordance with U.S. Office of Management and Budget Circular A-133.

FINANCIAL STATEMENTS

An unmodified opinion was issued on the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information.

Internal Control Over Financial Reporting:

- **Significant Deficiencies:** We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- **Material Weaknesses:** We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the City.

FEDERAL AWARDS

Internal Control Over Major Programs:

- **Significant Deficiencies:** We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- **Material Weaknesses:** We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the City's compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed under section 510(a) of OMB Circular A-133.

Identification of Major Programs:

The following was a major program during the period under audit:

<u>CFDA No.</u>	<u>Program Title</u>
20.205	ARRA - Highway Planning and Construction Cluster - Highway Planning and Construction (Recovery Act)

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by OMB Circular A-133, was \$300,000.

The City qualified as a low-risk auditee under OMB Circular A-133.

Independent Auditor's Report on Internal
Control over Financial Reporting and on
Compliance and Other Matters Based on an
Audit of Financial Statements Performed in
Accordance with *Government Auditing
Standards*

**City of Tukwila
King County
January 1, 2012 through December 31, 2012**

Council
City of Tukwila
Tukwila, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Tukwila, King County, Washington, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 28, 2013. During the year ended December 31, 2012, the City implemented Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a

combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



TROY KELLEY
STATE AUDITOR

June 28, 2013

Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

City of Tukwila
King County
January 1, 2012 through December 31, 2012

Council
City of Tukwila
Tukwila, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited the compliance of the City of Tukwila, King County, Washington, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012. The City's major federal programs are identified in the accompanying Federal Summary.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

PURPOSE OF THIS REPORT

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



TROY KELLEY
STATE AUDITOR

June 28, 2013

Independent Auditor's Report on Financial Statements

City of Tukwila
King County
January 1, 2012 through December 31, 2012

Council
City of Tukwila
Tukwila, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Tukwila, King County, Washington, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed on page 11.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Tukwila, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis

As discussed in Note 1 to the financial statements, in 2012, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 26, budgetary comparison information on pages 91 through 93, firemen's pension trust fund information on pages 94 through 95 and retiree medical and long-term care benefits for LEOFF 1 employees information on page 96 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. This schedule is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally

accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



TROY KELLEY
STATE AUDITOR

June 28, 2013

Financial Section

City of Tukwila
King County
January 1, 2012 through December 31, 2012

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis – 2012

BASIC FINANCIAL STATEMENTS

Statement of Net Position – 2012
Statement of Activities – 2012
Balance Sheet – Governmental Funds – 2012
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position – 2012
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – 2012
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities – 2012
Statement of Net Position – Proprietary Funds – 2012
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds – 2012
Statement of Cash Flows – Proprietary Funds – 2012
Combining Statement of Fiduciary Net Position – Fiduciary Fund – 2012
Statement of Changes in Fiduciary Net Position – Fiduciary Fund – 2012
Notes to the Financial Statements – 2012

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund – 2012
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Arterial Street Fund – 2012
Notes to Required Supplementary Information – 2012
Firemen's Pension Trust Fund – 2012
Retiree and Long-Term Care Benefits for LEOFF 1 Employees – 2012

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Expenditures of Federal Awards – 2012
Notes to the Schedule of Expenditures of Federal Awards – 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2012

The discussion and analysis of the City of Tukwila's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2012. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, and the basic financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- Total net position, the amount by which total assets exceed total liabilities, equals \$290.5 million. A total of 87 percent or \$253.3 million of total net assets is invested in capital assets such as streets, land, buildings, equipment, and other improvements. The remaining net assets of \$37.3 million is available for debt service, capital projects, and to meet the government's ongoing activities and obligations.
- The City's net position increased by \$1.7 million in 2012. Governmental activities provided a \$140,293 increase and business-type activities accounted for the difference.
- As of the close of the current fiscal year, the City of Tukwila's governmental funds reported combined ending fund balances of \$18.1 million, a decrease of \$6.7 million in comparison with the prior year due primarily to the City's self-financing of the Turkwila Urban Center Access project (Klickitat). The City will be reimbursed over \$8 million for these costs upon the sale of Local Improvement District (LID) bonds.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$8.4 million, or 19 percent of total general fund expenditures.
- The City of Tukwila's total debt decreased by \$2.9 million during the current fiscal year from debt service payments.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Tukwila as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial conditions.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

Overview of the Financial Statements

The City's basic financial statements are presented in three parts:

- 1) Government-wide financial statements
- 2) Fund financial statements
- 3) Notes to the financial statements

Other supplementary information, in addition to the basic financial statements, is also contained in this report. This section of the Management's Discussion and Analysis is intended to introduce and explain the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns which add to a total for the City. The focus of the *Statement of Net Position* is designed to be similar to bottom-line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Over time, increases or decreases in net assets may be one indicator of improvement or deterioration in the City's overall financial health.

The *Statement of Activities* is focused on both the gross and net cost of various functions, including both governmental and business-type activities, which are supported by the City's general tax and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities. The revenue generated by the specific functions (charges for services, grants, and contributions) is compared to the expenses for those functions to show how much each function either supports itself or relies on taxes and other general funding sources for support. All activity on this statement is reported on the accrual basis of accounting, requiring that revenues are reported when they are earned and expenses are reported when they are incurred, regardless of when cash is received or disbursed.

Governmental activities of the City include general government (executive, finance, legal, human resources, court), public safety, physical environment, economic environment, transportation, mental and physical health, and culture and recreation. The City's business-type activities include a water and sanitary sewer utility, surface water utility, and a municipal golf course. Governmental activities are primarily supported by taxes, charges for services, and grants while business-type activities are self-supporting through user fees and charges.

Fund Financial Statements

The fund financial statements are the traditional reporting format for governments. A fund is a fiscal and accounting entity with a self-balancing set of accounts used to account for specific activities or meet certain objectives. While the government-wide statements present the City's finances based on the type of activity (general government vs. business type), the Fund Financial Statements are presented by fund type, such as the general fund, special revenue funds and proprietary funds, with the focus on major funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. The governmental major fund presentation is used, utilizing the "sources and uses of resources" basis. This is the manner in which the budget is typically developed. The basis of accounting is different between the governmental fund statements and the government-wide financial statements. The governmental fund statements

focus on the near-term revenues/financial resources and expenditures while the government-wide financial statements include both near-term and long-term revenues/financial resources and expenditures. The information in the governmental fund statements can be used to evaluate the City's near-term financing requirements and immediate fiscal health. Comparing the governmental fund statements with the government-wide statements can help the reader better understand the long-term impact of the City's current year financing decisions.

Because the basis of accounting is different between the governmental fund statements and the government-wide financial statements, reconciliations are provided. The reconciliation between the governmental fund Balance Sheets and the government-wide Statement of Net Position is found on the bottom of the governmental funds' Balance Sheet, while the reconciliation between the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and the government-wide Statement of Activities is found directly following the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balance.

The City maintains nineteen individual governmental funds. Of these, three are considered major (the general fund, the arterial street fund, and the land acquisition recreation & park development fund) and are presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances. The remaining governmental funds are combined into a single column labeled "Other Governmental Funds". Individual fund data for each of the other governmental funds can be found in the combining statements later in this report.

The City maintains budgetary control over its operating funds through the adoption of a biennial budget. Budgets are adopted at the fund level according to state law. Budgetary comparison statements are presented for the general, arterial street, and special revenue funds in the "Required Supplemental Information" section of the report.

Proprietary Funds

Proprietary funds are used by governments to account for their business-type activities and use the same basis of accounting as utilized in private industry. Business-type activities provide specific goods or services to a group of customers that are paid for by fees charged to those customers. There is a direct relationship between the fees paid and the services rendered.

The City has two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to account for goods and services provided to citizens, while internal service funds are used to account for goods and services provided internally to various City departments.

Enterprise funds report the same functions presented as business-type activities in the government-wide statements, but in greater detail. The City's enterprise fund statements provide information on the City's three utilities (water, sanitary sewer, surface water) as well as the City-owned golf course.

Internal service funds are an essential accounting tool used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles, and its insurance premiums. Internal service funds benefit both governmental and business-type activities, and are allocated accordingly in the government-wide statement of activities.

Fiduciary Funds

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. Fiduciary funds are not included in the government-wide financial statements because their assets are not available to support the City's activities.

The City has two fiduciary funds: a firemen's pension trust fund and an agency fund, which are accounted for on the accrual basis. As agency funds are custodial in nature, they do not include revenues and expenses.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found at the end of the Basic Financial Statements section.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including a budget vs. actuals report for the City's general fund, a schedule of major/non-major special revenue funds, and a schedule of funding progress for the Firemen's Pension Trust Fund and other post-employment benefits. Additional pension benefit information is found in Note 9.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented in the section titled "Fund Financial Statements and Schedules".

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City of Tukwila, total assets exceeded liabilities by \$291 million at December 31, 2012.

The largest portion of the City's net position, \$253.3 million, or 87 percent, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The governmental activities net invested in capital assets excludes debt issued for the construction of the golf course clubhouse.

The City of Tukwila uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Tukwila's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities:

CITY OF TUKWILA NET POSITION
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11
Current and other assets	\$46,928	\$51,018	\$12,476	\$11,248	\$59,403	\$62,266
Capital assets, net of accumulated depreciation	218,767	213,700	63,118	63,403	281,885	277,103
Total assets	265,695	264,718	75,594	74,651	341,289	339,369
Long-term liabilities	29,126	31,008	10,515	10,276	39,642	41,284
Other liabilities	10,417	7,700	725	1,584	11,142	9,284
Total liabilities	39,544	38,707	11,240	11,860	50,784	50,567
Net position						
Net investment in capital assets	203,207	199,512	52,912	52,135	253,253	248,637
Restricted	2,750	5,020	430	430	3,180	5,450
Unrestricted	20,194	21,479	11,011	10,226	34,071	34,714
Total net position	\$226,151	\$226,011	\$64,354	\$62,791	\$290,504	\$288,801

The governmental unrestricted net assets comprise \$20.2 million. The general fund unrestricted net assets are available for functions such as public safety employee salaries and supplies, park and road maintenance, and other general government services. The unrestricted net assets of business-type activities, \$11 million, may only be spent on activities related to one of the three City utilities (water, sewer, and surface water) or to the golf course activities. Examples of utility activities include maintenance of water/sewer mains, pump and lift stations, storm drain flushing, and water meter reading.

The \$4.1 million decrease in current and other assets for governmental activities is comprised of a \$1.6 million net decrease in cash and investments from the use of bond funding on the Southcenter Parkway and emergency preparedness capital purchases. The increase of \$1.2 million in current and other assets for business-type activities is comprised of an increase of \$1.2 million in cash and nominal increase in investments. This increase results from a rate structure design in the utility funds that build reserves for major infrastructure replacement and improvement.

Governmental capital assets increased by \$5.1 million due to capital outlays of \$12.1 million and developer contributions of \$23,813, offset by depreciation. The addition is due to the activities in the major projects below:

- Duwamish Hill Preserve-Land, \$1.1 million
- Arterial Street Overlay, \$1.3 million
- Klickitat/Southcenter Parkway/I-5 Access Revision, \$2.3 million
- Southcenter Parkway Extension, \$4.7 million

The \$1.9 million decrease in long-term liabilities for governmental activities is due to the \$790,000 increase in other post-employment benefits (OPEB) offset by principal payments on existing debt. The increase in other liabilities comprise year-end payables that were settled in 2013.

Business-type activity capital assets decreased by \$284,577 due to capital outlays of \$1.66 million and developer contributions of \$28,253, offset by depreciation. Capital outlays primarily include small drainage projects and construction activity on the Southcenter Parkway extension project.

Changes in Net Position

The change in net position represents the increase or decrease in City net assets resulting from its various activities.

Following is a condensed version of the City's changes in net position. The table shows the revenues, expenses and related changes in net assets for both governmental-type and business-type activities:

CITY OF TUKWILA CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
	(in thousands)					
Revenues:						
Program revenues						
Charges for services	\$5,832	\$4,708	\$17,034	\$16,371	\$22,866	\$21,079
Operating grants and contributions	4,412	4,360	-	-	4,412	4,360
Capital grants and contributions	1,582	18,495	136	1,994	1,717	20,489
General revenues						
Property taxes	14,132	13,443	-	-	14,132	13,443
Sales and use taxes	15,442	15,796	-	-	15,442	15,796
Hotel/Motel taxes	522	556	-	-	522	556
Natural gas use tax	232	318	-	-	232	318
Utility taxes	4,001	4,052	-	-	4,001	4,052
Interfund utility taxes	1,535	1,372	-	-	1,535	1,372
Business taxes	2,498	2,309	-	-	2,498	2,309
Excise taxes	2,861	2,170	-	-	2,861	2,170
State entitlements	1,896	2,086	-	-	1,896	2,086
Investment earnings	117	275	-	61	117	337
Miscellaneous	102	-	-	201	102	201
Total revenues	55,162	69,940	17,170	18,627	72,332	88,567
Expenses:						
General government	8,343	9,151	-	-	8,343	9,151
Public safety	26,598	25,348	-	-	26,598	25,348
Physical environment	3,626	2,885	-	-	3,626	2,885
Transportation	7,315	6,873	-	-	7,315	6,873
Economic environment	4,801	4,713	-	-	4,801	4,713
Mental and physical health	-	5	-	-	0	5
Culture and recreation	4,243	4,204	-	-	4,243	4,204
Interest on long-term debt	1,152	472	-	-	1,152	472
Water/sewer	-	-	10,150	10,093	10,150	10,093
Foster golf course	-	-	1,701	1,987	1,701	1,987
Surface water	-	-	2,700	2,588	2,700	2,588
Total expenses	56,078	53,650	14,550	14,668	70,629	68,318
Increase (decrease) in net assets before transfers	-917	16,290	2,620	3,959	1,703	20,249
Transfers	1,057	-2,484	-1,057	2,484	-	-
Change in net position	140	13,806	1,563	6,443	1,703	20,249
Net position-beginning of period	226,011	212,205	62,791	56,348	288,801	268,553
Net position-end of period	\$226,151	\$226,011	\$64,354	\$62,791	\$290,504	\$288,801

* Restated for current year classifications

Governmental activities ended the year with \$140 thousand increase in the City's net position. Revenues to fund capital assets are recorded as program or general revenues in the statement of activities. However, asset purchases are not recorded as expenses in the year purchased and construction costs are not recorded as expenses in the year incurred. Instead, the costs are recorded as long-term assets and are depreciated over their useful life.

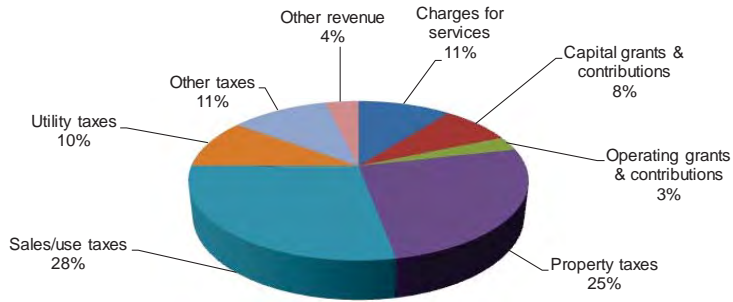
Revenues from governmental activities decreased \$14.8 million from 2011 activity. The components and explanation of this decrease follows.

- Capital grants and contributions decreased \$16.9 million due to the completion of two major arterial street projects.
- Charges for services increased \$1.1 million primarily due to the recognition of developer fees and increase in adult probation service charge receipts.
- Increase in excise tax receipts of \$690 thousand were due to recognition of outstanding gambling taxes and revenues from real estate excise tax.

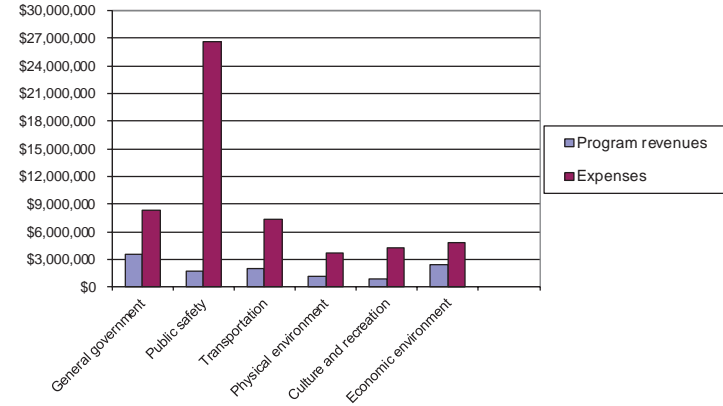
Total governmental expenses increased by \$2.4 million due to additional salaries and removal of hesco fences. Physical environment expenses increased by \$740 thousand or 26% primarily due to the removal of flood response protective measures. Public safety expenses increased by \$1.3 million, or 5%, as a result of wage and benefits increases per new labor agreement, addition of three officers and the improvements to the new Neighborhood Resource Center. Interest expense on long-term debt increased by \$679 thousand.

The next chart summarizes the governmental activity revenue by source, while the second one reflects the specific programs' revenues and related expenses for the various activities of the City. Gaps between specific programs' revenues and their related expenses are funded through general tax revenues.

Revenues by Source – Governmental Activities



Program Revenues and Expenses - Governmental Activities

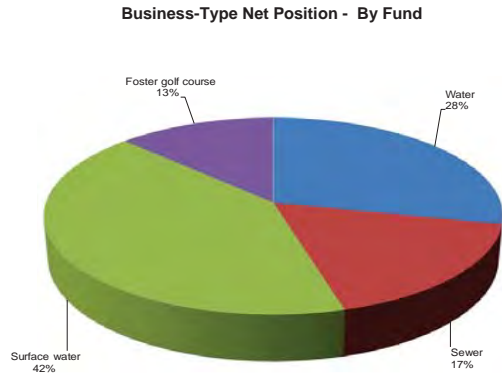


Business-type net position increased by \$1.6 million during 2012. Key components of this increase include:

- \$663,183 or 4% increase in charges for services primarily due to utility rate increase effective January 2012.
- Income before capital contributions and transfers amounted to:

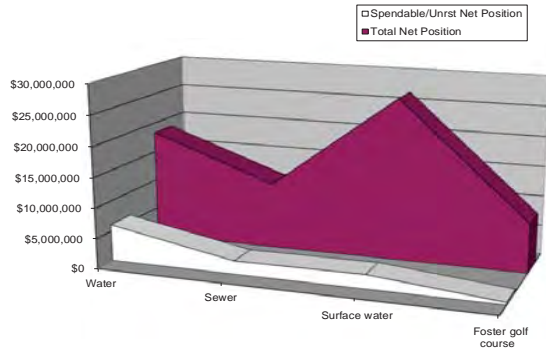
o Water fund:	\$ 625,687
o Sewer fund	980,804
o Foster golf course fund:	(252,402)
o Surface water fund:	<u>1,061,358</u>
	<u>\$ 2,415,447</u>

The following chart shows the relative net position balances for each business-type fund:

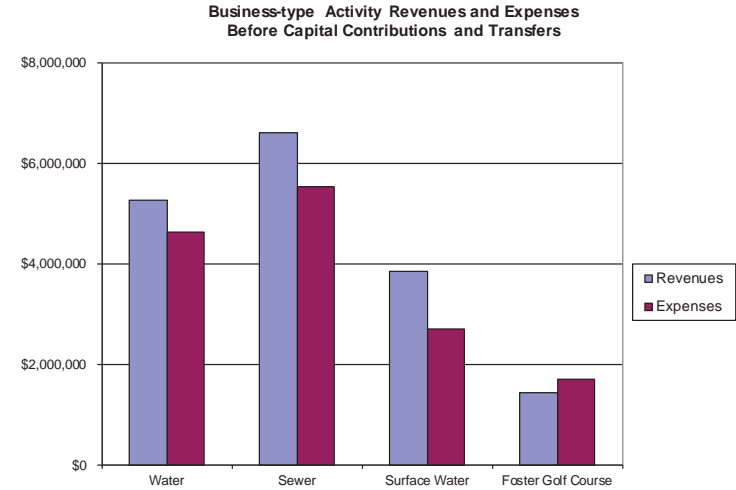


The majority of net position in the City's enterprise funds relate to capital asset infrastructure, such as water and sewer mains, and the golf course land. As such, most of the net assets are not available to support the ongoing expenses of the funds. The following chart contrasts the total net assets to the spendable portion of net assets for each enterprise fund:

Comparison of Total Net Position to Spendable Net Position Business-Type Funds



The following chart depicts the revenues and expenses for business-type funds:



Financial Analysis of Governmental Funds

The purpose of the City's governmental funds is to report on near-term revenues/financial resources and expenditures. This information helps determine the City's financial requirements in the near future. Specifically, fund balance is a good indicator of the City's financial resources.

As of December 31, 2012, the City's governmental funds had combined fund balances of \$18.1 million, a decrease of \$6,655,064 or 26.8%. This decrease is related to a decrease in arterial street fund of \$6.4 million due to the completion of two major arterial street projects and expenditures incurred on the Local Improvement District. Reimbursement will take place in 2013.

The change in prior year fund balances for other major funds are as follows:

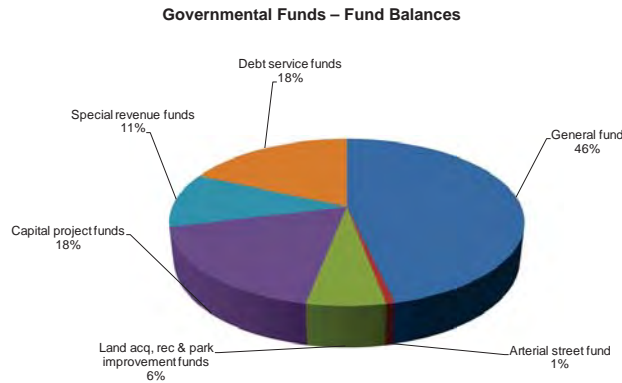
- General fund \$118,415
- Land Acq., Rec & Park Development (\$337,784)
- Other governmental funds \$10,370

Of the governmental fund balances, restricted fund balances constrained for a specific purpose by external parties consist of \$710,707 for tourism, \$1,046,772 for streets, \$394,755 for arterial street improvements, \$85,125 for drug seizure, \$164,312 for general government improvement, and \$348,010 for fire improvements. Fund balances intended to be used for specific purposes consists of \$88,576 for arterial streets, \$1,090,188 for land acquisition recreation and park development,

\$2,005,520 for facility replacement, \$749,518 for general government improvements, and \$3,012,381 dedicated for debt repayment and \$75,000 for public safety equipment.

The general fund is the primary operating fund of the City. All receipts and payments of ordinary City operations are processed through it unless they are required to be accounted for in another fund. At the end of 2012, the general fund had an unassigned fund balance of \$8,378,557.

The following chart shows the relative fund balances for governmental funds:

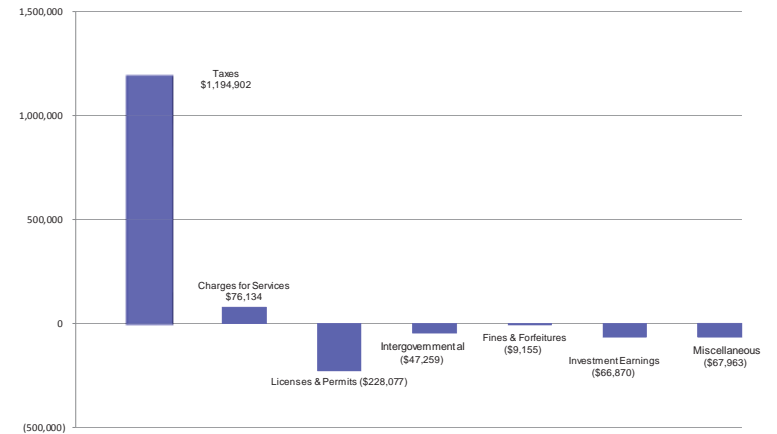


The \$118,416 increase in the general fund balance results from revenue of \$48,704,332, expenses of \$44,638,728, transfers into the fund of \$2,330,665, transfers out of \$5,619,148, and a loan to Tukwila Metropolitan Park District in the amount of \$658,706. In comparison with 2011, revenue increased \$814,838, expenses increased of \$937,338, decrease of transfers into the fund of \$642,178 and decrease in transfers out of \$4,449.

The fund balance decrease of \$6,446,065 in the arterial street fund is primarily due to expenditures for two major arterial street projects. Land acquisition, recreation and park development fund balance decreased by \$337,784.

The general fund revenue increase of \$814 thousand came from the following sources:

General Fund Revenue Increases (Decreases) - By Source



Revenue from revenue generating regulatory fee was previously categorized under licenses and permits in prior years. This fee is currently included in taxes.

Financial Analysis of Proprietary Funds

The City's proprietary funds provide the same type of information as found in the government-wide financial statements, but in greater detail. Factors affecting the finances of the City's proprietary funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City budgets biennially by adopting a budget at the end of the preceding biennium, and then making adjustments as necessary via budget amendments throughout the next two years. Following is a summary of such budget amendments:

• Funding for Strategic Plan	\$ 130,000
• Increase in wages and benefits per new labor agreement	551,768
• Reinstatement of 1.5 FTE-Parks Maintenance	117,620
• Additional funding for legal matters	100,000
• Additional funding for dispatch and monitoring	77,000
• Additional funding for debt service	167,965
• Delayed transfers to Contingency Fund	(3,000,000)
• Increase in revenue for indirect cost allocation charge	605,618
• Reduction of overbudgeted revenue for sale of capital assets	(627,618)
• Delayed debt proceeds	(1,000,000)

Reasons for the significant variances in the general fund between the final budget and actual results include:

- Charges for services are down by \$500,000 due to reduction in programs offered in the community center with \$273,000 of it from reduced revenue from licensing and permitting activities as a result of decreased construction activities.
- Previously owed revenue from gambling tax were settled in 2012.
- The budget for proceeds from sales of capital assets was significantly higher than actual results resulting in a negative variance of \$662,000. Properties that were originally scheduled to be sold were kept for alternative use.
- A contingency fund transfer of \$3 million and debt proceeds of \$1 million did not take place until the first quarter in 2013.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for both its governmental and business-type activities as of December 31, 2012 totaled \$281.8 million (net of accumulated depreciation), an increase of \$4.8 million, or 1.7%, from 2011. This investment in capital assets includes land, buildings, improvements, machinery and equipment, construction in progress, utility transmission/distribution systems, roads, bridges, and other infrastructure.

SUMMARY OF CAPITAL ASSETS (NET OF DEPRECIATION)

	Governmental Activities		Business-Type Activities		Total	
	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11
Land	\$40,501,509	\$39,459,061	\$2,214,118	\$2,214,118	\$42,715,627	\$41,673,179
Buildings	12,181,708	12,231,995	8,099,221	8,403,761	20,280,929	20,635,756
Other Improvements	7,943,508	8,639,571	44,569,513	44,188,248	52,513,021	52,827,819
Machinery and Equipment	5,597,527	6,525,286	584,202	687,756	6,181,728	7,213,042
Infrastructure	104,089,598	107,103,876	-	-	104,089,598	107,103,876
Intangible Assets	510,592	286,711	-	-	510,592	286,711
Construction in Progress	47,942,200	39,453,817	7,595,365	7,850,959	55,537,566	47,304,776
Total	\$218,766,642	\$213,700,317	\$63,062,420	\$63,344,843	\$281,829,061	\$277,045,159

More detailed information on capital assets is provided in Note 7.

General capital outlay purchases added \$273,560 in machinery and equipment. Among these include a partial payment for new permitting software of \$177,938, agenda manager software totaling \$22,000, and various computer equipment purchases in the amount of \$39,513.

Many of the projects in the Arterial Street Fund are in the construction stage adding \$8.3 million in construction in progress for the period. The major arterial street fund activities comprise of the following:

- Tukwila Urban Center Access Project (Klickitat Southcenter Parkway/I-5 Access Revision), \$2.3 million
- Southcenter Parkway Extension, \$4.7 million
- Transit Center, \$603,000

Arterial street overlay and work on bridges contributed the additional \$1.4 million in capital assets.

Land Acquisition, Recreation & Park Development activities consist of \$1.1 million in land acquisition for the Duwamish Hill Preserve and improvements. Several projects have added \$270,736 in construction in progress costs for the year.

Other governmental funds' activity provided an additional \$472,215 in capital assets and \$266,348 in work in progress for the year. The Neighborhood Resource Center improvements, City Hall Police/Suite 205/Conference Room #3 remodels, and various software and licensing purchases are some of the completed projects in 2012.

Business-type activities consisted of \$1.5 million in additional construction in progress work for the year. Major projects in the utility funds comprise of the following:

- Small Drainage Projects, \$883,000
- Southcenter Parkway Extension, \$403,000
- Andover Park West Strander, \$106,000

A total of \$143,000 in purchases of meters, hydrants, mains, intakes and service connections were capitalized for the year.

Long-term Debt

At the end of the current fiscal year, the City had total bonded debt outstanding of \$21,900,000. Of this amount, \$18,360,000 is general obligation bonds, and \$3,540,000 is revenue bonds for the water/sewer and surface water utilities. The reduction in outstanding bonds is due to the principal payments redeemed for the year. The City currently maintains a rating of A1 with Moody's and AA- with Fitch's Investor Service for its general obligation debt.

The following schedule summarizes the City's bonded debt:

	Governmental Activities		Business-type Activities		Total	
	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11	As of 12/31/12	As of 12/31/11
General obligation bonds	\$ 18,360,000	\$ 20,260,000	\$ -	\$ -	\$ 18,360,000	\$ 20,260,000
Revenue bonds	-	-	3,540,000	3,980,000	3,540,000	3,980,000
	\$ 18,360,000	\$ 20,260,000	\$ 3,540,000	\$ 3,980,000	\$ 21,900,000	\$ 24,240,000

Below is a summary of additional long-term debt of the City:

Other Long-term Debt	
Public Works Trust Fund loans	\$ 6,621,364
Employee leave benefits	3,452,943
Due to other governments	7,392,600
	\$ 17,466,907

More detailed information on long-term debt is provided in Note 11.

Economic Factors

The outlook for 2013 is positive. The economy is showing steady signs of recovery. The City of Tukwila has a small residential population, yet the City works hard to serve the regional economy and has become an economic powerhouse providing jobs and revenue for the region and State. Several major pending developments will have significant positive impacts on the future of Tukwila's economy:

- Tukwila South – In 2009, the City executed development agreements and completed annexation of 259 acres as part of the 500 acre Tukwila South development. Development activities in 2012 were minimal. The new Southcenter Parkway Extension project was completed in 2012 and will allow for the future development to continue.
 - Tukwila Village - On June 6, 2011 the City Council selected Tukwila Village Development Associates, LLC (also known as the Senior Housing Assistance Group or "SHAG") as the developer and authorized the Mayor to enter into negotiations. In June 2012 the Board of the King County Library System (KCLS) voted to undertake a fundraising program to increase the size of the future Tukwila Library to be 10,000 square feet. The key deal terms between the City and KCLS were approved by City Council on June 25, 2012.
- On October 22, 2012, City Council approved the main agreement (Disposition and Development Agreement, DDA). Project design is scheduled to be completed in 2013 with construction starting in 2013. The first phase is scheduled to open in late 2014 and the final phase in 2015.
- Tukwila Urban Center Access – Designed to improve traffic flow, Southcenter Parkway reopened on October 13, 2011. The preliminary assessment roll for Local Improvement District No. 33 to fund a portion of the project is estimated to be \$9.9 million and the assessment is scheduled for 2013.
 - Major Tenant Improvements/Additions – Tenant improvements and additions were completed for Sabey Data Center, Boeing renovation, King County Housing Authority, and re-roofing of King County Metro and Boeing. Completed demolitions for the year include Bow Lake and Boeing Plant 2. This added \$235,651 in revenue receipts, which added \$19.7 million in property values.

Requests for Information

This financial report is designed to provide a general overview of the City of Tukwila's finances for readers with an interest in the City's finances. Questions concerning this report, or requests for additional information, may be addressed to the Finance Director, City of Tukwila, 6200 Southcenter Blvd, Tukwila, WA 98188-2544.

CITY OF TUKWILA, WASHINGTON STATEMENT OF NET POSITION DECEMBER 31, 2012

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	TUKWILA METROPOLITAN PARK DISTRICT
ASSETS:				
CASH AND CASH EQUIVALENTS (Note 3)	\$ 19,537,919	\$ 4,931,861	\$ 24,469,780	\$ 182,136
INVESTMENTS (Note 3)	7,329,634	3,450,000	10,779,634	-
RECEIVABLES:				
TAXES (Note 4)	4,440,757	-	4,440,757	-
CUSTOMER ACCOUNTS	1,062,613	1,196,224	2,258,837	-
INTEREST ON INVESTMENTS	44,798	33,105	77,903	-
DUE FROM OTHER GOVERNMENTAL UNITS	2,009,171	1,309,301	3,318,472	416,666
INVENTORY OF MATERIALS AND SUPPLIES	402,010	598,013	1,000,024	-
DUE FROM COMPONENT UNIT	860,408	-	860,408	-
NOTES RECEIVABLE	-	407,215	407,215	-
RESTRICTED CASH AND CASH EQUIVALENTS (Note 3)	559,067	493,777	1,052,844	-
DEFERRED CHARGES	249,721	56,028	305,749	-
NET PENSION ASSET (Note 9)	336,352	-	336,352	-
INVESTMENT IN JOINT VENTURES (Note 8)	10,095,461	-	10,095,461	-
NON-DEPRECIABLE CAPITAL ASSETS (Note 7)	88,443,709	9,809,483	98,253,192	-
DEPRECIABLE CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION): (Note 7)	130,322,933	53,308,949	183,631,882	2,801,132
TOTAL ASSETS	265,694,552	75,593,958	341,288,510	3,399,934
LIABILITIES:				
ACCOUNTS PAYABLE	1,716,714	486,429	2,203,143	766,129
ACCRUED WAGES AND BENEFITS PAYABLE	1,353,296	107,669	1,460,964	11,593
ACCRUED INTEREST PAYABLE	69,185	54,876	124,061	-
DUE TO PRIMARY GOVERNMENT	-	-	-	860,408
REVENUES COLLECTED IN ADVANCE	695,979	17,804	713,783	-
OTHER LIABILITIES	2,148,610	58,407	2,207,017	24,362
BONDS AND OTHER DEBT PAYABLE (Note 11):				
DUE WITHIN ONE YEAR	2,261,000	1,026,292	3,287,292	-
DUE IN MORE THAN ONE YEAR	26,865,489	9,488,977	36,354,466	-
NET OTHER POST EMPLOYMENT OBLIGATION (Note 10)	4,433,326	-	4,433,326	-
TOTAL LIABILITIES	39,543,599	11,240,454	50,784,053	1,662,493
NET POSITION: (Note 1)				
NET INVESTMENT IN CAPITAL ASSETS	203,206,940	52,911,741	253,253,169	2,801,132
RESTRICTED FOR DEBT SERVICE	-	430,444	430,444	-
RESTRICTED BY ENABLING LEGISLATION:				
TOURISM PROMOTION	710,707	-	710,707	-
RESIDENTIAL STREET IMPROVEMENTS	1,046,772	-	1,046,772	-
ARTERIAL STREET IMPROVEMENTS	394,755	-	394,755	-
DRUG INVESTIGATION AND ENFORCEMENT	85,125	-	85,125	-
FIRE IMPROVEMENTS	348,010	-	348,010	-
GENERAL GOVERNMENT IMPROVEMENTS	164,312	-	164,312	-
UNRESTRICTED NET ASSETS	20,194,333	11,011,319	34,071,164	(1,063,691)
TOTAL NET POSITION	\$ 226,150,953	\$ 64,353,504	\$ 290,504,457	\$ 1,737,441

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

FUNCTIONS / PROGRAMS:	PRIMARY GOVERNMENT						COMPO-
	----- PROGRAM REVENUES -----						NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION-----
	CHARGES For Services	OPERATING Grants and Contributions	CAPITAL Grants and Contribution	GOVERNMENTAL Activities	BUSINESS-TYPE Activities	TOTAL	TOTAL
EXPENSES							
FUNCTIONS / PROGRAMS:							
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES:							
GENERAL GOVERNMENT	\$ 8,343,107	\$ 1,332,418	\$ 2,214,024	\$ -	\$ (4,796,666)	\$ -	\$ (4,796,666)
PUBLIC SAFETY	26,598,432	684,744	829,187	262,660	(24,821,841)	-	(24,821,841)
TRANSPORTATION	7,314,707	1,004,911	83,495	964,037	(5,262,264)	-	(5,262,264)
PHYSICAL ENVIRONMENT	3,625,696	4,939	1,148,507	-	(2,472,250)	-	(2,472,250)
CULTURE AND RECREATION	4,242,725	481,404	57,606	355,184	(3,348,530)	-	(3,348,530)
ECONOMIC ENVIRONMENT	4,801,342	2,323,528	78,801	-	(2,399,014)	-	(2,399,014)
INTEREST ON LONG-TERM DEBT	1,152,063	-	-	-	(1,152,063)	-	(1,152,063)
Total Governmental Activities	56,078,072	5,831,944	4,411,618	1,581,882	(44,252,628)	-	(44,252,628)
BUSINESS-TYPE ACTIVITIES:							
WATER	4,625,242	5,252,024	-	3,550	-	630,332	-
SEWER	5,624,315	6,506,634	-	103,800	-	1,086,119	-
SURFACE WATER	2,699,767	3,827,010	-	28,253	-	1,155,406	-
FOSTER GOLF COURSE	1,701,131	1,448,729	-	-	-	(252,401)	-
Total Business-Type Activities	14,550,455	17,034,397	-	135,603	-	2,619,546	-
TOTAL PRIMARY GOVERNMENT	\$ 70,628,527	\$ 22,866,341	\$ 4,411,618	\$ 1,717,485	\$ (44,252,628)	\$ 2,619,546	\$ (41,633,082)
COMPONENT UNIT:							
METROPOLITAN PARK DISTRICT	\$ 659,775	\$ 210,098		\$ 416,666			(33,011)
TOTAL COMPONENT UNIT	\$ 659,775	\$ 210,098		\$ 416,666			(33,011)
GENERAL REVENUES:							
TAXES							
PROPERTY TAXES				\$ 14,131,605	\$ -	\$ 14,131,605	\$ -
RETAIL SALES AND USE TAXES				15,441,683	-	15,441,683	-
NATURAL GAS USE TAX				232,208	-	232,208	-
HOTEL/MOTEL TAXES				522,033	-	522,033	-
UTILITY TAXES				4,001,385	-	4,001,385	-
INTERFUND UTILITY TAXES				1,534,581	-	1,534,581	-
BUSINESS TAXES				2,497,606	-	2,497,606	-
EXCISE TAXES				2,860,948	-	2,860,948	-
STATE ENTITLEMENTS				1,895,647	-	1,895,647	-
UNRESTRICTED INVESTMENT EARNINGS				116,694	-	116,694	-
MISCELLANEOUS				101,688	-	101,688	-
TRANSFERS (Note 5)				1,056,843	(1,056,843)	-	-
TOTAL GENERAL REVENUES				44,392,921	(1,056,843)	43,336,078	-
CHANGE IN NET POSITION				140,293	1,562,703	1,702,996	(33,011)
NET POSITION - BEGINNING				226,010,660	62,790,801	288,801,461	1,770,452
NET POSITION - ENDING				\$ 226,150,953	\$ 64,353,504	\$ 290,504,457	\$ 1,737,441

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	GENERAL FUND	ARTERIAL STREET	LAND ACQ. REC & PARK DEVELOPMENT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
CASH AND CASH EQUIVALENTS	\$ 6,262,710	\$ -	\$ 1,068,126	\$ 5,008,571	\$ 12,339,407
INVESTMENTS	-	-	-	2,049,464	2,049,464
RECEIVABLES:					
TAXES	4,292,038	35,821	1,447	111,452	4,440,757
CUSTOMER ACCOUNTS	772,196	-	-	290,021	1,062,218
DUE FROM OTHER GOVERNMENTAL UNITS	219,770	782,613	36,753	970,035	2,009,171
RESTRICTED ASSETS:					
CASH AND CASH EQUIVALENTS	-	394,755	-	164,312	559,067
TOTAL ASSETS	\$ 11,546,714	\$ 1,213,189	\$ 1,106,326	\$ 8,593,854	\$ 22,460,083
LIABILITIES AND FUND BALANCES:					
ACCOUNTS PAYABLE	676,734	712,108	15,286	280,346	1,684,475
ACCRUED WAGES & BENEFITS	1,301,140	17,750	351	16,162	1,335,403
REVENUE COLLECTED IN ADVANCE	695,979	-	-	-	695,979
OTHER CURRENT LIABILITIES	200,360	-	500	100,000	300,860
DEFERRED REVENUE	293,944	-	-	-	293,944
TOTAL LIABILITIES	3,168,158	729,858	16,137	396,508	4,310,661
FUND BALANCES:					
RESTRICTED FOR:					
HOTEL/MOTEL TAX	-	-	-	710,707	710,707
RESIDENTIAL STREET IMPROVEMENTS	-	-	-	1,046,772	1,046,772
ARTERIAL STREET IMPROVEMENTS	-	394,755	-	-	394,755
DRUG INVESTIGATION AND ENFORCEMENT	-	-	-	85,125	85,125
FIRE IMPROVEMENTS	-	-	-	348,010	348,010
GENERAL GOVERNMENT IMPROVEMENTS	-	-	-	164,312	164,312
ASSIGNED FOR:					
ARTERIAL STREET	-	88,576	-	-	88,576
LAND ACQ. REC & PARK DEVELOPMENT	-	-	1,090,188	-	1,090,188
FACILITY REPLACEMENT	-	-	-	2,005,520	2,005,520
GENERAL GOVERNMENT IMPROVEMENTS	-	-	-	749,518	749,518
PUBLIC SAFETY EQUIPMENT	-	-	-	75,000	75,000
DEBT SERVICE	-	-	-	3,012,381	3,012,381
UNASSIGNED	8,378,557	-	-	-	8,378,557
TOTAL FUND BALANCES	8,378,557	483,331	1,090,188	8,197,345	18,149,421
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,546,714	\$ 1,213,189	\$ 1,106,326	\$ 8,593,854	\$ 22,460,083

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
 DECEMBER 31, 2012

Total governmental fund balances as reported on this statement	\$ 18,149,420	
Amounts reported for governmental activities in the statement of net position are different because:		
The purchases method is used in Governmental Funds to account for Materials and Supplies - Inventory amount outstanding.	389,691	
The cost of issuing long-term debt is amortized over the life of the debt in the statement of net position and expensed when paid in the governmental funds.	<u>249,721</u>	639,412
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.		
Governmental funds assets	216,720,883	
Internal service fund assets	<u>2,045,759</u>	218,766,642
The net pension asset resulting from contributions in excess of the annual required contribution are not financial resources and therefore is not reported in the funds.		338,352
The City has an equity interest in two joint ventures. This equity interest for the provision of governmental services is not a current financial resource and therefore is not reported in the funds.		10,095,461
Deferred revenue reported for property taxes that are current and prior year tax levies that were not collected and available to pay current year liabilities		293,944
Some liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Long Term Liabilities Due Within One Year	(2,261,000)	
Long Term Liabilities Due in More Than One Year	(19,472,889)	
Due to Other Governmental Units	(7,392,600)	
Unfunded Other Post Employment Benefits	(4,433,326)	
Accrued Interest Payable	<u>(69,185)</u>	(33,629,000)
Internal service funds are used by management to charge the cost of certain activities, such as health insurance and fleet maintenance, to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net position.		
Amount due from Component Unit is expensed in governmental funds and recorded as a receivable in the statement of net position		10,638,313
		860,408
Net position of government activities as reported on the statement of net position		<u>\$ 226,150,953</u>

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2012

	GENERAL FUND	ARTERIAL STREET	LAND ACQ. REC & PARK DEVELOPMENT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
TAXES	\$ 39,840,364	\$ 523,084	\$ 617,105	\$ 522,056	\$ 41,502,609
LICENSES AND PERMITS	1,604,594	-	-	-	1,604,594
INTERGOVERNMENTAL	4,708,774	1,006,599	410,888	1,762,886	7,889,147
CHARGES FOR SERVICES	2,184,369	846,240	52,229	891,518	3,974,356
FINES AND FORFEITURES	220,752	-	-	-	220,752
INVESTMENT EARNINGS	64,418	3,153	2,678	36,036	106,286
MISCELLANEOUS	71,159	43,271	-	17,547	131,977
TOTAL REVENUES	48,694,430	2,422,347	1,082,901	3,230,044	55,429,722
EXPENDITURES:					
CURRENT:					
GENERAL GOVERNMENT	8,344,177	-	-	160,334	8,504,511
PUBLIC SAFETY	24,907,510	-	-	10,796	24,918,306
PHYSICAL ENVIRONMENT	1,673,956	-	-	1,348,560	3,022,516
TRANSPORTATION	2,682,877	86,305	-	-	2,769,182
ECONOMIC ENVIRONMENT	3,394,823	-	-	1,373,121	4,767,944
CULTURE AND RECREATION	3,361,825	-	11,175	-	3,373,000
DEBT SERVICE:					
PRINCIPAL	-	-	-	2,254,200	2,254,200
INTEREST	-	-	-	1,178,464	1,178,464
CAPITAL OUTLAY	273,560	9,709,676	1,377,494	738,564	12,099,293
TOTAL EXPENDITURES	44,638,728	9,795,981	1,388,669	7,064,039	62,887,416
EXCESS (DEFICIENCY) OF REVENUES					
OVER (UNDER) EXPENDITURES	4,055,702	(7,373,634)	(305,768)	(3,833,995)	(7,457,694)
OTHER FINANCING SOURCES (USES):					
SALES OF CAPITAL ASSETS	9,903	-	-	-	9,903
TRANSFERS IN (Note 5)	2,330,665	1,314,132	-	3,980,995	7,625,792
TRANSFERS OUT (Note 5)	(5,619,148)	(386,563)	(32,016)	(136,631)	(6,174,358)
LOAN TO TUKWILA MPD	(658,706)	-	-	-	(658,706)
TOTAL OTHER FINANCING SOURCES AND USES	(3,937,286)	927,569	(32,016)	3,844,364	802,631
NET CHANGE IN FUND BALANCES	118,416	(6,446,065)	(337,784)	10,369	(6,655,064)
FUND BALANCES - BEGINNING	8,260,141	6,929,396	1,427,972	8,186,976	24,804,485
FUND BALANCES - ENDING	\$ 8,378,557	\$ 483,331	\$ 1,090,188	\$ 8,197,345	\$ 18,149,421

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES OF GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2012**

Net change in fund balances per the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$	(6,655,064)	
Amount reported as change in net position in the Statement of Activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:			
Capital Outlay		12,099,298	
Depreciation Expense		<u>(6,548,605)</u>	
Excess of Capital Outlay Over Depreciation Expense			5,550,693
The net pension asset (negative net pension obligation) amortization amount is not a financial resource and therefore not reported in the funds.			26,520
The City has equity interests in two joint ventures. The equity interests for the provision of governmental services are not current financial resources and therefore are not reported in the funds.			(371,958)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:			
Bond Principal Retirement		2,290,091	
Amortization Expense		<u>50,971</u>	
			2,341,063
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.			17,488
Because some revenues will not be collected for several months after the City's fiscal year ends, they are not considered "available" revenues in the government funds. Deferred revenues decreased by this amount this year.			(280,533)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:			
Decrease in Accrued Interest		10,251	
Increase in Compensated Absences		(175,287)	
Increase in Unfunded Other Post Employment Benefits		(790,163)	
Amortization of Cost of Issuance		(34,822)	
Decrease in Inventory		<u>(167,010)</u>	
Total Additional Expense (Increase) Decrease			(1,157,030)
Due from Component Unit			
Loan Principal		658,706	
Interest		10,408	
			669,114
Change in net assets on the Statement of Activities	\$		140,293

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
**STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2012**

	WATER UTILITY	SEWER UTILITY	FOSTER GOLF COURSE	SURFACE WATER UTILITY	TOTAL ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
CURRENT ASSETS:						
CASH AND CASH EQUIVALENTS	\$ 912,764	\$ 1,457,624	\$ 253,483	\$ 2,307,990	\$ 4,931,861	\$ 7,198,512
INVESTMENTS	3,450,000	-	-	-	3,450,000	5,280,170
RECEIVABLES:						
CUSTOMER ACCOUNTS	380,970	635,750	5,982	206,628	1,229,330	395
INTEREST ON INVESTMENTS	-	-	-	-	-	44,798
DUE FROM OTHER GOVERNMENTAL UNITS	1,261,696	-	-	47,605	1,309,301	-
INVENTORY OF MATERIALS AND SUPPLIES	240,508	52,195	255,978	49,332	598,013	12,319
CURRENT ASSETS RESTRICTED:						
CASH AND CASH EQUIVALENTS	6,035	-	57,297	-	63,332	-
TOTAL CURRENT ASSETS	6,251,973	2,145,569	572,740	2,611,556	11,581,838	12,536,195
NONCURRENT ASSETS:						
RESTRICTED CASH, CASH EQUIVALENTS	266,713	126,834	-	36,897	430,444	-
NOTES RECEIVABLE	-	407,215	-	-	407,215	-
DEFERRED CHARGES	14,567	34,737	-	6,723	56,028	-
CAPITAL ASSETS:						
LAND	87,347	69,525	1,609,575	447,671	2,214,118	-
BUILDINGS AND EQUIPMENT	1,416,567	2,181,410	6,627,496	1,165,129	11,390,602	-
OTHER IMPROVEMENTS	16,707,738	13,199,956	3,559,992	36,361,529	71,829,216	-
MACHINERY AND EQUIPMENT	825,311	1,249,739	169,496	50,707	2,295,253	9,390,266
CONSTRUCTION IN PROGRESS	2,705,804	2,618,502	-	2,271,059	7,595,365	-
LESS: ACCUMULATED DEPRECIATION	(8,992,732)	(6,753,598)	(4,196,843)	(12,318,962)	(32,262,134)	(7,344,507)
TOTAL CAPITAL ASSETS (NET OF A/D)	14,750,035	12,565,535	7,769,716	27,977,134	63,062,420	2,045,759
PLANT ACQUISITION ADJUSTMENT (NET OF A/D)	56,012	-	-	-	56,012	-
ACCUMULATED AMORTIZATION	(15,067,526)	(13,134,321)	(7,769,716)	(28,020,754)	(64,012,120)	(2,045,759)
TOTAL NONCURRENT ASSETS	15,067,526	13,134,321	7,769,716	28,020,754	64,012,120	2,045,759
TOTAL ASSETS	21,339,301	15,279,890	8,342,456	30,632,310	75,593,958	14,581,953
LIABILITIES:						
CURRENT LIABILITIES:						
ACCOUNTS PAYABLE	22,463	313,530	1,684	148,753	486,430	-
ACCRUED WAGES AND BENEFITS	26,900	15,179	28,098	37,491	107,669	17,892
DUE TO OTHER GOVERNMENTAL UNITS	95,060	192,261	-	270,953	558,293	-
ACCRUED INTEREST PAYABLE	34,361	11,387	-	9,129	54,876	-
OTHER CURRENT LIABILITIES	-	964	2,035	-	2,999	1,879,990
UNEARNED REVENUE	5,042	-	129	12,633	17,804	-
REVENUE BOND PRINCIPAL	365,100	83,700	-	16,200	465,000	-
DEPOSITS	6,035	-	52,372	-	58,407	-
TOTAL CURRENT LIABILITIES	554,981	617,021	84,318	495,159	1,751,477	1,897,882
NONCURRENT LIABILITIES:						
REVENUE BONDS PAYABLE (NET OF UNAMORTIZED PREMIUMS)	1,354,755	1,479,304	-	286,317	3,120,376	-
(NET OF UNAMORTIZED PREMIUMS), Note 11						
COMPENSATED SERVICES	93,767	46,639	84,033	81,092	305,531	-
OTHER LONG-TERM LIABILITIES	1,002,514	2,114,869	-	2,945,688	6,063,071	-
TOTAL NONCURRENT LIABILITIES	2,451,036	3,640,812	84,033	3,313,097	9,488,976	-
TOTAL LIABILITIES	3,006,017	4,257,833	168,351	3,808,256	11,240,453	1,897,882
NET POSITION:						
NET INVESTMENT IN CAPITAL ASSETS	11,988,622	8,695,401	7,769,717	24,458,000	52,911,740	2,045,759
RESTRICTED FOR:						
DEBT SERVICE	266,713	126,834	-	36,897	430,444	-
UNRESTRICTED	6,077,949	2,199,821	404,389	2,329,158	11,011,316	10,638,313
TOTAL NET POSITION	\$ 18,333,285	\$ 11,022,056	\$ 8,174,106	\$ 26,824,055	\$ 64,353,503	\$ 12,684,072

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2012

	WATER UTILITY	SEWER UTILITY	FOSTER GOLF COURSE	SURFACE WATER UTILITY	TOTAL ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
OPERATING REVENUES:						
TAXES	\$ -	\$ -	\$ 3,531	\$ -	\$ 3,531	\$ -
CHARGES FOR SERVICES	5,184,979	6,487,708	1,423,538	3,690,773	16,796,998	7,181,113
INTERGOVERNMENTAL	-	-	-	-	-	10,783
OTHER OPERATING REVENUE	-	-	-	362	362	64,018
TOTAL OPERATING REVENUES	5,184,979	6,487,708	1,427,069	3,691,135	16,790,890	7,255,914
OPERATING EXPENSES:						
OPERATIONS & MAINTENANCE	3,158,877	4,198,885	1,388,527	1,001,207	9,747,495	6,499,079
ADMINISTRATIVE AND GENERAL	90,982	147,920	-	485,682	724,584	-
TAXES	735,331	730,112	6,203	419,805	1,891,451	-
DEPRECIATION AND AMORTIZATION	519,221	379,795	306,401	762,537	1,967,954	717,452
TOTAL OPERATING EXPENSES	4,504,411	5,456,712	1,701,131	2,669,231	14,331,484	7,216,531
OPERATING INCOME (LOSS)	680,568	1,030,996	(274,062)	1,021,903	2,459,406	39,383
NON-OPERATING REVENUE (EXPENSE):						
INVESTMENT EARNINGS	54,216	2,307	21,660	5,232	83,415	312,905
INTEREST EXPENSE	(122,663)	(66,933)	-	(30,406)	(220,002)	-
GAIN/(LOSS) FR DISPOSAL OF CAPITAL ASSETS	-	-	-	(72)	(72)	59,790
AMORTIZATION OF BOND PREMIUM	8,973	1,825	-	353	11,151	-
AMORTIZATION OF BOND DISCOUNT	(6,093)	-	-	(483)	(6,576)	-
BOND ISSUE COSTS	(1,047)	(2,496)	-	-	(3,543)	-
OTHER NON-OPERATING REVENUE	11,734	15,106	-	64,829	91,669	-
TOTAL NON-OPERATING REVENUE (EXPENSE)	(54,881)	(50,192)	21,660	39,454	(43,959)	372,695
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	625,687	980,804	(252,402)	1,061,357	2,415,447	412,078
CAPITAL CONTRIBUTIONS	4,645	105,314	-	94,138	204,097	-
TRANSFERS IN (Note 5)	98,460	-	225,000	-	323,460	-
TRANSFERS OUT (Note 5)	(517,377)	(446,980)	(15,160)	(400,786)	(1,380,303)	(394,591)
CHANGE IN NET POSITION	211,415	639,138	(42,562)	754,710	1,562,702	17,487
TOTAL NET POSITION BEGINNING OF YEAR	18,121,870	10,382,918	8,216,668	26,069,345	62,790,801	12,666,585
TOTAL NET POSITION END OF YEAR	\$ 18,333,285	\$ 11,022,056	\$ 8,174,106	\$ 26,824,055	\$ 64,353,503	\$ 12,684,072

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Page 1 of 2

	WATER UTILITY	SEWER UTILITY	FOSTER GOLF COURSE	SURFACE WATER UTILITY	TOTAL ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES:						
CASH RECEIVED FROM CUSTOMERS	\$ 5,166,491	\$ 6,485,479	\$ 1,336,482	\$ 3,648,413	\$ 16,636,865	\$ 7,244,484
CASH PAID TO SUPPLIERS	(2,480,057)	(3,662,869)	(316,445)	(424,750)	(6,884,122)	(5,935,324)
CASH PAID FOR TAXES	(735,331)	(730,112)	(65,471)	(419,805)	(1,950,719)	-
CASH PAID FOR INVENTORY	6,059	(806)	(82,649)	-	(77,397)	(48,317)
CASH PAID TO EMPLOYEES	(736,511)	(410,537)	-	(919,548)	(2,066,596)	(477,030)
OTHER CASH RECEIVED (PAID)	-	-	93,701	2,429	96,131	154,950
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,211,651	1,681,154	46,069	1,845,787	4,784,661	938,763
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
OPERATING GRANT RECEIVED	-	-	-	64,829	64,829	-
TRANSFERS IN	98,460	-	225,000	-	323,460	-
TRANSFERS OUT	(517,377)	(446,980)	(15,160)	(400,786)	(1,380,303)	(394,591)
NET CASH PROVIDED (USED) BY NON-CAPITAL FINANCING ACTIVITIES	(418,917)	(446,980)	209,840	(335,957)	(992,014)	(383,808)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
PROCEEDS FROM SALE OF EQUIPMENT	9,038	-	-	(72)	8,966	79,251
PURCHASE OF CAPITAL ASSETS	(198,456)	(434,592)	-	(1,024,079)	(1,657,127)	(233,086)
CONTRIBUTED CAPITAL	3,550	103,800	-	-	107,350	-
CAPITAL GRANTS	3,791	1,513	-	65,885	71,189	-
PREMIUM & BOND ISSUANCE COSTS	2,628	1,638	-	(36)	4,229	-
PRINCIPAL PAYMENT ON DEBT	(438,880)	(272,861)	-	(286,553)	(998,293)	-
INTEREST PAYMENT ON DEBT	(131,548)	(67,682)	-	(31,112)	(230,342)	-
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(747,877)	(668,184)	-	(1,275,967)	(2,692,027)	(153,835)
CASH FLOW FROM INVESTING ACTIVITIES:						
PROCEEDS FROM SALE OF INVESTMENTS	-	-	-	-	-	2,669,266
PURCHASE OF INVESTMENTS	-	-	-	-	-	(908,579)
INTEREST RECEIVED	53,895	21,084	21,660	13,744	110,384	259,881
NET CASH PROVIDED (USED) IN INVESTING ACTIVITIES	53,895	21,084	21,660	13,744	110,384	2,020,568
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	98,753	587,075	277,569	247,607	1,211,003	2,421,688
CASH AND CASH EQUIVALENTS-BEGINNING OF YEAR	1,086,760	997,382	33,212	2,097,280	4,214,634	4,776,824
CASH AND CASH EQUIVALENTS-END OF YEAR	\$ 1,185,512	\$ 1,584,458	\$ 310,781	\$ 2,344,887	\$ 5,425,638	\$ 7,198,512
CASH AT END OF YEAR CONSISTS OF:						
CASH AND CASH EQUIVALENTS	\$ 912,764	\$ 1,457,624	\$ 253,483	\$ 2,307,990	\$ 4,931,861	\$ 7,198,512
RESTRICTED CASH-BOND PAYMENTS	266,713	126,834	-	36,897	430,444	-
RESTRICTED CASH-CUSTOMER DEPOSITS	6,035	-	57,297	-	63,332	-
TOTAL CASH	\$ 1,185,512	\$ 1,584,458	\$ 310,781	\$ 2,344,887	\$ 5,425,638	\$ 7,198,512

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Page 2 of 2

	WATER UTILITY	SEWER UTILITY	FOSTER GOLF COURSE	SURFACE WATER UTILITY	TOTAL ENTERPRISE FUNDS	GOVERNMENT ACTIVITIES INTERNAL SERVICE FUNDS
RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
OPERATING INCOME (LOSS)	\$ 680,568	\$ 1,030,996	\$ (274,062)	\$ 1,021,903	\$ 2,459,406	\$ 39,383
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
DEPRECIATION	519,221	379,795	306,401	762,537	1,967,954	717,452
ASSET (INCREASES) DECREASES:						
ACCOUNTS RECEIVABLE	(15,905)	(57,312)	2,888	(6,920)	(77,240)	-
MISCELLANEOUS AIR-REVENUE	3,984	17,524	-	(22,564)	(1,076)	5,412
INVENTORY	6,059	(806)	12,835	1,118	19,206	(5,429)
LIABILITY INCREASES (DECREASES):						
ACCOUNTS & VOUCHERS PAYABLE	21,501	317,879	1,684	(120,319)	220,744	181,942
OTHER LIABILITIES PAYABLE	(10,828)	(2,575)	129	72,346	59,073	-
DEPOSITS PAYABLE	(445)	-	96	-	(349)	-
WAGES & BENEFITS PAYABLE	(46,973)	(40,205)	(75,219)	61,013	(104,384)	-
COMPENSATED ABSENCES PAYABLE	56,469	35,657	72,317	75,691	241,534	-
TOTAL ADJUSTMENTS	531,083	650,157	320,131	823,883	2,325,254	899,378
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 1,211,651	\$ 1,681,154	\$ 46,069	\$ 1,845,787	\$ 4,784,661	\$ 938,763
SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
CAPITAL ASSETS ACQUIRED BY CONTRIBUTED CAPITAL	\$ 3,550	\$ 103,800	\$ -	\$ 28,253	\$ 135,603	\$ -
INCREASE (DECREASE) IN FAIR VALUE OF INVESTMENT	3,475	-	-	-	3,475	446,604
TOTAL NON CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	\$ 7,025	\$ 103,800	\$ -	\$ 28,253	\$ 139,078	\$ 446,604

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2012

	FIREMENS PENSION TRUST FUND	AGENCY FUND
ASSETS:		
CASH AND CASH EQUIVALENTS	\$ 1,415,638	\$ 32,030
TOTAL ASSETS	1,415,638	32,030
LIABILITIES:		
CURRENT PAYABLES	-	32,030
TOTAL LIABILITIES	-	32,030
NET POSITION:		
HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES	\$ 1,415,638	\$ -

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	FIREMENS PENSION TRUST FUND
ADDITIONS:	
OTHER CONTRIBUTIONS:	
FIRE INSURANCE PREMIUM TAXES	\$ 52,249
INVESTMENT EARNINGS	2,770
TOTAL ADDITIONS	55,019
DEDUCTIONS:	
BENEFIT PAYMENTS	60,288
ADMINISTRATIVE EXPENSES	1,150
TOTAL DEDUCTIONS	61,438
CHANGE IN NET POSITION	(6,419)
NET POSITION - BEGINNING	1,422,057
NET POSITION - ENDING	\$ 1,415,638

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Tukwila was incorporated on June 29, 1908, and operates under the laws of the State of Washington applicable to a non-charter optional code city with a Mayor/Council form of government. Tukwila is served by a Mayor and seven council members, all elected at large to four-year terms. The City provides what are considered general government services including public safety, streets, parks, planning and zoning, permits and inspection, general administrative, water services, sanitary sewer collection, and storm drainage.

The accounting and reporting policies of the City of Tukwila conform to generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described in this note.

A. The Reporting Entity

As required by generally accepted accounting principles the financial statements present the City and its component unit, an entity for which the government is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

See Note 8, Joint Ventures, for a discussion of Valley Communications Center, which is a joint public safety dispatching authority for five member cities, and South Correctional Entity (SCORE), which is a governmental administrative agency. Also, see Note 15, Risk Management, for a discussion of the Washington Cities Insurance Authority.

The City of Tukwila is a party to the following interlocal agreements:

- Cascade Water Alliance
- Jail Administration Group
- Valley Narcotics Enforcement Team
- Valley Special Weapons and Tactics Team
- Valley Civil Disturbance Unit
- Metropolitan Park District
- Regional Animal Services of King County
- City of Sea Tac Probation Services
- King County Reclaimed Water
- eCity.gov Alliance

The organizations above are separate entities in the State of Washington whereby the City may enter into these agreements pursuant to, and as authorized by, the Interlocal Cooperation Act under RCW 39.34. The City of Tukwila is not financially accountable to these organizations, none of the organizations have an ongoing financial interest in the City, and the City is not financially dependent upon these organizations.

Discretely presented Component Unit

The Metropolitan Park District (District) was formed on August 16, 2011. The City Council of the City of Tukwila is authorized pursuant to RCW 35.61.050 to serve in an ex-officio capacity as the Board of Metropolitan Park Commissioners. Through this shared governance, it is a component unit of the City. The Metropolitan Park District provides a benefit to the citizens of Tukwila serving the community as a multigenerational facility that provides health and recreation benefits to all ages. Component units are legally separate entities but so closely related to the City through shared governance that their exclusion would cause the City's financials to be misleading or incomplete.

The District is a component unit of the City of Tukwila, which operates parks and recreation programs within the City and the District. Financial data for the District is included in the City's financial statements by discrete presentation. Requests for the District's separately issued financial statements may be addressed to the Finance Director, City of Tukwila, 6200 Southcenter Blvd., Tukwila, WA 98188-2544.

B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the City and its component unit. These statements include the financial activities of the government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses.

The statements distinguish between governmental activities and business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program activity of the City. Direct expenses are those specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Indirect costs are included in the program expense reported for individual functions and activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program.

For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted.

Revenues which are not classified as program revenues are presented as general revenues of the City, and certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type. While fiduciary funds are excluded from the government-wide statements, they are included in the fund financial statements.

C. Fund Accounting

The accounts of the City are organized on the basis of funds each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The City's resources are allocated to and accounted for in individual funds according to the purpose for which they are spent and how they are controlled. There are three categories of funds: *governmental*, *proprietary* and *fiduciary*.

Governmental Funds

All governmental funds are accounted for on a "flow of current financial resources" measurement focus. This means only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements focus on measuring changes in financial position, rather than net income; they present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. The following are the City's major governmental funds:

- The General Fund is the general operating fund of the City. It accounts for all financial resources and transactions except those required to be accounted for in another fund.
- The Arterial Street Fund, a special revenue fund, is established in accordance with RCW 82.36.020 for the administration of the State-levied motor vehicle half-cent gasoline tax distributed to Tukwila.
- The Land Acquisition, Recreation and Park Development Fund is used to account for financial resources to be used for the acquisition of land, development of land, and construction of park facilities.

The other governmental funds of the City, which are Special Revenue Funds, account for the proceeds of specific revenue sources that are segregated to ensure that expenditures are made exclusively for qualified purposes.

Proprietary Funds

Proprietary Funds are accounted for on a "flow of economic resources" measurement focus. This means all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund operating statements present increases (revenues and gains) and decreases (expenses and losses) in net total assets. Proprietary funds measurement focus is based upon determination of net income, financial position, and cash flows.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to the City's customers for sales and services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. As described further below, there are two fund types in this category-enterprise and internal service.

Restricted assets shown in the government-wide financial statements and the proprietary funds balance sheet include monies reserved for payment of revenue bond debt, and deposits held for utility and golf course customer accounts. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

The City's Enterprise Funds account for utility and golf course operations which are self-supported through user charges. The utilities are financed and operated like a private business enterprise which requires periodic determination of revenues earned, expenses incurred, and net income for capital maintenance, public policy, management control and accountability. The City's major enterprise funds are as follows:

- Water Utility Fund accounts for operations and capital improvements to provide water services to the City.
- Sewer Utility Fund accounts for operations and capital improvements to provide sanitary sewer services to the City.
- Foster Golf Course Fund is used to account for the operation, maintenance, and improvements of the municipal golf course facility.
- Surface Water Utility Fund accounts for the operations and capital improvements for the City's storm drainage and surface water management function.

The City has three Internal Service Funds. The Equipment Rental Fund is used to account for the costs of maintaining and replacing all City vehicles and auxiliary equipment. All equipment costs, including depreciation, are factors in calculating the rates charged to each user department. The Insurance and Insurance – LEOFF I Funds are used to account for the costs of the City's self-insured medical plan for active employees and retired LEOFF I employees respectively. Medical and dental costs for covered employees are charged to the respective user departments. All premiums, medical and dental costs and ancillary charges are included.

Fiduciary Funds

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City has two Fiduciary Funds, Firemen's Pension Trust Fund and Agency Fund. The Firemen's Pension Trust Fund is accounted for in essentially the same manner as Proprietary Funds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve a measurement of results of operations.

D. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the City are included on the Statement of Net Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the government activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus.

E. Basis of Accounting

Basis of accounting refers to the recognition of revenues and expenditures or expenses in the accounts and reporting them in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds use the accrual basis of accounting.

Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. The modified accrual basis of accounting is followed in all governmental funds of the City. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay current liabilities. For the City, available means expected to be received within sixty (60) days of year-end. The primary accrued revenues that meet these criteria are property, sales and utility taxes.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, sales and use taxes, admission taxes, gambling taxes, utility taxes, hotel/motel taxes, grants, entitlements, and donations. These revenues are on an accrual basis. On the accrual basis, the revenue is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 4 on receivables).

Other Revenue Sources

Revenue sources which are not considered to meet the measurable and available criteria for revenue recognition include licenses and permits, fines and forfeitures, and other miscellaneous revenues since they are generally not measurable until received.

Under the modified accrual basis, expenditures are recorded when the fund liability is incurred, except for principal and interest on general long-term debt and vacation and sick pay which are recorded when paid.

As a general rule the effect of interfund activity has been eliminated via the process of consolidation from the government-wide financial statements. Internal service fund and similar internal activity has been eliminated from the government-wide statement of activities so expenses are not reported twice. Exceptions to this general rule are payments for interfund services provided and used, such as between the City's water, sewer, and surface water functions and various other functions of the City, which are not eliminated in the process of consolidation. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Amounts reported on the government-wide statements as program revenues include, charges to customers or applicants for goods, operating grants and contributions, and capital grants and contributions. General revenues include all taxes. The accrual basis of accounting is followed in all proprietary funds. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when incurred. All assets and liabilities are recorded in the fund.

F. Budgets and Budgetary Accounting

The City of Tukwila budgets its funds in accordance with the Revised Code of Washington 35A.33. In compliance with the code, biennial budgets are adopted for the general fund and special revenue funds. For governmental funds, there are no substantial differences between the budgetary basis and generally accepted accounting principles. Budgetary accounts are integrated in fund ledgers for all budgeted funds, but the financial statements include budgetary comparisons for biennially budgeted governmental funds only. Budgets established for proprietary and fiduciary funds are "management budgets" and are not legally required to be reported and, as such, are not reported in the CAFR.

The biennial appropriated budgets are adopted at the fund level and the budgets constitute the legal authority for expenditures at that level. Subsidiary revenue and expenditure records are used to compare the budgeted amounts with actual revenues and expenditures. As a management control device, the subsidiary ledgers monitor expenditures for individual functions and activities by object class. Any unexpended appropriation balances lapse at the end of the biennium.

The City of Tukwila's budget procedures are mandated by RCW 35A.33. The steps in the budget process are as follows:

- 1) Prior to November 1 on even numbered years, the Mayor submits a proposed budget to the City Council. This budget is based on priorities established by the Council and estimates provided by the City departments during the preceding months, and balanced with revenue estimates made by the Mayor.
- 2) The City Council conducts public hearings on the proposed budget in November and December.
- 3) The Council makes its adjustments to the proposed budget and adopts by ordinance a final balanced budget no later than December 31.

- 4) The final operating budget as adopted is published and distributed within the first month of the following year. Copies of the budget are made available to the public.

The City Council must approve by ordinance any amendments that increase the total for the fund. Budget amounts presented in the basic financial statements include both the original amounts and the final amended budget as approved by the City Council.

Expenditure Categories

General Government	Includes administration, finance, municipal court, attorney, and city clerk activities.
Public Safety	Includes all police and fire activities.
Physical Environment	Includes expenditures for the public works activities not chargeable to the enterprise funds.
Transportation	Includes all street and arterial street maintenance and construction.
Economic Environment	Reflects the planning and building inspection activities.
Culture and Recreation	Includes the parks and recreation activities.

G. Assets, Liabilities and Fund Equity**Cash and Cash Equivalents**

All cash and cash equivalents, restricted and unrestricted, consists of cash balances in the checking account, imprest funds, and the State Treasurer's Local Government Investment Pool. All funds in the care of other institutions are considered investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash.

Investments

Investments are held separately by each of the funds with interest earned directly for the benefit of each fund. Investments are reported on the financial statements at fair value, cost or amortized cost, depending on the type and maturity length of each investment as required by GASB Statement 31. Washington State statutes provide for the City to hold investments consisting of obligations of the Federal Government, repurchase agreements, prime banker's acceptances, and time certificates of deposit. Additional deposit and investment information is presented in Note 3.

Due from Component Unit

The City has advanced funds to the Metropolitan Park District in the form of an operating loan. The advance earns interest at 2% per annum and will be repaid over a 10 year period with the first payment due June 1, 2013.

Notes Receivable

Notes receivable in the enterprise funds consists of sewer connection fees due from customers to the utility.

Amounts due to and from Other Funds and Governments, Interfund Loans and advances Receivable

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund loans receivable/payable" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Interfund loans and advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. See Note 5 on interfund transactions.

Inventories

Inventories carried in proprietary funds are valued at average cost using the consumption method. A physical count is taken at year-end. Governmental funds use the purchase method whereby inventory items are considered expenditures when purchased.

Deferred Charges

Unamortized debt issuance costs are those costs incurred for the issuance of long-term debt, such as legal fees, printing costs and other costs. These costs are deferred and amortized over the lives of the related issues.

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets acquired in governmental funds are accounted for as expenditures in the fund when the asset is purchased. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated assets are valued at estimated fair market value at time of acquisition. Where historical cost is not known, assets are recorded at estimated historical costs. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of roads, bridges, storm sewers, water and sewer distribution and collection systems. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

Depreciation is computed using the straight line method over estimated service lives, as follows:

Asset	Estimated Service Life
Buildings	25 to 50 years
Non-Building Improvements	25 to 50 years
Utility Plant	10 to 50 years
Machinery and Equipment	2 to 50 years
Intangibles	2 to 50 years
Infrastructure	25 to 50 years

See Note 7 for additional information on capital assets.

Other Long-Term Liabilities

These liabilities are current obligations that are due within one year and include accounts payable, accrued liabilities, and other debts. The Self Insurance fund includes an incurred but not reported (IBNR) liability of \$655,300 determined using actuarial methods. This liability is multiplied by a factor of 2.5 to meet the City's financial goal of maintaining reserves at 1 x IBR for claim fluctuations plus 1.5 x IBNR for the IBNR liability of \$1,638,250.

Compensated Absences

City policy and labor contracts with City of Tukwila employees call for the accumulation of vacation and sick leave. At termination of employment, employees with the required length of service may receive cash payments for all accumulated vacation leave to a maximum of 384 hours. Sick leave termination benefits are based on a percentage of accumulated sick leave up to a maximum of 180 hours. The payment is based on current wages at termination.

The entire compensated absence liability is reported on the government-wide financial statements. In the enterprise funds, the entire amount of compensated absences is reported as a fund liability. This reporting format is in compliance with GASB Statement No. 16.

The current portion reported on the schedule of long-term liabilities is calculated using the first-in-first-out (FIFO) approach.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Long-term debt outstanding at year-end is outlined in Note 11.

Fund Balance/Net Position

Fund balance represents the difference between the current assets and current liabilities. The City restricts those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for general appropriation or expenditure.

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has not spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The remaining balance is reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes of which both restricted and unrestricted net position is available. This is followed by committed resources, then assigned, and lastly unassigned resources.

In 2011, the 2003 Limited General Obligation Bond debt obtained to finance the construction of the golf course clubhouse was transferred from the Foster Golf Course fund to a governmental debt service fund. This amount is excluded from the net investment in capital assets for the governmental activities. It is included in the total for the net investment in capital assets calculation for the primary government.

In 2012, the City revised the Reserve Policy which addresses the various types of the City's operating and restricted use funds. The objectives of this Policy are to establish, attain, and restore minimum fund balances, including self-insurance health care reserve funds, and specified review and reporting of fund balances.

At the close of each fiscal year, the General Fund balance and the Reserve Fund balance shall each equal or exceed 10% of the previous year General Fund revenue, exclusive of significant non-operating, non-recurring revenues such as real estate sales or transfers in from other funds.

Enterprise funds, at the close of each fiscal year, the unrestricted fund balance shall equal or exceed 20% of the previous year revenue, exclusive of non-operating, non-recurring revenues such as real estate sales, transfers in from other funds or debt proceeds.

The City shall maintain a reserve balance in each of its self-insured health care funds an amount equal to 2.5 times or 250%, of the actuarially determined IBNR (incurred but not reported) reserve. The contingency reserve balance will be combined with the IBNR reserve balance and recorded as one liability in each of the self-insured health care plan funds.

Fund Balance Components

The fund balance amounts for governmental funds have been classified in accordance with GASB Statement No. 54 and are reported as nonspendable, restricted, committed, assigned or unassigned.

- Nonspendable fund balance includes items that cannot be spent. This includes activity that is not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds are restricted, committed or assigned) and activity that is legally or contractually required to remain intact, such as a principal balance in a permanent fund.
- Restricted fund balances have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

- Committed fund balances can be used only for specific purposes pursuant to constraints imposed by a formal action in the form of ordinances and resolutions of Tukwila Councilmembers, the City's highest level of decision-making authority. This formal action is the passage of an ordinance by City Council creating, modifying, or rescinding an appropriation. These committed amounts cannot be used for any other purpose unless Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- Assigned fund balance includes amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the General Fund, this is the residual amount within the fund that is not restricted or committed.
- Unassigned fund balance is the residual amount of the General Fund not included in the four categories described above. Also, any deficit fund balances within the other governmental fund types are reported as unassigned.

Each fund has been analyzed to classify the fund balance in accordance with GASB Statement No. 54. Funds are created by the Legislature and money is authorized to be transferred to the fund for a particular purpose. At this point, balances in these funds are at least committed, and may be further restricted depending on whether there is an external party, constitutional provision, or enabling legislation constraint involved.

The following table illustrates the use of fund balance resources for governmental funds. The City applies restricted resources first when an expense is incurred for purposes of which both restricted and unrestricted net position is available in the governmental funds.

General Fund						
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 8,260,142	\$ 8,260,142
Additions	-	-	-	-	51,052,023	51,052,023
Expenditures	-	-	-	-	(50,933,608)	(50,933,608)
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 8,378,557	\$ 8,378,557
Restricted-Committed-Assigned-Unassigned						
Arterial Street						
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Beginning Fund Balance	\$ -	\$ 2,696,537	\$ -	\$ 4,232,859	\$ -	\$ 6,929,396
Additions	-	3,737,157	192,353	-	-	3,929,510
Expenditures	-	(6,038,939)	(192,353)	(4,144,283)	-	(10,375,575)
Ending Fund Balance	\$ -	\$ 394,755	\$ -	\$ 88,576	\$ -	\$ 483,331
Restricted-Committed-Assigned-Unassigned						
Land Acquisition Recreation & Park Development						
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Beginning Fund Balance	\$ -	\$ 88,487	\$ -	\$ 1,339,485	\$ -	\$ 1,427,972
Additions	-	1,049,120	33,779	-	-	1,082,899
Expenditures	-	(1,137,607)	(33,779)	(249,298)	-	(1,420,684)
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 1,090,188	\$ -	\$ 1,090,188
Restricted-Committed-Assigned-Unassigned						

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
Hotel Motel Tax						
Beginning Fund Balance	\$ -	\$ 787,568	\$ -	\$ -	\$ -	\$ 787,568
Additions	-	1,393,197	-	-	-	1,393,197
Expenditures	-	(1,470,058)	-	-	-	(1,470,058)
Ending Fund Balance	\$ -	\$ 710,707	\$ -	\$ -	\$ -	\$ 710,707
Restricted-Committed-Assigned-Unassigned						
Street						
Beginning Fund Balance	\$ -	\$ 903,937	\$ -	\$ -	\$ -	\$ 903,937
Additions	-	266,340	-	-	-	266,340
Expenditures	-	(123,506)	-	-	-	(123,506)
Ending Fund Balance	\$ -	\$ 1,046,771	\$ -	\$ -	\$ -	\$ 1,046,771
Restricted-Committed-Assigned-Unassigned						
Drug Seizure						
Beginning Fund Balance	\$ -	\$ 154,711	\$ -	\$ 75,000	\$ -	\$ 229,711
Additions	-	-	-	-	-	-
Expenditures	-	(69,586)	-	-	-	(69,586)
Ending Fund Balance	\$ -	\$ 85,125	\$ -	\$ 75,000	\$ -	\$ 160,125
Restricted-Committed-Assigned-Unassigned						
Debt Service Funds						
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ 3,316,313	\$ -	\$ 3,316,313
Additions	-	-	-	3,128,732	-	3,128,732
Expenditures	-	-	-	(3,432,664)	-	(3,432,664)
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 3,012,381	\$ -	\$ 3,012,381
Restricted-Committed-Assigned-Unassigned						
Facility Replacement						
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ 2,027,014	\$ -	\$ 2,027,014
Additions	-	-	-	3,752	-	3,752
Expenditures	-	-	-	(25,246)	-	(25,246)
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 2,005,520	\$ -	\$ 2,005,520
Restricted-Committed-Assigned-Unassigned						
General Government Improvement						
Beginning Fund Balance	\$ -	\$ 397,064	\$ -	\$ 211,549	\$ -	\$ 608,613
Additions	-	1,846,858	-	537,969	-	2,384,827
Expenditures	-	(2,079,610)	-	-	-	(2,079,610)
Ending Fund Balance	\$ -	\$ 164,312	\$ -	\$ 749,518	\$ -	\$ 913,830
Restricted-Committed-Assigned-Unassigned						
Fire Improvement						
Beginning Fund Balance	\$ -	\$ 313,819	\$ -	\$ -	\$ -	\$ 313,819
Additions	-	34,191	-	-	-	34,191
Expenditures	-	-	-	-	-	-
Ending Fund Balance	\$ -	\$ 348,010	\$ -	\$ -	\$ -	\$ 348,010
Restricted-Committed-Assigned-Unassigned						

Risk Management and Risk Retention

It is the City of Tukwila's policy to self-insure for unemployment benefits because of the insignificant liability. Medical and dental self-insurance coverage is also provided for employees. All buildings, City equipment, and City vehicles are insured by carriers for property coverage at replacement value.

The City of Tukwila is a member of the Washington Cities Insurance Authority (WCIA) as of January 1, 1984. The WCIA is an organization of Washington municipal entities numbering 153 as of December 31, 2012. WCIA provides pooled self-insurance coverage for general liability, vehicle liability, false arrest, and errors and omissions. See Note 15 for additional information on risk management.

Operating Revenues and Expenses

Operating revenues are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for the use of the golf course and the internal use of vehicles, computers and facilities. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. All other revenues and expenses are classified as non-operating including investment earnings, interest expense and the gain or loss on the disposition of capital assets.

Contributions of Capital

Contributions of capital in proprietary fund financial statement arise from outside contributions of capital assets, for example, developers, and grants or outside contributions of resources restricted to capital acquisition and construction.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. On the government-wide statement of activities, the exchange transactions between the internal service funds and the user funds are eliminated. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in proprietary funds.

Transfers between governmental and business-type activities on the government-wide statement of activities are reported separately after general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

H. Changes in Accounting Standards

The City implemented the following Government Accounting Standards Board (GASB) statement in 2012:

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance

that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

- Financial Accounting Standards Board (FASB) Statements and Interpretations
- Accounting Principles Board Opinions
- Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The requirements of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions, and there have been no expenditures exceeding legal appropriations in any of the funds of the City of Tukwila.

NOTE 3 – DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool available for use by all funds. Interest earned on pooled investments is recorded in the participating funds. Investments are also held separately by several of the funds, with interest earned directly for the benefit of each fund. As required by State law, all investments of the City's funds are obligations of the U.S. Government, or deposits with Washington State banks that participate in the Washington Public Deposit Protection Commission (WPDPC).

Cash and Cash Equivalents

At year-end, the carrying amount of the City's bank balance was \$3,598,223. Of the bank balance, \$250,000 was covered by Federal depository insurance and the WPDPC insured the remainder. The City also maintains imprest funds totaling \$19,250. The City participates in the State Treasurer's Investment Pool, which is a 2a7-like unrated pool, overseen by the State Treasurer's Office. The fair value of the City's position in the pool is the same as the value of the pool shares. Because of its highly liquid nature, the Pool funds are considered cash equivalents.

Deposits and Investments

The City's investment portfolio includes certificate of deposits insured by the Washington State Public Depository Commission and municipal bonds issued by state and local agencies. These investments are reported at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Also, the Firemen's Pension Fund is authorized to invest in stocks, bonds, and mutual funds.

At December 31, 2012, the City had the following deposits and investments:

SCHEDULE OF INVESTMENTS BY MATURITY

	Maturity Date	Credit Rating	Market Value
Certificates of Deposit:			
US Bank	2/15/2013	*	\$ 3,450,000
Sound Community Bank	3/4/2014	*	3,074,090
Regal Bank	12/20/2014	*	250,000
Total Certificate of Deposits			6,774,090
Municipal Bonds:			
Lodging Tax	7/1/2016	Aa3 / A+	538,465
Revenue - Facilities	7/1/2017	Aa1 / AA+	563,050
Limited General Obligation	12/1/2017	Aa3 / A1	607,134
Revenue - Facilities	7/1/2019	Aa1 / AA+	585,195
Limited General Obligation	9/1/2020	A1	377,213
Unlimited General Obligation	12/1/2020	Aa1 / Aa3	1,334,487
Total Municipal Bonds			4,005,544
TOTAL INVESTMENTS			\$ 10,779,634

* No credit rating with certificate of deposit accounts; accounts are insured by the Public Depository Protection Commission.

RECONCILIATION OF ALL CASH, DEPOSITS AND INVESTMENTS

AS REPORTED ON STATEMENT OF NET POSITION:	
Cash and Cash Equivalents:	\$24,469,780
Investments	10,779,634
Current Assets Restricted:	
Cash and cash equivalents	1,052,844
Total Cash, Cash Equivalents and Investments	\$36,302,258

SUMMARY BY TYPE:	
Cash and Cash Equivalents:	
Cash on hand	\$ 19,250
Cash in bank-book balance	25,503,374
Total cash and cash equivalents	25,522,624
Investments:	
Certificates of deposit	6,774,090
Municipal bonds	4,005,545
Total investments	10,779,634
Total Cash, Cash Equivalents, and Investments	\$36,302,258

Restricted Assets - Governmental	
Bond Proceeds-General Govt Improvement	\$ 164,312
Impact Fees	394,755
Restricted Assets-Governmental	\$ 559,067
Restricted Assets - Business-Type	
Customer Deposits-Water Utility	\$ 6,035
Customer Deposits-Golf Course	42,298
Lease Deposits-Golf Course	15,000
Revenue Bond Reserve Account-Water/Sewer/Surface Water	430,444
Restricted Assets-Business-Type	\$ 493,777
Total Restricted Assets	\$ 1,052,844

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits at least half of the City's cash and investment portfolio to maturities of less than one year. Investment maturities are limited as follows:

- 1) At the time of investment, a minimum of thirty percent (30%) of the cash and investment portfolio will be comprised of investments maturing or available within one year.
- 2) At the time of investment, eighty percent (80%) of the portfolio will be comprised of investments maturing or available within five (5) years and no instruments shall have a maturity exceeding ten (10) years, except when compatible with a specific fund's investment needs.
- 3) The average maturity of the portfolio shall not exceed three and one half (3 ½) years or forty-two (42) months.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes and the City's investment policy limit the types of securities authorized for investment by the City. The principal governing statutes are RCW 39.59 and RCW 39.60. The Finance Director may further restrict eligible investments by this policy at his/her discretion. Authorized investments include (but are not limited to):

- 1) U.S. Treasury Securities.
- 2) U.S. Agency Securities (i.e., obligations of any government-sponsored corporation eligible for collateral purposes at the Federal Reserve).
- 3) Certificates of Deposit, Money Market Deposit Accounts and savings deposits with qualified depositories within statutory limits as promulgated by the PDPC at the time of investment.
- 4) Bankers Acceptances (BA's) purchased on the secondary market with a rating of A-1, P-1, its equivalent or better.
- 5) General Obligation Bonds of a state or local government which have at the time of the investment one of the three highest credit ratings of a nationally-recognized rating agency.
- 6) The Washington State Local Government Investment Pool (LGIP).

As of December 31, 2012, the City's investments in municipal bonds were rated Aa1 to A1 by Moody's Investor Service. The City currently maintains a rating of AA- with Fitch's Investor Service for its general obligation debt and A1 with Moody's Investor Service.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The City of Tukwila diversifies its investments by security type and institution as described below:

- 1) No more than fifty percent (50%) of the City's cash and investment portfolio, at the time of purchase, shall be in any single financial institution.
- 2) Except, that no more than seventy-five percent (75%) of the City's portfolio, at the time of purchase, shall be invested in the Washington State Local Government Investment Pool, and
- 3) No more than seventy-five percent (75%) of the City's portfolio, at the time of purchase, shall be invested in U.S. Treasury or Agency securities.

NOTE 4 – RECEIVABLES

Taxes Receivable

Taxes receivable consists of property taxes, sales and use tax, and gambling taxes. Customer accounts receivable consists of amounts owed by private individuals or organizations for good and services provided. Uncollectible amounts are considered immaterial and the direct write-off method is used. Other types of accounts receivable include utility taxes due from private organizations and customer accounts receivable for amounts owed which billings have not been prepared.

	Governmental Activities	Business- Type Activities	Total
Taxes Receivable			
Property	\$ 317,035	\$ -	\$ 317,035
Sales & Use	3,380,239	-	3,380,239
Admission/Gambling/Parking	743,484	-	743,484
Total Taxes Receivable	4,440,757	-	4,440,757
Customer Receivable			
Utility Tax	590,383	-	590,383
Miscellaneous	472,230	1,196,224	1,668,454
Total Customer Receivable	1,062,613	1,196,224	2,258,837
Interest	44,798	33,105	77,903
Total Receivables	\$ 5,548,167	\$ 1,229,329	\$ 6,777,496

Property Taxes Receivable

The County treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Collections are distributed daily via wire transfer.

Property Tax Calendar

January 1 st	Taxes are levied and become an enforceable lien against properties.
February 14 th	Tax bills are mailed.
April 30 th	First of two equal installment payments is due. If taxes are less than \$50, full payment is due. (RCW 84.56.020)
May 31 st	Assessed value of property established for next year's levy at 100 percent of market value.
October 31 st	Second installment is due. (RCW84.56.020)

Assessed values are established by the County Assessor at 100% of fair market value. A revaluation of all property is required every two years. On May 31 of each year the assessed value of property is established for the next year's property tax levy.

Property taxes levied by the County Assessor and collected by the County treasurer become a lien on the first day of the levy year and may be paid in two equal installments if the total amount exceeds \$50. The first half of real property taxes is due on April 30 and the balance is due October 31. Delinquent taxes bear interest at the rate of 12% and are subject to additional penalties if not paid as scheduled.

During the year, property tax revenues are recognized when cash is received. At year-end, unpaid property taxes are recorded as a receivable. Property tax receivables at year-end not expected to be collected within 60 days after the current period are reported as deferred revenue in the governmental funds financial statements. The tax rate for general City operations is limited to \$3.60 per \$1,000 of assessed value. Of this amount, up to \$0.45 per thousand may be designated for contribution to the Firemen's Pension Fund, if a report by a qualified actuary indicates that additional funds are required.

The payment of principal and interest on limited tax (non-voted) bonds issued by the City is made from the general levy. Accordingly, the issuance of limited tax general obligation bonds has the effect of reducing property taxes available for the general operations of City government. State law also provides that the City's operating levy may not exceed 101% of the largest single levy of the past three years. The State Constitution provides that the total of all taxes upon real and personal property by the State and all taxing entities, including the City, shall not in any year exceed 1% (\$10 per \$1,000) of the true and fair monetary value of such property. This limitation may be exceeded upon the approval of 60% of the City voters at an election in which the total vote exceeds 40% of the votes cast at the last general election.

The City's regular levy for 2012 was \$2.95408 per \$1,000 of assessed valuation of \$4,649,191,308 for a total regular levy of \$13,705,220.

Intergovernmental Grants and Entitlements

All receivables from other governments are recorded at year-end as amounts Due from Other Governmental Units. These amounts represent federal, state, and local reimbursement-type grants, and are reported as receivables and intergovernmental revenues in the year when the related expenditures are incurred.

NOTE 5 – INTERFUND TRANSACTIONS

Interfund activity is the term used to describe similar financial transactions between funds of the primary government.

Reciprocal interfund activity involves the exchange of equal or almost equal value between funds.

Services Provided/Used – Transactions that would be treated as revenues, expenditures or expenses if they involve external organizations, such as buying goods and services in return for equal or almost equal value, are similarly treated when they involve other funds of the City of Tukwila.

Interfund Loans/Advances – Loans between funds are classified as interfund loans receivable and payable or as advances to and from other funds in the fund statements. Interfund loans are offset by a reservation of fund equity. Interfund loans are subject to elimination upon consolidation.

Nonreciprocal interfund activity does not involve the exchange of equal or almost equal value between funds.

Transfers – Transactions to support the operations of other funds are recorded as “Transfers” and classified with “Other Financing Sources or Uses” in the fund statements. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Contributions – Contributions to the capital of enterprise or internal service funds, transfers of capital assets between proprietary and governmental funds, transfers to establish or reduce working capital in other funds, and transfers of remaining balances when funds are closed are classified non-operating revenue.

Reimbursements – Repayments from funds responsible for expenditures or expenses to the funds that initially paid for them. These transactions are expenditures/expense in the fund responsible and as a reduction of expenditure/expensed in the fund being reimbursed.

There were no interfund loans outstanding at December 31, 2012. Interfund transfers were as follows:

SUMMARY OF INTERFUND TRANSFERS

Government and Internal Service Funds	General Fund	Other	Internal	Total
		Government Funds	Service Funds	
Transfers In	\$ 2,330,665	\$ 5,295,127	\$ -	\$ 7,625,792
Transfers Out	(5,619,148)	(555,210)	(394,591)	(6,568,949)
Net Transfers In (Out)	<u>\$ (3,288,483)</u>	<u>\$ 4,739,917</u>	<u>\$ (394,591)</u>	<u>\$ 1,056,843</u>

Proprietary Funds	Water/Sewer	Surface Water	Foster Golf	Total
	Utility	Utility	Course	
Transfers In	\$ 98,460	\$ -	\$ 225,000	\$ 323,460
Transfers Out	(964,357)	(400,786)	(15,160)	(1,380,303)
Net Transfers In (Out)	<u>\$ (865,897)</u>	<u>\$ (400,786)</u>	<u>\$ 209,840</u>	<u>\$ (1,056,843)</u>

The principal purposes for interfund transfers include interfund subsidies and transfers into debt service and capital projects funds.

NOTE 6 – OPERATING LEASES

During 2012 the City maintained operating lease agreements for the purpose of leasing City operated machinery and equipment.

Tukwila leases office/ storage space for the purposes of the Records Center, Seattle Southside Visitor Center and the Neighborhood Resource Center. In addition the city leased a postage machine, copiers and a fax machine during 2012. Costs associated with these activities are as follows.

SCHEDULE OF FUTURE MINIMUM LEASE PAYMENTS

	2012	2013	2014	2015	2016
Records Center ¹	63,185	66,510	27,713	-	-
Neighborhood Resource Center ²	8,790	19,800	20,400	10,200	-
Seattle Southside Visitors Center	39,144	40,314	41,520	42,132	42,132
Postage Machines	11,966	11,966	11,966	11,966	11,966
Office Equipment	39,056	52,545	53,909	53,200	53,414
Total Lease Payments	162,141	191,135	155,508	117,498	107,512

¹ Leasing of the Records Center expires on 5/31/2014. The tenant is responsible for the cost of utilities and maintenance of building, which is estimated, based on square footage and reconciled annually by the lessor.

² Leasing of the Neighborhood Resource Center expires on 6/30/2015.

NOTE 7 – CAPITAL ASSETS**Primary Government**

Capital asset activity for the year ended December 31, 2012, was as follows:

GOVERNMENTAL ACTIVITIES

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 39,459,061	\$ 1,042,448	\$ -	\$ 40,501,509
Construction in Progress	39,453,817	10,023,011	(1,534,628)	47,942,200
Total capital assets, not being depreciated	78,912,878	11,065,459	(1,534,628)	88,443,709
Capital assets, being depreciated:				
Buildings	21,771,200	502,357	-	22,273,557
Other Improvements	17,570,236	129,568	-	17,699,804
Machinery and Equipment	17,022,319	401,799	(431,810)	16,992,308
Infrastructure	148,134,969	1,460,891	-	149,595,860
Intangible Assets	372,141	333,043	(99,422)	605,762
Total capital assets being depreciated	204,870,865	2,827,658	(531,232)	207,167,290
Less accumulated depreciation for:				
Buildings	(9,539,205)	(552,644)	-	(10,091,849)
Other Improvements	(8,930,665)	(825,631)	-	(9,756,296)
Machinery and Equipment	(10,497,033)	(1,319,555)	421,807	(11,394,781)
Infrastructure	(41,031,093)	(4,475,169)	-	(45,506,262)
Intangible Assets	(85,430)	(85,108)	75,368	(95,170)
Total accumulated depreciation	(70,083,426)	(7,258,107)	497,175	(76,844,358)
Total capital assets, being depreciated, net	134,787,439	(4,430,449)	(34,057)	130,322,932
Governmental activity capital assets, net	\$ 213,700,317	\$ 6,635,010	\$ (1,568,685)	\$ 218,766,642

BUSINESS-TYPE ACTIVITIES

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
Business-type Activities				
Capital assets, not being depreciated:				
Land	\$ 2,214,118	\$ -	\$ -	\$ 2,214,118
Construction in Progress	7,850,959	1,607,440	(1,863,034)	7,595,365
Total capital assets, not being depreciated	10,065,077	1,607,440	(1,863,034)	9,809,483
Capital assets, being depreciated:				
Buildings	11,390,601	-	-	11,390,601
Other Improvements	69,891,182	1,939,042	(1,009)	71,829,216
Machinery and Equipment	2,295,765	-	(512)	2,295,253
Intangible Assets	90,647	-	-	90,647
Total capital assets being depreciated	83,668,195	1,939,042	(1,521)	85,605,717
Less accumulated depreciation for:				
Buildings	(2,986,840)	(304,540)	-	(3,291,381)
Other Improvements	(25,702,935)	(1,557,705)	937	(27,259,703)
Machinery and Equipment	(1,608,009)	(103,555)	512	(1,711,052)
Intangible Assets	(32,480)	(2,154)	-	(34,635)
Total accumulated depreciation	(30,330,265)	(1,967,954)	1,449	(32,296,770)
Total capital assets, being depreciated, net	53,337,930	(28,912)	(72)	53,308,949
Business Type activity capital assets, net	\$ 63,403,007	\$ 1,578,528	\$ (1,863,106)	\$ 63,118,432

CAPITAL ASSET INCREASES

<u>Governmental Activities</u>	
Capital Asset - Increases:	
Capital Outlays	\$ 12,099,297
Capital Improvements	(5,868)
Developer Turnovers	23,813
Construction in Progress to Capital (Infrastructure)	1,534,629
Internal Service Funds (Equipment Rental)	241,246
Capital Assets - Total Increases	<u>13,893,117</u>
<u>Business-Type Activities</u>	
Capital Asset - Increases:	
Capital Outlays	\$ 1,655,196
Developer Turnovers	28,253
Construction in Progress to Capital - Infrastructure	1,863,034
Capital Assets - Total Increases	<u>\$ 3,546,484</u>

DEPRECIATION

Depreciation expense for 2012 was charged to functions/programs as follows:	
Governmental Activities:	
General Government	\$ 149,282
Public Safety	346,061
Physical Environment	610,548
Transportation	4,501,922
Economic Environment	4,835
Culture and Recreation	842,899
Intangible Assets	85,108
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	717,452
Total 2012 depreciation expense - governmental activities	<u>\$ 7,258,107</u>
<u>Business-type Activities</u>	
Water Utility - Depreciation	\$ 519,221
Sewer Utility - Depreciation	379,795
Foster Golf Course - Depreciation	306,401
Surface Water Utility - Depreciation	762,537
Total 2012 accumulated depreciation increases - business-type activities	<u>\$ 1,967,954</u>

NOTE 8 – JOINT VENTURES**Valley Communications Center**

The "Valley Communications Center" was established August 20, 1976, when an Interlocal Agreement was entered into by the four original participating municipal corporations, including the cities of Renton, Kent, Auburn, and Tukwila, with Federal Way formally admitted during 2000. The agreement is sanctioned by the provisions and terms of the Interlocal Cooperation Act pursuant to RCW 39.34. The initial duration of the agreement was five years, and thereafter is automatically extended for consecutive five-year periods.

The purpose of the joint operation, hereafter referred to as Valley Com, is to provide improved consolidated emergency communications (dispatch) services for police, fire, and medical aid, to the five participating cities and to several subscribing agencies. Separate agreements between Valley Com and the subscribing agencies have been executed, which set forth conditions of services and rates charged. The allocation of prorated financial participation among the five participating cities is the percentage of estimated dispatched calls attributed to each jurisdiction compared to the total estimated dispatched calls for the current 12-month period ending December 31.

The 2012 cost distribution for the five participating cities is as follows:

City	Dispatchable Calls	Percent of Total
Renton	72,004	21.18%
Kent	96,126	28.28%
Auburn	65,612	19.30%
Tukwila	33,645	9.90%
Federal Way	72,547	21.34%
Total	339,934	100.00%

Valley Com is governed by an Administration Board composed of the Mayors from the five participating cities of Renton, Kent, Auburn, Tukwila, and Federal Way. The Board is responsible for the following functions: (1) Adopting an annual budget after review by participating legislative bodies; (2) Appointment and/or discharge of the Director; (3) Approves personnel policy and makes final decisions on all major policy changes; (4) Reviews and approves all contracts.

In addition, an Operating Board was established and consists of two members of each participating City's Public Safety Departments, including the heads of such departments or their designees. The Operating Board performs the following functions: (1) Oversees the operation of Valley Com and advises and makes recommendations to the Administration Board; (2) Makes recommendation on Director selection; (3) Presents proposed policies and budgets to the Administration Board; (4) Approves disbursement of funds by the Director.

The Director presents a proposed budget to the Operating Board on or before August 15 of each year. The proposed budget is then presented to the Administration Board by September 1 of each year. The Administration Board can make changes to the proposed Valley Com budget as it finds necessary, but final approval falls to the legislative body of each participating city, in accordance with the provisions of the Interlocal Agreement.

The share of equity belonging to the five participating cities is as follows:

ITEM	RENTON	KENT	AUBURN	TUKWILA	FEDERAL WAY	TOTAL
Equity January 1, 2012	\$ 4,996,753	\$ 7,052,093	\$ 4,723,727	\$ 2,812,717	\$ 3,258,408	\$ 22,843,698
Current Year Increase/(Decrease)	65,681	87,685	59,850	30,690	66,176	310,082
Equity December 31, 2012	\$ 5,062,434	\$ 7,139,778	\$ 4,783,577	\$ 2,843,407	\$ 3,324,584	\$ 23,153,780
Percent of Equity	21.86%	30.84%	20.66%	12.28%	14.36%	100.00%

Liabilities are the responsibility of the five participating cities in direct proportion to their equity position. In August 1993, Valley Com entered into an interlocal cooperation agreement, pursuant to RCW 39.34 RCW, with the subregions of King County, Seattle, and the Eastside Public Safety Communications Agency. This agreement governs the development, acquisition and installation of the 800 MHz emergency radio communications system funded by a \$57 million King County levy approved in November 1992. This agreement provides that upon voluntary termination of any subregion's participation in the system, it surrenders its radio frequencies, relinquishes its equipment and transfers any unexpended levy proceeds and associated equipment replacement reserves to another subregion or consortium of subregions. Thus, in accordance with this agreement, the participating cities of Valley Com have no equity interest in Valley Com's 800-MHz communications system.

During 2000, the Valley Communications Center Development Authority was created to issue \$12,758,000 in General Obligation Bonds to finance construction, equipment, and land for a new facility completed in 2002. Each of the five participating cities is responsible for one-fifth of the debt obligation, which originally was \$2,551,600 per City. The basic agreement shall not be terminated until all bonds issued by Valley Communications Center Development Authority have been paid and retired.

A complete set of financial statements are available from Valley Communications Center, 27519 108th Ave SE, Kent, WA 98030, or by telephone 253-372-1300.

South Correctional Entity (SCORE)

The South Correctional Entity (SCORE) consolidated correctional facility was established February 25, 2009, when an interlocal agreement (the "Original Interlocal Agreement") was entered into by seven participating municipal governments, the "Member Cities" of Auburn, Burien, Des Moines, Federal Way, Renton, SeaTac and Tukwila, under the authority of the Interlocal Cooperation Act (RCW 39.34). This "Original Interlocal Agreement" was amended and restated October 1, 2009 and named the City of Des Moines as the "Host City" and the remaining Member Cities as "Owner Cities". This interlocal agreement is known as the "Formation Interlocal Agreement". Pursuant to a separate "Host City Agreement" dated October 1, 2009, the Host City will not enjoy the same equity position as the Owner Cities until all debts issued are paid and the Host City fulfills all of its obligations as outlined in the Agreement.

SCORE, a governmental administrative agency pursuant to RCW 39.34.030 (3), has the power to acquire, construct, own, operate, maintain, equip, and improve a correctional facility known as the "SCORE Facility" and to provide correctional services and functions incidental thereto, for the purpose of detaining arrestees and sentenced offenders in the furtherance of public safety and emergencies within

the jurisdiction of the Member Cities. The SCORE Facility may serve the Member Cities and Subscribing Agencies which are in need of correctional facilities. Any agreement with a Subscribing Agency shall be in writing and approved by SCORE as provided within the SCORE Formation Interlocal Agreement.

Financing for the acquisition, construction, equipping, and improvement of the SCORE Facility will be provided by bonds issued by the South Correctional Entity Facility Public Development Authority (the "SCORE PDA"), a public development authority chartered by the City of Renton pursuant to RCW 35.21.730 through 35.21.755 and secured by the full faith and credit of the Cities of Auburn, Burien, Federal Way, Renton, SeaTac, and Tukwila (the "Owner Cities"). The SCORE PDA issued \$86 million in special obligation bonds in 2009 to carry out the facility development project. The following is a summary of the debt service requirements for the bond issue:

SUMMARY OF DEBT SERVICE REQUIREMENTS

Year	Debt Service Schedule				Debt Service Allocation to Owner Cities					
	Principal	Interest	35% BABs Subsidy	Total	Auburn 31%	Burien 4%	Federal Way 18%	Renton 36%	SeaTac 3%	Tukwila 8%
2013	\$ 1,915,000	\$ 5,126,998	\$(1,675,089)	\$ 5,366,909	\$ 1,663,742	\$ 214,676	\$ 966,044	\$ 1,932,087	\$ 161,007	\$ 429,353
2014	1,950,000	5,066,566	(1,654,975)	5,361,591	1,662,093	214,464	965,087	1,930,173	160,848	428,927
2015	1,990,000	4,995,069	(1,632,787)	5,352,282	1,659,207	214,091	963,411	1,926,822	160,568	428,183
2016	2,065,000	4,911,886	(1,632,787)	5,344,099	1,656,671	213,764	961,938	1,923,876	160,323	427,528
2017	2,145,000	4,820,241	(1,621,980)	5,343,261	1,656,411	213,730	961,787	1,923,574	160,298	427,461
2018-2022	11,990,000	22,399,915	(7,748,350)	26,641,565	8,258,885	1,065,663	4,795,482	9,590,963	799,247	2,131,325
2023-2027	14,485,000	18,727,798	(6,710,481)	26,502,317	8,215,718	1,060,093	4,770,417	9,540,834	795,070	2,120,185
2028-2032	17,725,000	13,590,870	(4,959,695)	26,356,175	8,170,414	1,054,247	4,744,112	9,488,223	790,685	2,108,494
2033-2037	21,855,000	7,082,263	(2,731,829)	26,205,434	8,123,685	1,048,217	4,716,978	9,433,956	786,163	2,096,435
2038-2039	10,115,000	676,321	(353,824)	10,437,497	3,235,624	417,500	1,878,749	3,757,499	313,125	835,000
Totals	\$86,235,000	\$87,397,927	\$(30,721,797)	\$ 142,911,130	\$ 44,302,450	\$ 5,716,445	\$ 25,724,004	\$ 51,448,007	\$ 4,287,334	\$ 11,432,891

The City of Tukwila reports its share of equity interest in the Governmental Activities column within the Government-wide financial statements under non-current assets. The share of equity belonging to the six participating cities is as follows:

ITEM	FEDERAL WAY						TOTAL
	AUBURN	BURIEN	FEDERAL WAY	RENTON	SEATAC	TUKWILA	
Equity January 1, 2012	\$ 3,189,320	\$ 411,525	\$ 1,851,863	\$ 3,703,728	\$ 308,643	\$ 823,050	\$ 10,288,129
Current Year Increase/(Decrease)	(1,820,461)	(234,898)	(1,057,043)	(2,114,084)	(176,174)	(469,796)	(5,872,456)
Equity December 31, 2012	\$ 1,368,859	\$ 176,627	\$ 794,820	\$ 1,589,644	\$ 132,469	\$ 353,254	\$ 4,415,673
Percent of Equity	31.00%	4.00%	18.00%	36.00%	3.00%	8.00%	100.00%

Note: Interest is to be paid from bond proceeds during the construction period (2010-2011).

The investment in joint venture for SCORE on the Statement of Net Position includes Tukwila's share of debt issued in 2009. The City's share of SCORE debt is \$6,898,800. See Note 11 for additional information on long-term debt. Completed financial statements for SCORE and SCORE PDA can be obtained from the SCORE office, 20817 17th Avenue South, Des Moines, WA 98198.

NOTE 9 – PENSION PLANS

Washington State Department of Retirement Systems

Substantially all of the City's full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, PO Box 48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website at www.drs.wa.gov/administration/annual-report/cafr/. The following disclosures are made pursuant to GASB Statements No. 27, *Accounting for Pensions by State and Local Government Employers* and No. 50, *Pension Disclosures, an Amendment of GASB Statements No. 25 and No. 27*.

Public Employees Retirement System (PERS) Plans 1, 2, and 3

Plan Description

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges currently in the Judicial Retirement System); employees of legislative committees; community and technical colleges, college and university employees not participating in higher education retirement programs; employees of district and municipal courts; and employees of local governments. Approximately 50 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

PERS members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. Employees who fail to choose within 90 days default to PERS Plan 3. Notwithstanding, PERS Plan 2 and Plan 3 members may opt out of plan membership if terminally ill, with less than five years to live.

PERS is comprised of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

PERS Plan 1 and Plan 2 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2012, the rate was five and on-half percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can

elect to withdraw total employee contributions and interest thereon upon separation from PERS-covered employment.

PERS Plan 1 members are vested after the completion of five years of eligible service.

Plan 1 members are eligible for retirement after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The monthly benefit is two percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

The monthly benefit is subject to a minimum for retirees who have 25 years of service and have been retired 20 years, or who have 20 years of service and have been retired 25 years. If a survivor option is chosen, the benefit is reduced. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity. The benefit amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60, at which time the benefit is converted to the member's service retirement amount. A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit amount is two percent of the AFC for each year of service reduced by two percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. Plan 1 members may elect to receive an optional COLA amount (based on the Consumer Price Index), capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 members can receive credit for military service while actively serving in the military if such credit makes them eligible to retire. Members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

The survivor of a PERS Plan 1 member who dies after having earned ten years of service credit has the option, upon the member's death, of either a monthly survivor benefit or the lump sum of contributions plus interest.

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is two percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is now cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

PERS Plan 2 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65.
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option. The surviving spouse or eligible child(ren) of a PERS Plan 2 member who dies after having earned ten years of service credit has the option of either a monthly benefit or lump sum payment of the member's contributions plus interest. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 percent to 15 percent of salaries, based on member choice. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 investments are made in the same portfolio as that of PERS 2/3 defined benefit plan.

For DRS' fiscal year 2012, PERS Plan 3 employee contributions were \$95.2 million, and plan refunds paid out were \$66.2 million.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is one percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

Effective June 7, 2006, PERS Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service, if twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 by June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.
- If they have 30 service credit years and are at least 55 years old, they have the choice of a benefit that is reduced by three percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.

PERS Plan 3 benefit retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is two percent of the AFC per year of service. For Plan 3, the monthly benefit amount is one percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at three percent annually.

PERS Plan 2 and Plan 3 member may have up to ten years of interruptive military service credit; five years at no cost and five years that may be purchased by paying the required contributions.

PERS Plan 2 and Plan 3 members who become totally incapacitated for continued employment while serving the uniformed services, or a surviving spouse or eligible child(ren), may request interruptive military service credit.

PERS Plan 2 and Plan 3 members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

PERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's retirement benefit.

Beneficiaries of a PERS Plan 2 or Plan 3 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Director of the Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PERS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of member's covered employment, if found eligible by the Department of Labor and Industries.

From January 1, 2007 through December 31, 2007, judicial members of PERS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) Program enacted in 2006. Justices and judges in PERS Plan 1 and Plan 2 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of AFC. Judges in PERS Plan 3 could elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of AFC.

Members who chose to participate would: accrue service credit at the higher multiplier beginning with the date of their election; be subject to the benefit cap of 75 percent of AFC; stop contributing to the Judicial Retirement Account (JRA); pay higher contributions; and be given the option to increase the multiplier on past judicial service. Members who did not choose to participate would: continue to accrue service credit at the regular multiplier; not be subject to a benefit cap; continue to participate in JRA, if applicable; continue to pay contributions at the regular PERS rate; and never be a participant in the JBM Program.

Newly elected or appointed justices and judges who choose to become PERS members on or after January 1, 2007, or who had not previously opted into PERS membership, were required to participate in the JBM Program. Members required into the JBM program would: return to prior PERS Plan if membership had previously been established; be mandated into Plan 2 and not have a Plan 3 transfer choice, if a new PERS member; accrue the higher multiplier for all judicial service; not contribute to JRA; and not have the option to increase the multiplier for past judicial service.

There are 1,184 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2011:

Type of Membership	Membership
Retirees and Beneficiaries Receiving Benefits	79,363
Terminated Plan Members Entitled to but not yet Receiving Benefits	29,925
Active Plan Members Vested	105,578
Active Plan Members Non-vested	46,839
Total	261,705

Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at six percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Director of the Department of Retirement Systems sets Plan 3 employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the employee's age. As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program. The methods used to determine the contribution requirements are established under state statute in accordance with RCW 41.40 and RCW 41.45.

The required contribution rates expressed as a percentage of covered payroll as of December 31, 2011, are as follows:

Members Not Participating in JBM:

	PERS Plan I	PERS Plan II	PERS Plan III
Employer*	7.21%	7.21%	7.21% **
Employee	6.00%	4.64%	Minimum 5% to maximum 15%

* The employer rates include the employer administrative expense fee currently set at 0.16%.
** Plan 3 defined benefit portion only.

Both the City and the employees made the required contributions. The City's contributions to PERS for the years ended December 31 were as follows:

	PERS Plan I	PERS Plan II	PERS Plan III
2012	\$ -	\$ 902,516	\$ 144,456
2011	2,078	753,456	113,753
2010	3,494	640,034	98,350

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)

Plan Description

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 are Plan 2 members. Membership in the system includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters and, as of July 24, 2005, those emergency medical technicians who were given the option and chose LEOFF Plan 2 membership. LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers, who were first included prospectively effective July 27, 2003, being an exception.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established by Initiative 790 to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature for the LEOFF Plan 2 retirement plan.

LEOFF defined benefit retirement benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays through state legislative appropriations. LEOFF retirement benefit provisions are established in Chapter 41.26 RCW and may be amended only by the State Legislature.

LEOFF Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50. The benefit per year of service calculated as a percent of final average salary (FAS) is as follows:

Term of Service	Percent of final Average
20 or more years	2.0%
10 but less than 20 years	1.5%
5 but less than 10 years	1.0%

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months' salary within the last ten years of service. A cost-of-living allowance is granted (based on the Consumer Price Index).

LEOFF Plan 1 provides death and disability benefits. Death benefits for survivors of Plan 1 members on active duty consist of the following: (1) If eligible spouse, 50 percent of the FAS, plus 5 percent of FAS for each eligible surviving child, with a limitation on the combined allowances of 60 percent of the FAS; or (2) If no eligible spouse, eligible children receive 30 percent of FAS for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of FAS, divided equally.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 1 member who dies as a result of injuries or illness sustained in the course of employment, if found eligible by the Department of Labor and Industries.

The LEOFF Plan 1 disability allowance is 50 percent of the FAS plus 5 percent for each child up to a maximum of 60 percent. Upon recovery from disability before the age of 50, a member is restored to service with full credit for service while disabled. Upon recovery after the age of 50, the benefit continues as the greater of the member's disability allowance or service retirement allowance.

LEOFF Plan 1 members may purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's allowance.

LEOFF Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members may retire at the age of 50 with 20 years of service, or at the age of 53 with five years of service, with an allowance of two percent of the FAS per year of service. (FAS is based on the highest consecutive 60 months.) Plan 2 members who retire prior to the age of 53 receive reduced benefits. Benefits are actuarially reduced for each year that the benefit commences prior to age 53 and to reflect the choice of a survivor option. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. A cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

LEOFF Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The plan 2 allowance amount is two percent of the FAS for each year of service. Benefits are actuarially reduced for each year that the member's age is less than 53, unless the disability is duty-related, and to reflect the choice of a survivor option. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. A catastrophic disability benefit equal to 70 percent of their FAS, subject to offsets for workers' compensation and Social Security disability benefits received, is also available to those LEOFF Plan 2 members who are severely disabled in the line of duty and incapable of future substantial gainful employment in any capacity.

Effective June 2010, benefits to LEOFF Plan 2 members who are catastrophically disabled include payment of eligible health care insurance premiums.

Members of LEOFF Plan 2 who leave service because of a line of duty disability are allowed to withdraw 150 percent of accumulated member contributions. This withdrawal benefit is not subject to federal income tax. Alternatively, members of LEOFF Plan 2 who leave service because of a line of duty disability may be eligible to receive a retirement allowance of at least 10 percent of FAS and two percent per year of service beyond five years. The first 10 percent of the FAS is not subject to federal income tax.

LEOFF Plan 2 retirees may return to work in an eligible position covered by another retirement system, chose membership in that system and suspend their pension benefits, or not choose membership and continue receiving pension benefits without interruption.

LEOFF Plan 2 members who apply for retirement may purchase up to five years of additional service credit. The cost of this credit is the actuarial equivalent of the resulting increase in the member's benefit. LEOFF Plan 2 members can purchase service credit for military service that interrupts employment. Additionally, LEOFF Plan 2 members who become totally incapacitated for continued employment while serving in the uniformed services may apply for interruptive military service credit. Should any such member die during this active duty, the member/s surviving spouse or eligible child(ren) may purchase service credit on behalf of the deceased member.

LEOFF Plan 2 members may also purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

Beneficiaries of a LEOFF Plan 2 member who is killed in the course of employment receive retirement benefits without actuarial reduction, if found eligible by the Director of the Department of Labor and Industries.

Benefits to eligible surviving spouses and dependent children of LEOFF Plan 2 members killed in the course of employment include the payment of on-going health care insurance premiums paid to the Washington State Health Care Authority.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 2 member who dies as a result of injuries or illness sustained in the course of employment, if found eligible by the Department of Labor and Industries.

There are 374 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2011:

Type of Membership	Membership
Retirees and Beneficiaries Receiving Benefits	9,947
Terminated Plan Members Entitled to but not yet Receiving Benefits	656
Active Plan Members Vested	13,942
Active Plan Members Non-vested	3,113
Total	27,658

Funding Policy

Starting on July 1, 2000, LEOFF Plan 1 employers and employees contribute zero percent as long as the plan remains fully funded. Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plan. LEOFF Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. All employers are required to contribute at the level required by state law. The Legislature, by means of a special funding arrangement, appropriated money from the state General Fund to supplement the current service liability and fund the prior service costs of LEOFF Plan 2 in accordance with the requirements of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. However, this special funding situation is not mandated by the state constitution and this funding requirement could be returned to the employers by a change of statute.

The required contribution rates expressed as a percentage of covered payroll as of December 31, 2012 are as follows:

	LEOFF Plan I	LEOFF Plan II
Employer	0.16%	5.24%
Employee	0.00%	8.46%

Both the City and the employees made the required contributions. The City's required contributions to the LEOFF system for the years ended December 31 are as follows:

	LEOFF Plan I	LEOFF Plan II
2012	\$ 410	\$ 691,175
2011	489	654,131
2010	714	640,494

Public Safety Employee's Retirement System (PSERS) Plan 2

Plan Description

PSERS is a cost-sharing multiple-employer retirement system comprised of a single defined benefit plan, PSERS Plan 2. PSERS was created by the 2004 legislature and became effective July 1, 2006.

PSERS Plan 2 membership includes full-time employees of a covered employer on or before July 1, 2006, who meet at least one of the PSERS eligibility criteria, and elected membership during the election period of July 1, 2006 to September 30, 2006; and those full-time employees, hired on or after July 1, 2006 by a covered employer, that meet at least one of the PSERS eligibility criteria.

A *covered employer* is one that participates in PSERS. Covered employers include the following: state of Washington agencies: Department of Corrections, Department of Natural Resources, Parks and Recreation Commission, Gambling Commission, Washington State Patrol, and Liquor Control Board; Washington State counties; and Washington State cities except for Seattle, Tacoma and Spokane.

To be eligible for PSERS, an employee must work on a full-time basis and have one of the following:

- Completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington and carry a firearm as part of the job.
- Primary responsibility to ensure the custody and security of incarcerated or probationary individuals.
- Limited authority to function as a Washington peace officer, as defined in RCW 10.93.020.
- Primary responsibility to supervise eligible members who meet the above criteria.

PSERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. PSERS retirement benefit provisions are established in Chapter 41.37 RCW and may be amended only by the State Legislature.

PSERS Plan 2 members are vested after the completion of five years of eligible service. PSERS Plan 2 members may retire at the age of 65 with five years of service, or at the age of 60 with at least 10 years of PSERS service credit, with an allowance of two percent of the average final compensation (AFC) per year of service. The AFC is the monthly average of the member's 60 consecutive highest-paid service credit months, excluding any severance pay such as lump-sum payments for deferred sick leave, vacation or annual leave. Plan 2 members who retire prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a three percent per year reduction for each year between the age at retirement and age 60 applies. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

PSERS Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. Eligibility is based on the member being totally incapacitated for continued employment with a PSERS employer and leaving that employment as a result of the disability. The disability allowance is two percent of the average final compensation (AFC) for each year of service. AFC is based on the member's 60 consecutive highest creditable months of service. Service credit is the total years and months of service credit at the time the member separates from employment. Benefits are actuarially reduced for each year that the member's age is less than 60 (with ten or more service credit years in PSERS), or less than 65 (with fewer than ten service credit years).

PSERS Plan 2 members can purchase service credit for military service that interrupts employment. Additionally, PSERS members who become totally incapacitated for continued employment while

servicing in the uniformed services, may apply for interruptive military service credit. Should any such member die during this active duty, the member's surviving spouse or eligible child(ren) may purchase service credit on behalf of the deceased member.

PSERS members may also purchase up to 24 consecutive months of service credit for each period of temporary duty disability.

Beneficiaries of a PSERS Plan 2 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applies to any member killed in the course of employment, if found eligible by the Director of the Department of Labor and Industries.

There are 76 participating employers in PSERS. Membership in PSERS consisted of the following as of the latest actuarial valuation date for the plan of June 30, 2011:

Type of Membership	Membership
Retirees and Beneficiaries Receiving Benefits	15
Terminated Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members Vested	167
Active Plan Members Non-vested	4,020
Total	4,203

Funding Policy

Each biennium, the state Pension Funding Council adopts PSERS Plan 2 employer and employee contribution rates. The employer and employee contribution rates for Plan 2 are developed by the Office of the State Actuary to fully fund Plan 2. All employers are required to contribute at the level established by the Legislature. The methods used to determine the contribution requirements are established under state statute in the accordance with Chapters 41.37 and 41.45 RCW.

The required contribution rates expressed as a percentage of covered payroll as of December 31, 2012 are as follows:

	PSERS Plan II
Employer	8.887%
Employee	6.36%

Both the City and the employees made the required contributions. The City's required contributions to the LEOFF system for the years ended December 31 are as follows:

	PSERS Plan II
2012	\$ 11,187
2011	8,712
2010	-

Firemen's Pension System

Plan Description

The City is the administrator of the Firemen's Pension Plan which is a closed, single-employer, defined benefit pension plan that was established in conformance with RCW Chapter 41.18. This plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Membership is limited to fire fighters employed prior to March 1, 1970 when the LEOFF retirement system was established. The City's obligation under the Firemen's Pension Plan consists of paying all benefits, including payments to beneficiaries, for fire fighters who retired prior to March 1, 1970 and excess benefits over LEOFF for covered fire fighters who retired after March 1, 1970. Benefits and refunds of the defined benefit pension plan are recognized when due and payable in accordance with the Plan. The Plan does not issue a separate financial report.

Membership of the Firemen's Pension Plan consisted of the following at December 31, 2012.

Type of Membership	Total
Retirees and beneficiaries receiving benefits	9
Retirees currently receiving full retirement benefits through the Law Enforcement Officers and Fire Fighters Retirement Plan (LEOFF)	2
Total	11

Funding Policy

Under State law, the Firemen's Pension Plan is provided an allocation of all monies received by the State from taxes on fire insurance premiums; interest earnings; member contributions made prior to the inception of LEOFF; and City contributions required to meet projected future pension obligations. An actuarial valuation was completed as of January 1, 2011 and it was determined that current assets of the fund, along with future revenues from state fire insurance taxes and interest earnings, will be sufficient to pay all future Firemen's Pension Plan pension benefits. In 2012 \$52,249 was received from the state from taxes on fire insurance premiums. On-behalf payments of fringe benefits and salaries for the City's employees were recognized as revenues and expenditures/expenses during the period. Costs to administer the plan are paid for through investment earnings and General Fund resources. The Actuarial Valuation of Firefighters' Pension Fund table is reported in the Required Supplemental Information section, and a recap of the Schedule of Funding Progress is as follows:

PENSION SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2000	\$1,076	\$1,243	\$167	87%	\$112	149%
January 1, 2003	1,215	1,135	(80)	107	0	N/A
January 1, 2005	1,265	1,182	(83)	107	0	N/A
January 1, 2007	1,336	1,310	(26)	102	0	N/A
January 1, 2009	1,445	1,610	165	90	442	37
January 1, 2011	1,430	1,582	152	90	371	41

The Firemen's Pension Plan does not issue a stand-alone financial report and is not included in another Public Employee Retirement System or another entity. Biennially a complete actuarial valuation financial report, including an accounting update for intervening years, is prepared by Milliman USA, Incorporated. This report is available from the City of Tukwila.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Benefits are recognized when due and payable in accordance with the plan.

ANNUAL PENSION COST AND NET PENSION OBLIGATION

	2010	2011	2012
1 Annual normal cost (BOY)	\$ -	\$ -	\$ -
2 Amortization of UAAL (BOY)	11,185	11,523	11,523
3 Interest to EOY	(1 + 2 x i*)	391	461
4 ARC at EOY	(1 + 2 + 3)	11,576	11,984
5 Interest on NPO	(9,057)	(11,400)	(12,393)
6 Adjustment to ARC	(18,236)	(21,647)	(24,488)
7 Annual Pension cost	(4 + 5 - 6)	20,755	22,231
8 Employer contributions**	46,989	47,065	50,599
9 Change in NPO	(7 - 8)	(26,234)	(24,834)
10 NPO at BOY	(11 prior yr)	(258,764)	(284,998)
11 NPO at EOY	(9 + 10)	\$ (284,998)	\$ (309,832)

* (i) is the assumed interest rate that year: 3.5% in 2010, 4.0% in 2011, and 4.00% in 2012.
 ** Employer contributions for pensions are total contributions to the Fund net of disbursements from the Fund for medical expenses under RCW 41.26.150 and administrative expenses.

The Annual Required Contribution (ARC) was computed using the Entry Age Normal Cost Method. Under this method, the projected benefits are allocated on a level basis as a percentage of salary over the earnings of each individual between entry age and exit age. The amount allocated to each year is called the Normal Cost and the portion of the Actuarial Present Value of all benefits not provided for by future Normal Cost payments is called the Actuarial Accrued Liability. Since all members have already retired, the amount of the Normal Cost is zero. The Unfunded Actuarial Accrued Liability (UAAL) is the Actuarial Accrued Liability minus the actuarial value of the Fund's assets.

ANNUAL DEVELOPMENT OF PENSION COST

Fiscal Year Ended	Annual Required Contribution	Interest on Net Pension Obligation	ARC Adjustment	Annual Pension Cost	Total Employer Contributions	Change in Net Pension Obligation	Net Pension Obligation Balance	--- Amortization---			Ending Balance	
								(Gain)/	Loss	Factor	(Gain)/	Loss
2010	11,576	(9,057)	(18,236)	20,755	46,989	(26,234)	(284,998)	(35,413)	14.1897		(18,236)	(284,998)
2011	11,984	(11,400)	(21,647)	22,231	47,065	(24,834)	(309,832)	(35,081)	13.1657		(21,647)	(309,832)
2012	11,984	(12,393)	(24,488)	24,079	50,599	(26,520)	(336,352)	(38,615)	12.6523		(24,488)	(336,352)

PERCENTAGE OF ANNUAL PENSION COST CONTRIBUTED

Fiscal Year Ending	Annual Pension Cost (APC)	Contribution as a* Percentage of APC	Net Pension Obligation (Asset)
December 21, 2010	20,755	226	(284,998)
December 21, 2011	22,231	212	(309,832)
December 21, 2012	24,079	210	(336,352)

* In years with a negative APC, this percentage is not applicable.

The information presented in the preceding required schedules were determined as part of the actuarial valuations at the dates indicated.

The key actuarial assumptions used for the January 1, 2011 valuation were:

Actuarial Valuations	
Actuarial valuation date	January 1, 2012
Actuarial cost method	Entry Age Normal
Amortization Method	30-year, closed as of January 1, 1999
Remaining amortization period	18 years
Asset valuation method	Fair market value
Assumptions	
Investment rate of return	3.75%
Projected salary increases	3.50%
Price inflation	2.50%
Cost-of-living adjustments	Based upon salary increase assumption when appropriate, for FPF benefits.*
	Based upon inflation assumption for some FPF benefits and all LEOFF benefits.

* Under the Firemen's Pension Trust Fund, most adjustments are based on the change in salary for the rank of members held at retirement or based on the Consumer Price Index. Adjustments are determined in accordance with RCW 41.18.150, RCW 41.20 and RCW 41.26

The Schedule of Funding progress, presented as required supplementary information following the notes of the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The Schedule of Employer Contributions is also included as required supplementary information following the notes to the financial statements.

NOTE 10 – OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLAN

Plan Description

The City is the administrator of the Retiree Medical and Long-Term Care Benefits for LEOFF 1 Employees Plan which is a closed, single-employer, defined benefit, other post-employment benefit plan (OPEB). The benefits are authorized under state statute, RCW Chapters 41.16 and 41.18 and 41.26 and may be amended by the state legislature. This plan provides medical, dental and long-term care benefits to eligible retirees. Membership is limited to eligible law enforcement officers and fire fighters hired prior to the March 1, 1970 establishment of LEOFF, as well as eligible members of LEOFF hired prior to October 1, 1977. Financial reporting for the LEOFF retiree healthcare plan is included in the City's Comprehensive Annual Financial Report. Triennially, a complete actuarial valuation financial report is prepared by Milliman USA, Incorporated. This report is available from the City.

Membership

As of December 31, 2012, there were 3 active employees and 38 retirees meeting the eligibility requirements of a LEOFF 1 member. This is considered a closed group with no new members.

Funding Policy

Funding for LEOFF 1 retiree healthcare costs is provided entirely by the City as required by RCW. The City's funding policy is based upon pay-as-you-go financing requirements. The employee or retiree is not required to contribute to the cost of the plan. The annual contribution represents the cost of employer-paid benefits.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize unfunded actuarial liabilities over a period 21 years as of January 1, 2008. The following tables show the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

ANNUAL OPEB COST AND NET OPEB OBLIGATION

	2010	2011	2012
1 Annual normal cost (BOY)	\$ 105,058	\$ 91,385	\$ 91,385
2 Amortization of UAAL (BOY)	1,196,165	1,124,502	1,124,502
3 Interest to EOY (1 + 2 x i*)	65,061	48,635	48,635
4 ARC at EOY (1 + 2 + 3)	1,366,284	1,264,522	1,264,522
5 Interest on Net OPEB Obligation	90,941	112,598	145,727
6 Adjustment to ARC	143,332	213,809	287,945
7 Annual OPEB cost (4 + 5 - 6)	1,313,893	1,163,311	1,122,304
8 Employer contributions	317,771	335,090	332,141
9 Change in Net OPEB Obligation (7 - 8)	996,122	828,221	790,163
10 Net OPEB Obligation at BOY (11 prior yr)	1,818,820	2,814,942	3,643,163
11 Net OPEB Obligation at EOY (9 + 10)	\$ 2,814,942	\$ 3,643,163	\$ 4,433,326

* (i) is the assumed interest rate that year: 5% in 2009, 4% in 2011, and 4% in 2012.

The net OPEB obligation of \$4,433,326 is included as a non-current liability on the Statement of Net Position.

ANNUAL DEVELOPMENT OF OPEB COST

Fiscal Year Ended	Annual Required Contribution	Interest on Net OPEB Obligation	ARC Adjustment	Annual OPEB Cost	Total Employer Contributions	Change in Net OPEB Obligation	Net OPEB Obligation Balance	--- Amortization---			Ending Balance
								(Gain)/Loss	Factor*	(Gain)/Loss	
2008	\$ 1,366,284	\$ -	\$ -	\$ 1,366,284	\$ 557,103	\$ 809,181	\$ 809,181	\$ 809,181	13.4622	\$ -	\$ 809,181
2009	1,366,284	40,459	61,839	1,444,904	335,265	1,009,639	1,818,820	1,031,019	13.0853	61,839	1,818,820
2010	1,366,284	90,941	143,332	1,313,893	317,771	996,122	2,814,942	1,048,513	12.6896	143,332	2,814,942
2011	1,264,522	112,598	213,809	1,163,311	335,090	828,221	3,643,163	929,432	13.1657	213,809	3,643,163
2012	1,264,522	145,727	287,945	1,122,304	332,141	790,163	4,433,326	932,381	12.6523	287,945	4,433,326

* Based on a 21-year closed amortization as of January 1, 2008

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

PERCENTAGE OF ANNUAL OPEB COST CONTRIBUTED

Fiscal Year Ending	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 21, 2010	1,313,893	317,771	24	2,814,942
December 21, 2011	1,163,311	335,090	29	3,643,163
December 21, 2012	1,122,304	332,141	30	4,433,326

Funded Status and Funding Progress

As of January 1, 2011, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$14.8 million, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$14.8 million and a funded ratio of 0%. The funded ratio is 0%, because the City funds benefits on a pay-as-you-go basis.

SCHEDULE OF FUNDING PROGRESS (rounded to thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2008	\$0	\$16,103	\$16,103	0%	\$581	4%
January 1, 2011	0	14,805	14,805	0%	371	3

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial

value of assets, consistent with the long-term perspective of the calculations. Significant methods and assumptions were as follows:

Actuarial Valuations		
Valuation date	January 1, 2011	
Actuarial Cost Method	Entry Age Normal	
Amortization Method	21-year, closed as of January 1, 2008	
Remaining Amortization Period	18 years	
Asset Valuation Method	Fair market value	
Assumptions		
Investment rate of return	4.00%	
Medical inflation	<u>Year</u>	<u>Medical Cost Rate</u>
	2011	7.80%
	2012	7.10%
	2013	6.50%
	2014-2019	5.90%
	2020-2030	5.80%
	2031-2036	5.70%
Long-term care inflation	4.75%	

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, provides the multi-year trend information showing whether the actuarial value of plan assets is increasing or decreasing over time relative to the actual.

NOTE 11 – LONG-TERM DEBT

Governmental Activities Long-Term Debt

General Obligation Bonds are direct obligations of the City for which its full faith and credit are pledged. Debt service for voter-approved issues, of which the City has none, would be funded by special property tax levies. Debt service for City Council authorized bonds, also called councilmanic bonds, is funded from regular property taxes, sales taxes, or other general revenues, and is generally paid from debt service funds. The City currently maintains a rating of A1 from Moody's Investor Service and a rating of AA- from Fitch's Rating Service for its General Obligation Bonds.

General Obligation Bonds outstanding at year-end are as follows:

- 2003 Limited Tax General Obligation (LTGO) bonds were issued as payment to King County for Arterial Street projects including South Park Bridge transfer and for construction of a new golf course clubhouse. In December 2011, this fund assumed the Golf Course portion of this debt and the Arterial Street portion was refunded.
- 2003 LTGO refunding bonds were issued to refund the remaining debt of the 1994 LTGO bonds. 1994 LTGO bonds were issued to pay for the Community Center and Fire Station #53.
- 2008 LTGO bonds were issued to refund the remaining debt the 1999 LTGO bonds. 1999 LTGO bonds were issued to purchase an additional City Hall Annex (6300 building) and economic revitalization projects.
- 2010 LTGO bonds were issued for the construction and realignment of Southcenter Parkway in the Tukwila South Annexation area and for the cost of emergency preparedness capital and other equipment.
- 2011 LTGO refunding bonds were issued to refund a portion of the bonds issued in 2003 for the city's Arterial Street program.

Business-Type Activities Long-Term Debt

Revenue bond indebtedness issued to fund proprietary activities is recorded in proprietary funds. Debt service payments are made from operating revenues generated by the proprietary funds. In proprietary funds, unamortized debt issue costs are recorded as deferred charges and bonds are displayed net of premium or discount; annual interest expense is decreased by amortization of debt premium and increased by the amortization of debt issue costs and discount. The City currently maintains a rating of Aaa from Moody's Investor Service for debt in this category.

State of Washington Public Works Trust Fund Loans are a low interest rate loans available from the State of Washington Department of Commerce, Local Government & Infrastructure Division for qualifying projects and are a direct responsibility of the City. This debt is repaid by proprietary fund revenues.

The City is in compliance with all Washington State debt limitation statutes and bond indenture agreements.

The schedules that follow summarize the long-term debt transactions of the City for the year ended December 31, 2012.

CHANGES IN LONG-TERM LIABILITIES SUMMARY

	GENERAL OBLIGATION	REVENUE BONDS UTILITIES	PUBLIC WORKS TRUST FUND LOANS	COMPENSATED ABSENCES	DUE TO OTHER GOVERNMENTS	CAPITAL LEASES	TOTAL
Outstanding 01/01/2012	\$20,260,000	\$3,980,000	\$7,179,635	\$3,260,355	\$7,746,800	\$35,891	\$42,462,681
Added	-	-	-	2,871,748	-	-	2,871,748
Retired / redeemed	(1,900,000)	(440,000)	(558,271)	(2,679,160)	(354,200)	(35,891)	(5,967,522)
Outstanding 12/31/2012	\$18,360,000	\$3,540,000	\$6,621,364	\$3,452,943	7,392,600	\$ -	\$39,366,907
Add: Premium net of deferred charges							274,852
Total Long-Term Liabilities							\$39,641,758

Debt Service to Maturity

Following is a schedule showing the debt service requirements to maturity for the City's long-term debt, excluding compensated absences.

Year Ended December 31	Government Activities				
	General Obligation Bonds		Due to Other Governments		TOTAL
	Principal	Interest	Principal	Interest	
2013	\$ 1,890,000	\$ 804,337	\$ 371,000	\$ 431,205	\$ 3,496,542
2014	2,040,000	728,137	371,200	416,886	3,556,223
2015	1,645,000	635,872	385,200	401,751	3,067,823
2016	1,710,000	574,007	171,600	385,619	2,841,226
2017	1,765,000	512,213	179,200	377,278	2,833,891
2018 - 2022	7,175,000	1,388,590	994,800	1,741,759	11,300,149
2023 - 2027	2,135,000	125,031	1,204,800	1,424,774	4,889,805
2028 - 2032	-	-	1,478,000	992,274	2,470,274
2033 - 2037	-	-	1,823,600	448,419	2,272,019
2038 - 2042	-	-	413,200	13,669	426,869
Totals	\$ 18,360,000	\$ 4,768,186	\$ 7,392,600	\$ 6,833,634	\$ 37,154,420

Year Ended December 31	Business-Type Activities				
	Revenue Bonds		Public Works Trust Fund Loans		TOTAL
	Principal	Interest	Principal	Interest	
2013	\$ 485,000	\$ 168,044	\$ 558,293	\$ 33,107	\$ 1,224,443
2014	495,000	139,953	558,293	30,315	1,223,561
2015	520,000	110,172	558,293	27,524	1,215,989
2016	150,000	91,950	558,293	24,732	824,975
2017	155,000	85,950	558,293	21,941	821,184
2018 - 2022	895,000	317,700	2,765,414	19,149	3,997,264
2023 - 2027	860,000	99,000	1,064,484	5,322	2,028,807
2028 - 2032	-	-	-	-	-
2033 - 2037	-	-	-	-	-
2038 - 2042	-	-	-	-	-
Totals	\$ 3,540,000	\$ 1,012,769	\$ 6,621,364	\$ 162,091	\$ 11,336,224

Changes in Long-Term Debt

CHANGES IN LONG-TERM LIABILITIES – GOVERNMENTAL FUNDS

ITEM	Interest Rates	Maturity	Authorized	OUTSTANDING 12/31/2011	ISSUED	REDEEMED	OUTSTANDING 12/31/12	Due Within One Year
GOVERNMENTAL ACTIVITIES:								
<u>Limited General Obligation (GO) Bonds Payable:</u>								
2003 Refunding Facilities	4.00-5.00	12/01/14	\$ 4,195,000	\$ 1,335,000	\$ -	\$ 425,000	\$ 910,000	\$ 445,000
2003 Streets & Golf Course	4.25-4.65	12/01/23	6,277,500	3,795,000	-	555,000	3,240,000	575,000
2008 Refunding Streets/Facilities	4.00-6.00	12/01/19	6,180,000	5,095,000	-	550,000	4,545,000	500,000
2010 Streets / Equipment	2.00-5.41	12/01/24	5,870,000	5,415,000	-	345,000	5,070,000	355,000
2011 Refunding Streets (2003 GO)			4,620,000	4,620,000	-	25,000	4,595,000	15,000
Total Bonds Payable			27,142,500	20,260,000	-	1,900,000	18,360,000	1,890,000
<u>Unamortized Deferred Credits (Charges):</u>								
Issuance premiums			-	953,059	-	125,227	827,832	-
Issuance discounts/defeasance			-	(672,611)	-	(74,255)	(598,356)	-
Net Bonds Payable			27,142,500	20,540,448	-	1,950,971	18,589,476	1,890,000
<u>Due to Other Governments</u>								
2009 SCORE	3.00-6.62	01/01/39	6,898,800	6,898,800	-	153,200	6,745,600	156,000
2010 Valley Com	4.30-5.75	12/01/15	1,065,000	848,000	-	201,000	647,000	215,000
Total Due Other Governments			7,963,800	7,746,800	-	354,200	7,392,600	371,000
<u>Unamortized Deferred Credits (Charges):</u>								
Issuance premiums			-	-	-	-	-	-
Issuance discounts and costs			-	-	-	-	-	-
Net Due Other Governments			7,963,800	7,746,800	-	354,200	7,392,600	371,000
Capital leases			125,977	35,891	-	35,891	-	-
Compensated Absences:			-	2,969,125	2,630,026	2,454,738	3,144,413	-
Total Governmental Funds			\$35,232,277	\$ 31,292,264	\$2,630,026	\$ 4,795,600	\$ 29,126,489	\$2,261,000

Note: The beginning balance has been restated due to current year reclassifications.

CHANGES IN LONG-TERM LIABILITIES – BUSINESS-TYPE ACTIVITIES

ITEM	Interest Rates	Maturity	Authorized	OUTSTANDING 12/31/2011	ISSUED	REDEEMED	OUTSTANDING 12/31/12	Due Within One Year
BUSINESS-TYPE ACTIVITIES:								
<u>Bonds Payable:</u>								
1995 Water/Sewer Revenue	4.15-6.63	02/01/15	\$ 4,500,000	\$ 1,370,000	\$ -	\$ 310,000	\$ 1,060,000	\$ 330,000
2006 Water/Sewer/SWM Revenue	4.00-4.50	12/01/26	3,180,000	2,610,000	-	130,000	2,480,000	135,000
Total Bonds Payable			7,680,000	3,980,000	-	440,000	3,540,000	465,000
<u>Unamortized Deferred Credits (Charges):</u>								
Issuance Premiums			-	69,221	-	11,150	58,070	-
Issuance Discounts/def defeasance			-	(18,788)	-	(6,093)	(12,695)	-
Net Bonds Payable			7,680,000	4,030,433	-	445,057	3,585,376	465,000
<u>Public Works Trust Fund Loans:</u>								
2003 Loan-Water/Sewer	0.50	07/01/21	273,870	144,543	-	14,581	129,962	14,454
2003 Loan-Surface Water	0.50	07/01/21	219,725	115,944	-	11,448	104,496	11,597
2004 Loan-Water/Sewer	0.50-2.00	07/01/24	5,016,000	3,547,522	-	272,886	3,274,635	272,886
2004 Loan-Surface Water	0.50-2.00	07/01/24	684,000	483,753	-	37,212	446,541	37,212
2004 Loan-Surface Water	1.00	07/01/24	4,196,056	2,887,874	-	222,144	2,665,730	222,144
Total Public Works Trust Fund Loans			10,389,651	7,179,635	-	558,271	6,621,364	558,293
Compensated Absences:			-	291,230	241,722	224,422	308,530	2,999
Total Business-Type Activities			\$19,382,651	\$ 11,501,298	\$ 241,722	\$ 1,227,750	\$ 10,515,269	\$1,026,292

Due to Other Governments

Valley Communication Center Public Development Authority issued General Obligation bonds in 2000 for a new dispatch facility and refunded the debt in April 2010. The City is contracted to pay 20% of the debt service of these 15-year bonds that mature in 2015. This debt is paid from the General fund.

SCORE Public Development Authority issued General Obligation bonds in 2009 to acquire, construct, improve, and equip a consolidated correctional facility to be located in Des Moines, Washington. The City is contracted to pay 8% of the debt service of these 30 year bonds that mature in 2039. This debt is paid from the General fund.

LONG-TERM LIABILITIES RECONCILIATION

	Government Funds	Enterprise Funds	Balance 12-31-12
General obligation bonds	\$18,360,000	\$ -	\$18,360,000
Revenue bonds		3,540,000	3,540,000
Public Works Trust Fund loans		6,621,364	6,621,364
Due to Other Governments	7,392,600	-	7,392,600
Capital Leases	-	-	-
Employee leave benefits	3,144,413	308,530	3,452,943
Net Premiums / Deferred charges	229,476	45,376	274,852
Total long-term debt	\$29,126,489	\$ 10,515,270	\$39,641,758

Debt Limit Capacities

State law provides that debt cannot be incurred in excess of the following percentages of the value of the taxable property of the City: 1.5% without a vote of the people; 2.5% with a vote of the people; 5.0% with a vote of the people, provided the indebtedness in excess of 2.5% is for utilities; 7.5% with a vote of the people, provided the indebtedness in excess of 5.0% is for parks or open space development.

At December 31, 2012, the debt limits for the City were as follows:

SUMMARY OF DEBT LIMIT CAPACITIES

Item	Without a Vote 1.5%	-----With a Vote of the People----- 2.5%	5.0%	7.5%
Legal Limit	\$ 70,134,446	\$ 116,890,744	\$ 233,781,487	\$ 350,672,231
Outstanding Net Indebtedness	27,655,096	27,655,096	27,655,096	27,655,096
Margin Available	\$ 42,479,350	\$ 89,235,648	\$ 206,126,391	\$ 323,017,135

Long-term Liabilities other than debt

Claims are paid from one or more fund based on the nature of the transaction. Employees' compensable leave is the City's liability for all unused vacation and sick leave and unpaid overtime accrued by employees and, payable under specified conditions. This obligation is paid only at the time of termination, usually from the same funding source(s) from which the employee's salary or wage compensation was paid.

The City does not report a liability for termination benefits because it is not reasonable estimable.

LID No. 33

Tukwila Urban Access Improvement Project Local Improvement District (LID) No. 33 was formed on November 16, 2009 by Ordinance No. 2260. The project was designed to improve congestion within the City's Urban Center. The project included a partial lid over Southcenter Parkway, removal of conflicting turning movements, and the widening of Southcenter Parkway.

Construction for the project began in March 2011 and was completed in October 2011. The project was closed out and accepted as complete by City Council on February 19, 2013.

A variety of funding sources were used to pay for the project including federal and state grants, impact fees, city funds, a right-of-way donation, and special assessments. The City chose to fund the project internally, rather than obtain external, short-term financing then apply special assessments to property owners after the project was completed. Fund 104 Arterial Streets, where the project was accounted for, loaned the project funds as needed using a draw method at an interest rate of 1.80%. As of December 31, 2012, the total amount of the loan is \$8,137,082 plus accrued interest of \$193,032. The loan will be repaid when the special assessment bonds are issued in 2013.

Since the loan payable by the LID project and the loan receivable by the arterial street fund are contained within the same fund, the transactions have been eliminated in the consolidation and reporting process.

NOTE 12 – CONSTRUCTION COMMITMENT

Upon completion, the projects will be capitalized in their appropriate categories in the Government Wide Statements and in the proprietary fund financials, if applicable. As of December 31, 2012 the City had \$5.1 million contractual obligations on construction projects.

NOTE 13 – LITIGATION

There are several lawsuits in which the City is involved. The City Attorney estimates that the potential claims against the will have no material financial impact.

NOTE 14 – RISK MANAGEMENT

The City of Tukwila is a member of the Washington Cities Insurance Authority (WCIA).

Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and / or jointly contracting for risk management services. WCIA has a total of 153 Members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are \$4 million per occurrence self-insured layer, and \$20 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are \$16 million per occurrence subject to aggregate sublimits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of insurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines. These revenues directly offset portions of the membership's annual assessment.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy

direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day to day operations of WCIA.

The City insures its buildings, equipment, and vehicle property insurance with WCIA. They self-fund up to \$250,000 with standard property insurance purchased above that amount. Travelers insures boiler machinery and Anderson & Black Insurance insures employee dishonesty coverage.

The City of Tukwila has a Risk Management and a Safety Committee to oversee risk management. In addition, the WCIA provides support for a proactive risk analysis program and a loss control manual.

There were no significant reductions in insurance coverage in the past year. During the year under audit and in the past three years, no settlement has exceeded insurance coverage.

The City self-insures for unemployment benefits. This is budgeted each year and has not exceeded \$60,000 per year. This expense is budgeted in department 20 within the general fund and no reserves are allocated because of the limited liability and historical cost.

The City also self-insures for medical, dental and other health care benefits. A third-party administrator, Healthcare Management Administrators, Inc., provides claims administration. The City has a stop-loss policy with Sun Life Insurance Company, which provides individual limits of \$125,000 and a plan limit of \$7,480,385 in 2012. Each fund contributes an appropriate amount each year to pay premiums and claims. Liabilities include an actuarially determined amount for claims that have been incurred but not reported (IBNR's) and a contingency reserve equal to 2.5 times the IBNR reserve.

The following table reflects changes in the balances of claims liabilities for 2012 and 2011.

SUMMARY OF HEALTH CARE CLAIM LIABILITIES

ITEM	Health Benefit Insurance 2012	Health Benefit Insurance 2011	Insurance – LEOFF I 2012	Insurance – LEOFF I 2011
Claims Liabilities at Beginning of Year	\$ 1,499,600	\$ 1,155,647	\$ 193,200	\$ 97,401
Claims expenses:				
Current year and changes in estim:	4,426,949	4,300,120	426,251	249,957
Claims payments and expenses	(4,082,996)	(4,312,224)	(303,351)	(277,058)
Claims Liabilities at End of Year	\$ 1,843,553	\$ 1,143,543	\$ 316,100	\$ 70,300

NOTE 15 – SUBSEQUENT EVENTS

On February 1, 2013 the City sold a \$1 million limited tax general obligation bond to Cashmere Valley Bank in a private sale. The City and the Tukwila Metropolitan Park District (MPD) entered into an interlocal agreement for the City to loan the proceeds to the MPD. The proceeds will be used to pay for improvements to the pool and related facilities owned by the MPD. The MPD will repay the loan in installments equal to the debt service payments required by the City. The bonds will be paid back over 10 years with the first payment due June 1, 2013 and the final payment due December 1, 2022.

CITY OF TUKWILA, WASHINGTON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	ORIGINAL BUDGET (GAAP BASIS)	FINAL BUDGET (GAAP BASIS)	ACTUAL RESULTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
TAXES	\$ 40,550,620	\$ 40,550,620	\$ 39,840,363	\$ (710,257)
LICENSES AND PERMITS	1,908,566	1,908,566	1,604,594	(303,972)
INTERGOVERNMENTAL	4,060,841	4,143,051	4,708,774	565,723
CHARGES FOR SERVICES	2,678,400	2,700,400	2,184,369	(516,031)
FINES AND FORFEITURES	213,270	213,270	220,752	7,482
INVESTMENT EARNINGS	137,258	137,258	64,418	(72,840)
MISCELLANEOUS	51,800	51,800	71,159	19,359
TOTAL REVENUES	49,600,755	49,704,965	48,694,430	(1,010,536)
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	8,688,421	8,918,421	8,344,177	574,244
PUBLIC SAFETY	24,566,657	25,100,635	24,907,510	193,125
PHYSICAL ENVIRONMENT	1,994,094	1,994,094	1,673,956	320,138
TRANSPORTATION	2,676,535	2,756,535	2,682,877	73,658
ECONOMIC ENVIRONMENT	3,439,920	3,439,920	3,394,823	45,097
CULTURE AND RECREATION	3,492,862	3,630,482	3,361,825	268,657
CAPITAL OUTLAY	84,000	307,000	273,560	33,440
TOTAL EXPENDITURES	44,942,489	46,147,087	44,638,728	1,508,359
EXCESS OF REVENUES OVER EXPENDITURES	4,658,266	3,557,878	4,055,702	497,823
OTHER FINANCING SOURCES (USES):				
SALES OF CAPITAL ASSETS	1,300,500	672,882	9,903	(662,979)
BOND PROCEEDS	-	1,100,000	-	(1,100,000)
TRANSFERS IN (Note 5)	3,298,617	2,391,235	2,330,665	(60,570)
TRANSFERS OUT (Note 5)	(7,444,767)	(7,532,732)	(5,619,148)	1,913,584
LOAN TO TUKWILA METROPOLITAN PARK DISTRICT	-	(1,825,000)	(658,706)	1,166,294
TOTAL OTHER FINANCING SOURCES AND USES	(2,845,650)	(5,193,615)	(3,937,286)	1,256,329
NET CHANGE IN FUND BALANCES	1,812,616	(1,635,737)	118,416	1,754,152
FUND BALANCES - BEGINNING	6,505,139	6,505,139	8,260,141	1,755,002
FUND BALANCES - ENDING	\$ 8,317,755	\$ 4,869,402	\$ 8,378,557	\$ 3,509,154

The notes to the financial statements are an integral part of this statement.

CITY OF TUKWILA, WASHINGTON
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ARTERIAL STREET FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	ORIGINAL		FINAL		VARIANCE WITH	
	BUDGET		BUDGET		FINAL BUDGET	
	(GAAP BASIS)	(GAAP BASIS)	ACTUAL	RESULTS	POSITIVE	(NEGATIVE)
REVENUES:						
TAXES	\$ 211,257	\$ 211,257	\$ 523,083	\$ 311,826		
INTERGOVERNMENTAL	580,581	9,941,581	1,006,599	(8,934,982)		
CHARGES FOR SERVICES	-	-	846,240	846,240		
INVESTMENT EARNINGS	3,820	3,820	3,153	(667)		
MISCELLANEOUS	1,061,000	466,000	43,271	(422,729)		
TOTAL REVENUES	1,856,658	10,622,658	2,422,347	(8,200,312)		
EXPENDITURES:						
CURRENT:						
TRANSPORTATION	-	-	86,305	(86,305)		
CAPITAL OUTLAY	6,359,204	16,083,204	9,709,676	6,373,528		
TOTAL EXPENDITURES	6,359,204	16,083,204	9,795,981	6,287,223		
EXCESS (DEFICIENCY) OF REVENUES						
OVER (UNDER) EXPENDITURES	(4,502,546)	(5,460,546)	(7,373,634)	(1,913,088)		
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN (Note 5)	2,000,000	2,000,000	1,314,132	(685,868)		
TRANSFERS OUT (Note 5)	(123,933)	(123,933)	(386,563)	(262,630)		
GENERAL OBLIGATION BONDS PROCEEDS	350,000	9,230,000	-	(9,230,000)		
TOTAL OTHER FINANCING SOURCES AND USES	2,226,067	11,106,067	927,569	(10,178,498)		
NET CHANGE IN FUND BALANCES	(2,276,479)	5,645,521	(6,446,065)	(12,091,586)		
FUND BALANCES - BEGINNING	4,789,469	4,789,469	6,929,396	2,139,927		
FUND BALANCES - ENDING	\$ 2,512,990	\$ 10,434,990	\$ 483,331	\$ (9,951,659)		

The notes to the financial statements are an integral part of this statement.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The City of Tukwila budgets its funds in accordance with the Revised Code of Washington 35A.33. In compliance with the code, biennial budgets are adopted for the general fund and special revenue funds. For governmental funds, there are no substantial differences between the budgetary basis and generally accepted accounting principles. Budgetary accounts are integrated in fund ledgers for all budgeted funds, but the financial statements include budgetary comparisons for biennially budgeted governmental funds only. Budgets established for proprietary and fiduciary funds are "management budgets" and are not legally required to be reported and, as such, are not reported in the CAFR.

The biennial appropriated budgets are adopted at the fund level and the budgets constitute the legal authority for expenditures at that level. Subsidiary revenue and expenditure records are used to compare the budgeted amounts with actual revenues and expenditures. As a management control device, the subsidiary ledgers monitor expenditures for individual functions and activities by object class. Any unexpended appropriation balances lapse at the end of the biennium.

The City of Tukwila's budget procedures are mandated by RCW 35A.33. The steps in the budget process are as follows:

- 1) Prior to November 1 on even numbered years, the Mayor submits a proposed budget to the City Council. This budget is based on priorities established by the Council and estimates provided by the City departments during the preceding months, and balanced with revenue estimates made by the Mayor.
- 2) The City Council conducts public hearings on the proposed budget in November and December.
- 3) The Council makes its adjustments to the proposed budget and adopts by ordinance a final balanced budget no later than December 31.
- 4) The final operating budget as adopted is published and distributed within the first month of the following year. Copies of the budget are made available to the public.

The City Council must approve by ordinance any amendments that increase the total for the fund. Budget amounts presented in the basic financial statements include both the original amounts and the final amended budget as approved by the City Council.

Expenditure Categories

General Government	Includes administration, finance, municipal court, attorney, and city clerk activities.
Public Safety	Includes all police and fire activities.
Physical Environment	Includes expenditures for the public works activities not chargeable to the enterprise funds.
Transportation	Includes all street and arterial street maintenance and construction.
Economic Environment	Reflects the planning and building inspection activities.
Culture and Recreation	Includes the parks and recreation activities.

The information presented in the following required schedules was determined as part of the actuarial valuations at the dates indicated.

FIREMEN'S PENSION TRUST FUND

SCHEDULE OF FUNDING PROGRESS (rounded to thousands)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2000	\$1,076	\$1,243	\$167	87%	\$112	149%
January 1, 2003	1,215	1,135	(80)	107	0	N/A
January 1, 2005	1,265	1,182	(83)	107	0	N/A
January 1, 2007	1,336	1,310	(26)	102	0	N/A
January 1, 2009	1,445	1,610	165	90	442	37
January 1, 2011	1,430	1,582	152	90	371	41

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Employer Contributions	Fire Insurance Premiums	Total Employer Contributions	Annual Required Contribution (ARC)	Percentage of ARC Contributed
December 31, 2008	\$ (1,841)	\$ 52,571	\$ 50,730	\$ (1,998)	- %
December 31, 2009	(18,425)	48,537	30,112	11,576	260
December 31, 2010	(3,000)	49,989	46,989	11,576	406
December 31, 2011	(7,800)	54,865	47,065	11,984	393
December 31, 2012	(1,650)	52,249	50,599	11,984	422

FIREMEN'S PENSION TRUST FUND

Actuarial Valuations

Actuarial valuation date	January 1, 2011
Actuarial cost method	Entry Age Normal
Amortization method	30-year, closed as of January 1, 1999
Remaining amortization period	18 years
Asset valuation method	Fair market value

Assumptions

Investment rate of return	4.00%
Projected salary increases	3.75%
Price inflation	2.75%
Cost-of-living adjustments	Based upon salary increase assumption when appropriate, for FPF benefits.*
	Based upon inflation assumption for some FPF benefits and all LEOFF benefits.

* Under the Firemen's Pension Trust Fund, most adjustments are based on the change in salary for the rank of members held at retirement or based on the Consumer Price Index. Adjustments are determined in accordance with RCW 41.18.150, RCW 41.20 and RCW 41.26

**RETIREE MEDICAL AND LONG-TERM CARE BENEFITS
 FOR LEOFF 1 EMPLOYEES**

SCHEDULE OF FUNDING PROGRESS
 (rounded to thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liabilities (UAAL)*	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2008	\$0	\$16,103	\$16,103	0%	\$581	4%
January 1, 2011	0	14,805	14,805	0%	371	3

* Only two valuations completed to date

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Employer Contributions	Fire Insurance Premiums	Percentage of ARC Contributed
December 31, 2009	\$335,265	\$1,366,284	25%
December 31, 2010	317,771	1,366,284	23
December 31, 2011	335,090	1,264,522	26
December 31, 2012	332,141	1,264,522	26

Actuarial Valuations

Valuation date	January 1, 2011	
Actuarial cost method	Entry Age Normal	
Amortization method	21-year, closed as of January 1, 2008	
Remaining amortization period	18 years	
Asset valuation method	Fair market value	

Assumptions

Investment rate of return	4.00%	
Medical inflation	Year	Medical Cost Rate
	2011	7.80%
	2012	7.10%
	2013	6.50%
	2014-2019	5.90%
	2020-2030	5.80%
	2031-2036	5.70%
Long-term care inflation	4.75%	

1 Federal Agency Name / Pass-Through Agency Name	2 Federal Program Name	3 CFDA Number	4 Other I.D. Number	5 Expenditures			6 Foot-note Ref.
				From Pass-Through Awards	From Direct Awards	Total	
U.S. Dept of Agriculture / pass-through from Off of Superintendent of Public Instruction	Child & Adult Care Food Program	10.558	17141471	1,213		1,213	
U.S. Dept of Agriculture / pass-through from WA St DNR	Cooperative Forestry Assistance	10.664	K244-10-DG-010	10,000		10,000	
U.S. Dept of Housing & Urban Development / pass-through from King County Housing & Comm Development	Community Development Block Grant	14.218	562862	3,761		3,761	
			5433919	75,039		75,039	
			Subtotal	78,800		78,800	
U.S. Dept of Justice	Bulletproof Vest Partnership Prog	16.607	N/A		6,849	6,849	
U.S. Dept of Justice	ARRA-Pub Safety Partner & Com Pol	16.710	2009RKWX0885		238,931	238,931	3
U.S. Dept of Justice / pass-through from City of Seattle	Edward Byrne Memorial JAG Program	16.738	2009-DJ-BX-0336	1,195		1,195	
U.S. Dept of Transportation / pass-through from WA DOT	Highway Planning and Construction	20.205	TCSP-TCSP(010) Trans Oriented Dev	354,269		354,269	
			STPE-CM-1320(002) Tuk Urb Ctr Ped/Bike	295,443		295,443	
			Subtotal	649,712		649,712	
U.S. Dept of Transportation / pass-through from WA DOT	Job Access Reverse Commute	20.516	GCB1081	83,495		83,495	
U.S. Dept of Transportation / pass-through from WTSC	Occupant Protect Incentive Grants	20.602	Seat Belts	689		689	
U.S. Dept of Energy / pass-through from WA Dept of Commerce	ARRA-Energy Eff. & Conservation	81.128	F1052110-009	4,219		4,219	3
U.S. Dept of Homeland Security / pass-through from Pierce County Emergency Management	National Urban Search & Rescue Response System	97.025	WATF1	1,788		1,788	

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

CITY OF TUKWILA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2012

1 Federal Agency Name / Pass-Through Agency Name	2 Federal Program Name	3 CFDA Number	4 Other I.D. Number	5 Expenditures			6 Foot-note Ref.
				From Pass-Through Awards	From Direct Awards	Total	
U.S.Dept of Homeland Security / pass-through from WA St Military Dept.	Disaster Grants-Public Assistance	97.036	FEMA-4056-DR-WA	77,024		77,024	
U.S.Dept of Homeland Security / pass-through from WA St Military Dept.	Emergency Mgmt Performance Grant	97.042	E12-111	82,207		82,207	
			E12-353	5,053		5,053	
			Subtotal	87,260		87,260	
TOTAL FEDERAL AWARDS EXPENDED				995,396	245,781	1,241,176	

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2012

NOTE 1 - BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards and State / Local Financial Assistance is prepared on the same basis of accounting as the City's financial statements. The City uses the modified accrual basis of accounting for governmental fund types and the accrual basis for proprietary funds.

NOTE 2 - PROGRAM COSTS

The amounts shown as current year expenditures represent only the federal or state or local portion of the program costs. Actual program costs, including the City's portion, may be more than shown.

NOTE 3 - AMERICAN RECOVERY AND REINVESTMENT ACCT (ARRA) OF 2009

Expenditures for this program were funded by ARRA.

NOTE 4 - FEDERAL GOVERNMENT REVENUE RECONCILIATION

Revenue from the Federal government	1,312,403
Less: Direct Federal interest rate subsidies	(66,657)
Less: Revenue recognized in 2012 but expended in prior years	(4,569)
Less: Revenue overstated in 2012	(1)
Expenditures of Federal awards	1,241,176



ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

Our mission is to work with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office employees are located around the state to deliver services effectively and efficiently.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

State Auditor
Chief of Staff
Director of State and Local Audit
Deputy Director of State and Local Audit
Deputy Director of State and Local Audit
Deputy Director of State and Local Audit
Deputy Director of Quality Assurance
Deputy Director of Communications
Local Government Liaison
Public Records Officer
Main number
Toll-free Citizen Hotline

Troy Kelley
Doug Cochran
Chuck Pfeil, CPA
Kelly Collins, CPA
Jan M. Jutte, CPA, CGFM
Sadie Armijo
Barb Hinton
Thomas Shapley
Mike Murphy
Mary Leider
(360) 902-0370
(866) 902-3900

Website
Subscription Service

www.sao.wa.gov
www.sao.wa.gov/EN/News/Subscriptions

APPENDIX B

FORM OF BOND COUNSEL OPINION

This page left blank intentionally.



[FORM OF BOND COUNSEL OPINION]

City of Tukwila, Washington

Re: City of Tukwila, Washington, \$6,687,500
Local Improvement District No. 33 Bonds

We have served as bond counsel to the City of Tukwila, Washington (the “City”), in connection with the issuance of the above referenced bonds (the “Bonds”), and in that capacity have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion. As to matters of fact material to this opinion, we have relied upon representations contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

The Bonds are issued by the City pursuant to Ordinance No. 2411 (the “Bond Ordinance”) for the purpose of providing the funds necessary to (i) reimburse the City for a portion of the costs of the public improvements in Local Improvement District No. 33, (ii) make a deposit in the City’s Local Improvement Guaranty Fund, and (iii) pay the costs of issuance and sale of the Bonds, all as described in the Bond Ordinance.

The Bonds are payable solely from special assessments levied in Local Improvement District No. 33 and paid into the Local Improvement Fund, District No. 33 of the City (the “LID Bond Fund”) and the Local Improvement Guaranty Fund of the City.

Reference is made to the Bonds and the Bond Ordinance for the definitions of capitalized terms used and not otherwise defined herein.

We have not been engaged to review and thus express no opinion concerning the completeness or accuracy of any official statement, offering circular or other sales or disclosure material relating to the issuance of the Bonds or otherwise used in connection with the Bonds.

Under the Internal Revenue Code of 1986, as amended (the “Code”), the City is required to comply with certain requirements after the date of issuance of the Bonds in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, including, without limitation, requirements concerning the qualified use of Bond proceeds and the facilities financed or refinanced with Bond proceeds, limitations on investing gross proceeds of the Bonds in higher yielding investments in certain circumstances and the arbitrage rebate requirement to the extent applicable to the Bonds. The City has covenanted in the Bond Ordinance to comply with those requirements, but if the City fails to comply with such requirements, interest on the Bonds could become taxable retroactive to the date of issuance of the Bonds. We have not undertaken and do not undertake to monitor the City’s compliance with such requirements.

Further, pursuant to authority delegated in the Bond Ordinance, the City's Designated Representative has designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Based upon the foregoing, as of the date of initial delivery of the Bonds to the purchaser thereof and full payment therefor, it is our opinion that under existing law:

1. The City is a duly organized and legally existing code city under the laws of the State of Washington.

2. The Bonds have been duly authorized and executed by the City and are issued in full compliance with the provisions of the Constitution and laws of the State of Washington and the ordinances of the City relating thereto.

3. The Bonds constitute valid and binding obligations of the LID Bond Fund and the Local Improvement Guaranty Fund of the City, except only to the extent that enforcement of payment may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and by the application of equitable principles and the exercise of judicial discretion in appropriate cases.

4. The Bonds are not general obligations of the City.

5. Assuming compliance by the City after the date of issuance of the Bonds with applicable requirements of the Code, the interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals; however, while interest on the Bonds also is not an item of tax preference for purposes of the alternative minimum tax applicable to corporations, interest on the Bonds received by corporations is to be taken into account in the computation of adjusted current earnings for purposes of the alternative minimum tax applicable to corporations, interest on the Bonds received by certain S corporations may be subject to tax, and interest on the Bonds received by foreign corporations with United States branches may be subject to a foreign branch profits tax. We express no opinion regarding any other federal tax consequences of receipt of interest on the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

We bring to your attention the fact that the foregoing opinions are expressions of our professional judgment on the matters expressly addressed and do not constitute guarantees of result.

Respectfully submitted,

APPENDIX C

BOOK-ENTRY ONLY SYSTEM

The following information (except for the final paragraph) has been provided by The Depository Trust Company, New York, New York (“DTC”), and the City makes no representation as to the accuracy or completeness thereof. Each actual purchaser of a Bond (a “Beneficial Owner”) should confirm the following with DTC or the Participants (as hereinafter defined).

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds in the principal amount of each such maturity and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owners entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co., or such other DTC nominee, do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BOND OWNERS OR REGISTERED OWNERS OF THE BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

When notices are given, they shall be sent by the Bond Registrar to DTC only. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Bond Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Bond Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Bonds to Cede & Co. (or any other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC or any successor (the "Depository") may determine not to continue to act as securities depository for the Bonds, and the City may advise the Depository of its determination to discontinue book-entry of the Bonds through such Depository. If the City is unable to retain a qualified successor to the Depository or the City has determined that it is in the best interest of the City not to continue the book-entry system of transfer or that the interests of Beneficial Owners might be adversely affected if the book-entry system is continued, Bond certificates will be delivered to the Beneficial Owners or their nominees in registered form, in the denomination of \$5,000 or any integral multiple of \$5,000. In the event the book-entry system is discontinued, the persons to whom Bond certificates are delivered and in whose names the Bonds are registered will be treated as "bond owners" for all purposes of the Bond Ordinance.

The City will have no responsibility or obligation to Participants or the persons for whom they act as nominees with respect to the Bonds regarding (i) the accuracy of any records maintained by DTC or Participants of any amount in respect of principal or redemption price of or interest on the Bonds, or (ii) any notice which is permitted or required to be given to Registered Owners under the Bond Ordinance (except such notice as is required to be given by the City to DTC), or (iii) the selection by DTC of any Participant to receive payment in the event of a partial redemption of the Bonds, or (iv) any consent given or other action taken by DTC as Registered Owner of the Bonds, or (v) any other event or purpose. The City and the Bond Registrar may treat and consider Cede & Co., in whose name each Bond is registered on the Bond Register, as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. For the purposes of this Official Statement, the term "Beneficial Owner" shall include the person for whom the Participant acquires an interest in the Bonds.

APPENDIX D

SUMMARY OF LID 33 AND SECURITY FOR THE BONDS

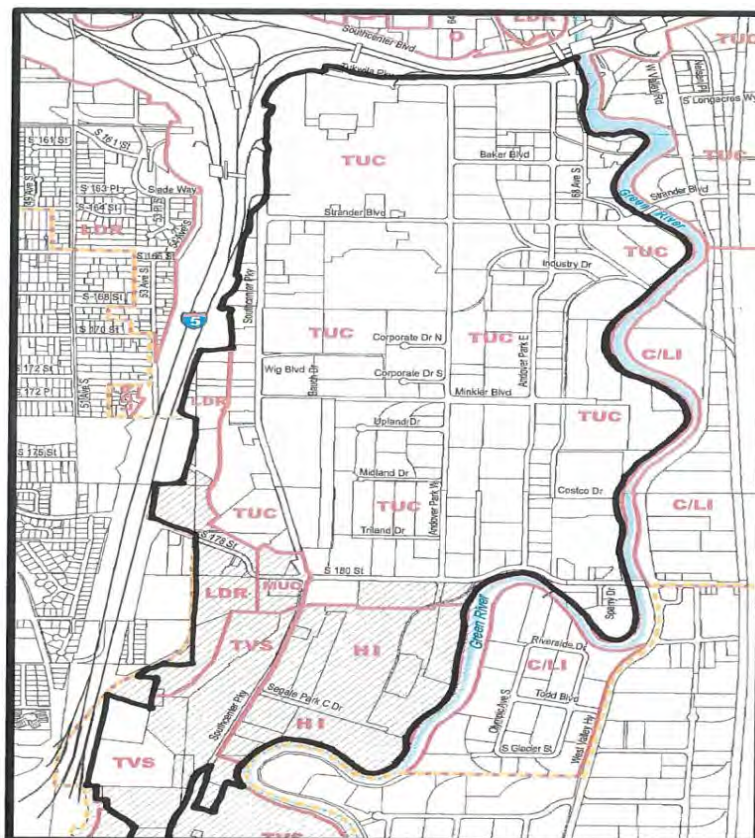
Overview of Local Improvement District 33

The City formed LID 33 in 2009, at the request of Westfield Corp Inc. (the owners of Southcenter Shopping Mall) and other property owners, in order to improve traffic flow around the mall. The mall includes 1.7 million square feet of retail, with over 240 retail stores and restaurants, and a 16-screen multiplex movie theatre. As of October 30, 2013, major anchor stores at Southcenter Mall include Macy's, Nordstrom, Sears, and JCPenney. The traffic interchange portion of the project was completed in 2011 ahead of schedule and on budget and all costs have been paid. The improvements have been placed in service.

Beginning in 2010, the City undertook the improvements at a total cost of \$24,000,000 and the amount financed by LID 33 through assessments is \$9,475,893.89 (approximately 39% of the costs). The Project costs not financed through LID 33 were paid by other City funds, federal and state grants and impact and mitigation fees. The City initially provided temporary funding for the LID share, using available money in its general fund, and now intends to reimburse itself for the project costs, using the assessment prepayments and proceeds of the Bonds. The Bonds will be repaid through the collection of annual installment payments of assessments that have been imposed on the properties within the LID. See "SECURITY FOR THE BONDS."

The LID encompasses approximately 911 acres of land around the mall, located at the intersection of Interstate 5 (the major interstate highway along the west coast) and Interstate 405 (the major beltway through the suburbs of the City of Seattle), as shown on the map below:

LID 33 Map⁽¹⁾



(1) Zoning map as provided in the Special Benefit Study, which is available from the Finance Director of the City who can be reached at (206) 433-1835. For a more detailed description of the Special Benefit Study and use of property within LID 33, see "LOCAL IMPROVEMENT DISTRICT NO. 33 – LID 33 and Project Description," "-Property Use Within LID 33," and "-Special Benefit Study" in the Official Statement.

Summary of Timing of Assessment Collection Cycle and Bond Debt Service Payments

The following information summarizes certain information and provides a timeline regarding collections of assessments and payment of debt service with respect to the Bonds. A more detailed description of the legal framework for local improvement districts in Washington is provided under “SECURITY FOR THE BONDS” and “CERTAIN INVESTMENT CONSIDERATIONS.”

Payment of Principal of and Interest on the Bonds

Principal of the Bonds is due and payable at maturity, January 15, 2031. Until then, Owners will receive interest payments on the Bonds on annual interest payment dates (each January 15, commencing January 15, 2015). Under state law and the Bond Ordinance, the City is required to redeem Bonds on each interest payment date on which funds are available in the LID Bond Fund over and above the amount required to pay the interest then due. If there is insufficient money on deposit on an interest payment date to make the interest payment, the City must draw on funds deposited in the Guaranty Fund. The City must also draw upon the Guaranty Fund if there are insufficient funds in the LID Bond Fund to pay the then-outstanding principal of the Bonds at maturity. See “SECURITY FOR THE BONDS – Guaranty Fund.”

An Estimated Redemption Schedule is set forth on the inside cover of this Official Statement. However, principal of the Bonds will be paid prior to January 15, 2031 only to the extent that funds are available in the LID Bond Fund. The City is not authorized to use money on deposit in the Guaranty Fund to redeem Bonds prior to maturity. To the extent that funds are available in the LID Bond Fund, Bonds will be redeemed in the order set forth on the Estimated Redemption Schedule. The Estimated Redemption Schedule assumes that property owners will make installment payments on their outstanding assessments as scheduled. However, a variety of factors may cause assessment payments to be paid more quickly or more slowly than scheduled. See “SECURITY FOR THE BONDS – Payment of Assessments,” “—Delinquent Assessments, Assessment Lien and Foreclosure,” “—Impediments to Recovery in Foreclosure,” and “CERTAIN OTHER INVESTMENT CONSIDERATIONS.”

As is further described below, property owners make installment payments in amounts equal to approximately 1/15th of the total assessment each year, plus interest on the unpaid assessment amount. Therefore, the City anticipates that the amounts collected for deposit into LID Bond Fund will be more than sufficient to pay the interest as it becomes due. Furthermore, the final assessment installments become due more than 2 years before maturity of the Bonds. As described below, the City is required to commence foreclosure proceedings on delinquent installments after two installments become delinquent (and one year after the final installment becomes delinquent) and in a foreclosure proceeding may accelerate payment of the remaining outstanding assessment amount. Therefore, the City anticipates that any foreclosures would be undertaken and delinquent assessments recovered on a timely basis as delinquencies occur.

Collection of Assessments and Foreclosure on Delinquent Assessments

The LID Bond Fund is funded from installment payments made by property owners within the LID against their total assessments. The outstanding amount of the assessment is a lien against the property prior and superior to other liens except those for general taxes. See “SECURITY FOR THE BONDS – Delinquent Assessments, Assessment Lien and Foreclosure.”

Under the LID ordinance, the City is permitting each property owner to pay its assessment in 15 annual installments equal to 1/15th of the assessment against the property, plus interest accrued on the outstanding assessment balance to each installment payment date. Interest accrues annually at a rate that is 0.5% higher than the City’s true interest cost on the Bonds. Installments are due on October 16 of each year, commencing October 16, 2014 (approximately 3 months prior to the first interest payment date on the Bonds on January 15, 2015). If paid when due, all installment payments will have been collected by October 16, 2028 (approximately 2 years prior to the maturity of the Bonds on January 15, 2031). Property owners may prepay at any time, but because interest on installments accrues on an annual basis, any assessment payment received after October 16 of any given year must include the full amount of interest accrued to the next October 16. See “SECURITY FOR THE BONDS -- Payment of Assessments.”

Each assessment installment payment becomes delinquent if not paid on October 16. If, on January 1 of any year, two assessment installment payments are delinquent (or the final assessment payment has been delinquent for one year), the City is required by state law to begin foreclosure proceedings. In any foreclosure proceeding, the City has the option to accelerate the entire remaining balance of the assessment against that property. Such proceedings may be commenced under State law as early as January 1 of such year, but must be commenced no later June 1 under the City's municipal code. Foreclosures on delinquent final installment payments (i.e., those due on October 16, 2028) may be commenced as early as January 1, 2029 if any earlier installment is also delinquent (or January 1, 2030 if the property owner has otherwise paid in full). See "SECURITY FOR THE BONDS – Delinquent Assessments, Assessment Lien and Foreclosure" and "– Impediments to Foreclosure."

Guaranty Fund – Funding and Availability

The City maintains a Guaranty Fund to be drawn upon in the event of a shortfall in the LID Bond Fund. The Guaranty Fund will be funded at bond closing at a level equal to 10% of the Bond proceeds (\$668,750). Under state law, the City may make the Guaranty Fund available to secure payment of future local improvement district bonds; however, the City currently has no other local improvement districts and has no plans to create future local improvement districts. See "CERTAIN INVESTMENT CONSIDERATIONS – Future LID Financings."

With respect to the Bonds, prior to their maturity on January 15, 2031, the City would draw on the Guaranty Fund only in the amount needed to pay interest due on an interest payment date. The City anticipates that the amounts collected for deposit into the LID Bond Fund will be more than sufficient to pay the interest as it becomes due because each property owner is required to pay 1/15th of its outstanding assessment, plus interest, each year. However, if money in the LID Bond Fund is insufficient to pay interest on an interest payment date (prior to maturity) or principal of the Bonds (at maturity), the City is required to draw on the Guaranty Fund.

The Guaranty Fund will be initially funded with Bond proceeds at a level equal to 10% of the par amount of the Bonds. Money on deposit in the Guaranty Fund may only be withdrawn to (a) pay interest and principal on bonds secured by the fund; (b) purchase certificates of delinquency for general taxes for the purpose of preserving the LID lien on property subject to tax foreclosure; and (c) purchase property subject to LID assessments at or after a county foreclosure. Other than these withdrawals, State law prohibits the City from transferring money out of the Guaranty Fund if the transfer would reduce the balance below the level necessary to meet outstanding and reasonably expected future obligations of the Guaranty Fund. In no event may such a transfer reduce the balance below 10% of net outstanding obligations guaranteed by the fund.

The City may at any time deposit additional funds in the Guaranty Fund and may levy general property taxes against all taxable property within the City for such purpose (the "Guaranty Fund Levy"). The City is required to impose a Guaranty Fund Levy to pay outstanding warrants that are issued against the Guaranty Fund. (As described below, the City must issue warrants when money on deposit in the Guaranty Fund is insufficient to fund a draw necessary pay interest on or principal of the Bonds when due.) The City is also authorized to impose a Guaranty Fund Levy to replenish the Guaranty Fund if a draw is made, or to increase the balance in the Guaranty Fund. Finally, the City is authorized, but not required, to transfer other available funds to the Guaranty Fund; state law prohibits the City from pledging to make such transfers into the Guaranty Fund. The City has pledged in the Bond Ordinance to take such actions as may be necessary, consistent with the City's municipal code and state law, to maintain such balance in the Guaranty Fund as the City determines is reasonable. The balance is to be determined by the Finance Director and may include sufficient funding to provide for reasonably expected obligations against the fund to be incurred in the near future.

Accordingly, the City may impose a Guaranty Fund Levy in any December for the purpose of replenishing or increasing the balance of the Guaranty Fund, and such a levy *must* be imposed, at a minimum, in an amount sufficient to pay any outstanding warrants against the Guaranty Fund. The Guaranty Fund Levy in any single year may not exceed the *greater* of (1) 12% of the outstanding obligations secured by the Guaranty Fund, or (2) the total amount of delinquent assessment payments (including principal and interest). The Guaranty Fund Levy is exempt from other statutory rate and amount limitations, but is subject to the constitutional one percent aggregate rate limitation. See "SECURITY FOR THE BONDS – Guaranty Fund – *Tax Limitations*." Property taxes, including any Guaranty Fund Levy, are imposed on December 1, with the first half of such taxes being due on or before the next April 30 and the second half being due on or before the next October 31. Because taxes are collected in April and

October, a Guaranty Fund Levy imposed in December will not be collected prior to the next January 15 payment date. Therefore, if necessary, warrants would be issued against the Guaranty Fund, which may be payable from that levy as it is collected, and in any event must be paid by a levy in the next succeeding calendar year. Guaranty Fund warrants are limited to an additional 5% of the outstanding obligations guaranteed by the fund. See “SECURITY FOR THE BONDS – Guaranty Fund.”

The following table describes the anticipated timeline for the collection of annual assessment installment payments and certain other key tax collection dates:

Anticipated Collection Timeline

2014	Oct 16	FIRST annual assessment installment payments due.
	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>
2015 through 2027	Jan 1	Beginning in 2016, City identifies properties delinquent on two assessment installments and commences foreclosures.
	Jan 15	Bond interest payment due. If funds available in LID Bond Fund are insufficient to pay interest, City must draw on Guaranty Fund. If funds available in LID Bond Fund remain after paying interest, City must redeem Bonds in order of Estimated Redemption Schedule.
	<i>Apr 30</i>	<i>First half property taxes due (including half of Guaranty Fund Levy, if any).</i>
	Oct 16	Assessment installment payments due.
	<i>Oct 31</i>	<i>Remaining property taxes due (including Guaranty Fund Levy, if any).</i>
	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>
2028	Jan 1	City identifies properties delinquent on two assessment installments and commences foreclosure.
	Jan 15	Bond interest payment due. If funds available in LID Bond Fund are insufficient to pay interest, City must draw on Guaranty Fund. If funds available in LID Bond Fund remain after paying interest, City must redeem Bonds in order of Estimated Redemption Schedule.
	<i>Apr 30</i>	<i>First half property taxes due (including half of Guaranty Fund Levy, if any).</i>
	Oct 16	FINAL assessment installment payments due.
	<i>Oct 31</i>	<i>Remaining property taxes due (including Guaranty Fund Levy, if any).</i>
	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>
2029	Jan 1	City identifies properties delinquent on two assessment installments and commences foreclosure.
	Jan 15	Bond interest payment due. Remaining LID Bond Fund balance used to call Bonds.
	<i>Apr/ Oct</i>	<i>Property taxes due (including Guaranty Fund Levy, if any).</i>
2030	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>
	Jan 1	City is authorized to commence foreclosure on final assessment installment, if still delinquent.
	Jan 15	Bond interest payment due. Remaining LID Bond Fund balance used to call Bonds.
	<i>Apr/Oct</i>	<i>Property taxes due (including Guaranty Fund Levy, if any).</i>
2031	<i>Dec 1</i>	<i>City Council levies property taxes for next calendar year, including Guaranty Fund Levy, if any.</i>
	Jan 15	Bond Maturity. City pays remaining outstanding principal of and interest on Bonds, drawing on LID Bond Fund and Guaranty Fund.
	<i>Apr/Oct</i>	<i>Property taxes due (including Guaranty Fund Levy, if any).</i>

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

City of Tukwila, Washington Local Improvement District No. 33 Bonds

The City of Tukwila, Washington (the “City”), makes the following written Undertaking for the benefit of holders of the above-referenced bonds (the “Bonds”), for the sole purpose of assisting the Purchaser in meeting the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds. Capitalized terms used but not defined below shall have the meanings given in Ordinance No. 2411 of the City (the “Bond Ordinance”).

(a) Undertaking to Provide Annual Financial Information and Notice of Listed Events. The City undertakes to provide or cause to be provided, either directly or through a designated agent, to the MSRB, in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

- (i) Annual financial information and operating data of the type included in the final official statement for the Bonds and described in paragraph (b) (“annual financial information”);
- (ii) Timely notice (not in excess of 10 business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the City, as such “Bankruptcy Events” are defined in Rule 15c2-12; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (14) appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (iii) Timely notice of a failure by the City to provide required annual financial information on or before the date specified in paragraph (b).

(b) Type of Annual Financial Information Undertaken to be Provided. The annual financial information that the City undertakes to provide in paragraph (a):

- (i) Shall consist of (1) annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles applicable to local governmental units of the State such as the City, as such principles may be changed from time to time, which statements may be unaudited, provided, that if and when audited financial statements are prepared and available they will be provided; (2) a statement of the outstanding balance of obligations secured by the Local Improvement Guaranty Fund; (3) the balance of cash and investments in the Local Improvement Guaranty Fund at fiscal year end; and (4) a statement of the amount of assessments that the City billed and collected in that fiscal year;
- (ii) Shall be provided not later than the last day of the ninth month after the end of each fiscal year of the City (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law, commencing with the City's fiscal year ending December 31, 2013; and
- (iii) May be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

(c) Amendment of Undertaking. This Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, Rating Agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12. The City will give notice to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

(d) Beneficiaries. This Undertaking shall inure to the benefit of the City and the holder of each Bond, and shall not inure to the benefit of or create any rights in any other person.

(e) Termination of Undertaking. The City's obligations under this Undertaking shall terminate upon the legal defeasance of all of the Bonds. In addition, the City's obligations under this Undertaking shall terminate if the provisions of Rule 15c2-12 that require the City to comply with this Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of Bond Counsel delivered to the City, and the City provides timely notice of such termination to the MSRB.

(f) Remedy for Failure to Comply with Undertaking. As soon as practicable after the City learns of any failure to comply with this Undertaking, the City will proceed with due diligence to cause such noncompliance to be corrected. No failure by the City or other obligated person to comply with this Undertaking shall constitute a default in respect of the Bonds. The

sole remedy of any holder of a Bond shall be to take action to compel the City or other obligated person to comply with this Undertaking, including seeking an order of specific performance from an appropriate court.

(g) Designation of Official Responsible to Administer Undertaking. The Finance Officer or his or her designee is the person designated, in accordance with the Bond Ordinance, to carry out the Undertaking in accordance with Rule 15c2-12, including, without limitation, the following actions:

- (i) Preparing and filing the annual financial information undertaken to be provided;
- (ii) Determining whether any event specified in paragraph (a) has occurred, assessing its materiality, where necessary, with respect to the Bonds, and preparing and disseminating any required notice of its occurrence;
- (iii) Determining whether any person other than the City is an “obligated person” within the meaning of Rule 15c2-12 with respect to the Bonds, and obtaining from such person an undertaking to provide any annual financial information and notice of listed events for that person required under Rule 15c2-12;
- (iv) Selecting, engaging and compensating designated agents and consultants, including financial advisors and legal counsel, to assist and advise the City in carrying out this Undertaking; and
- (v) Effecting any necessary amendment of this Undertaking.

Dated as of November 19, 2013.

CITY OF TUKWILA, WASHINGTON



Peggy McCarthy, Finance Director



One California Street, 31st Floor
San Francisco, CA 94111-5432
tel 415 371-5000
reference no.: 1254880

October 29, 2013

City of Tukwila
6200 Southcenter Boulevard
Tukwila, WA 98188
Attention: Ms. Peggy McCarthy, Finance Director

**Re: US\$6,700,000 City of Tukwila, Washington, Local Improvement District No. 33 Bonds,
Series 2013 dated: Date of delivery, due: January 15, 2031**

Dear Ms. McCarthy:

Pursuant to your request for a Standard & Poor's Ratings Services ("Ratings Services") rating on the above-referenced obligations, Ratings Services has assigned a rating of "BBB". Standard & Poor's views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

This letter constitutes Ratings Services' permission for you to disseminate the above-assigned ratings to interested parties in accordance with applicable laws and regulations. However, permission for such dissemination (other than to professional advisors bound by appropriate confidentiality arrangements) will become effective only after we have released the rating on standardandpoors.com. Any dissemination on any Website by you or your agents shall include the full analysis for the rating, including any updates, where applicable.

To maintain the rating, Standard & Poor's must receive all relevant financial and other information, including notice of material changes to financial and other information provided to us and in relevant documents, as soon as such information is available. You understand that Ratings Services relies on you and your agents and advisors for the accuracy, timeliness and completeness of the information submitted in connection with the rating and the continued flow of material information as part of the surveillance process. Please send all information via electronic delivery to: pubfin_statelocalgovt@standardandpoors.com. If SEC rule 17g-5 is applicable, you may post such information on the appropriate website. For any information not available in electronic format or posted on the applicable website,

Please send hard copies to:

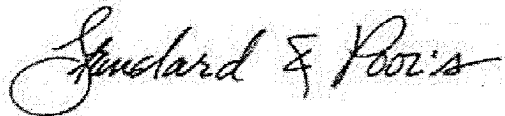
Standard & Poor's Ratings Services
Public Finance Department
55 Water Street
New York, NY 10041-0003

The rating is subject to the Terms and Conditions, if any, attached to the Engagement Letter applicable to the rating. In the absence of such Engagement Letter and Terms and Conditions, the

rating is subject to the attached Terms and Conditions. The applicable Terms and Conditions are incorporated herein by reference.

Ratings Services is pleased to have the opportunity to provide its rating opinion. For more information please visit our website at www.standardandpoors.com. If you have any questions, please contact us. Thank you for choosing Ratings Services.

Sincerely yours,

The logo for Standard & Poor's, featuring the company name in a stylized, cursive script.

Standard & Poor's Ratings Services

ss
enclosures

cc: Ms. Lindsay Sovde, Senior Vice President
Seattle-Northwest Securities Corp.



Standard & Poor's Ratings Services Terms and Conditions Applicable To Public Finance Credit Ratings

General. The credit ratings and other views of Standard & Poor's Ratings Services ("Ratings Services") are statements of opinion and not statements of fact. Credit ratings and other views of Ratings Services are not recommendations to purchase, hold, or sell any securities and do not comment on market price, marketability, investor preference or suitability of any security. While Ratings Services bases its credit ratings and other views on information provided by issuers and their agents and advisors, and other information from sources it believes to be reliable, Ratings Services does not perform an audit, and undertakes no duty of due diligence or independent verification, of any information it receives. Such information and Ratings Services' opinions should not be relied upon in making any investment decision. Ratings Services does not act as a "fiduciary" or an investment advisor. Ratings Services neither recommends nor will recommend how an issuer can or should achieve a particular credit rating outcome nor provides or will provide consulting, advisory, financial or structuring advice. Unless otherwise indicated, the term "issuer" means both the issuer and the obligor if the obligor is not the issuer.

All Credit Rating Actions in Ratings Services' Sole Discretion. Ratings Services may assign, raise, lower, suspend, place on CreditWatch, or withdraw a credit rating, and assign or revise an Outlook, at any time, in Ratings Services' sole discretion. Ratings Services may take any of the foregoing actions notwithstanding any request for a confidential or private credit rating or a withdrawal of a credit rating, or termination of a credit rating engagement. Ratings Services will not convert a public credit rating to a confidential or private credit rating, or a private credit rating to a confidential credit rating.

Publication. Ratings Services reserves the right to use, publish, disseminate, or license others to use, publish or disseminate a credit rating and any related analytical reports, including the rationale for the credit rating, unless the issuer specifically requests in connection with the initial credit rating that the credit rating be assigned and maintained on a confidential or private basis. If, however, a confidential or private credit rating or the existence of a confidential or private credit rating subsequently becomes public through disclosure other than by an act of Ratings Services or its affiliates, Ratings Services reserves the right to treat the credit rating as a public credit rating, including, without limitation, publishing the credit rating and any related analytical reports. Any analytical reports published by Ratings Services are not issued by or on behalf of the issuer or at the issuer's request. Ratings Services reserves the right to use, publish, disseminate or license others to use, publish or disseminate analytical reports with respect to public credit ratings that have been withdrawn, regardless of the reason for such withdrawal. Ratings Services may publish explanations of Ratings Services' credit ratings criteria from time to time and Ratings Services may modify or refine its credit ratings criteria at any time as Ratings Services deems appropriate.

Reliance on Information. Ratings Services relies on issuers and their agents and advisors for the accuracy and completeness of the information submitted in connection with credit ratings and the surveillance of credit ratings including, without limitation, information on material changes to information previously provided by issuers, their agents or advisors. Credit ratings, and the maintenance of credit ratings, may be affected by Ratings Services' opinion of the information received from issuers, their agents or advisors.

Confidential Information. Ratings Services has established policies and procedures to maintain the confidentiality of certain non-public information received from issuers, their agents or advisors. For these purposes, "Confidential Information" shall mean verbal or written information that the issuer or its agents or advisors have provided to Ratings Services and, in a specific and particularized manner, have marked or otherwise indicated in writing (either prior to or promptly following such disclosure) that such information is "Confidential."

Ratings Services Not an Expert, Underwriter or Seller under Securities Laws. Ratings Services has not consented to and will not consent to being named an "expert" or any similar designation under any applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation, Section 7 of the U.S. Securities Act of 1933. Rating Services has not performed and will not perform the role or tasks associated with an "underwriter" or "seller" under the United States federal securities laws or other regulatory guidance, rules or recommendations in connection with a credit rating engagement.

Disclaimer of Liability. Ratings Services does not and cannot guarantee the accuracy, completeness, or timeliness of the information relied on in connection with a credit rating or the results obtained from the use of such information. RATINGS SERVICES GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. Ratings Services, its affiliates or third party providers, or any of their officers, directors, shareholders, employees or agents shall not be liable to any person for any inaccuracies, errors, or omissions, in each case regardless of cause, actions, damages (consequential, special, indirect, incidental, punitive, compensatory, exemplary or otherwise), claims, liabilities, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in any way arising out of or relating to a credit rating or the related analytic services even if advised of the possibility of such damages or other amounts.

No Third Party Beneficiaries. Nothing in any credit rating engagement, or a credit rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of a credit rating. No person is intended as a third party beneficiary of any credit rating engagement or of a credit rating when issued.

RatingsDirect®

Summary:

Tukwila, Washington; Special Assessments

Primary Credit Analyst:

Kate R Burroughs, San Francisco (1) 415-371-5081; kathleen.burroughs@standardandpoors.com

Secondary Contact:

Jennifer Hansen, San Francisco (1) 415-371-5035; jen.hansen@standardandpoors.com

Table Of Contents

Rationale

Outlook

Related Criteria And Research

Summary:

Tukwila, Washington; Special Assessments

Credit Profile

US\$6.7 mil local imp dist no. 33 ser 2013 bnds due 01/15/2031

Long Term Rating

BBB/Stable

New

Rationale

Standard & Poor's Ratings Services assigned its 'BBB' long-term rating to Tukwila, Wash.'s series 2013 local improvement district (LID) bonds, issued for LID No. 33. The outlook is stable.

The rating reflects our view of the district's:

- Fixed assessment levies that are equal to those needed to cover estimated debt service payments, which could result in shortfalls in the event of delinquencies;
- Concentrated tax base, with the top taxpayer comprising 43% of total outstanding assessments and the top 10 comprising 67%; and
- Potential for a changing mix of LIDs to increase the potential delinquency exposure of the guarantee fund, which provides pooled credit support to LIDs citywide.

Partly offsetting the above weaknesses, in our view, are:

- Flexibility in the form of a fixed annual assessment schedule, an estimated sequential bond redemption schedule, and a single final maturity that is scheduled for two years after the final scheduled assessment payment to allow for foreclosure collections;
- Maintenance of the guarantee fund at no less than 10% of assessments outstanding among all LIDs and, in the event of delinquencies, the ability to replenish it through an unlimited citywide property tax; and
- A covenant for the city to issue property tax warrants in addition to, or as a substitute for, guarantee fund draws equal to as much as 5% of assessments outstanding (if needed to cure delinquencies).

The LID bonds are special limited obligations of the city and are payable from assessments in annual installments on parcels within the district, with additional credit support from a shared guarantee fund and a covenant to issue warrants against the guarantee fund secured by a subsequent-year citywide property tax levy.

The city has provided an estimated bond redemption schedule but must redeem the bonds:

- In the sequence of CUSIP numbers earlier or later than the estimated dates, depending on the pace of prepayments or delinquencies; and
- In 2031, which is two years after the final scheduled assessment payment.

The bonds are secured by special assessments on property within the consolidated improvement districts, and by a local improvement guarantee fund at no less than 10% of assessments outstanding among all LIDs. To the extent the guarantee fund is exhausted, the city will annually loan to the guarantee fund loan "warrants" of as much as 5% of

assessment principal, to be repaid by a citywide ad valorem levy the following year, for the purpose of replenishing the guarantee fund, if necessary. The amount that the city can levy to repay warrants in any one year is limited to the greater of 12% of assessment principal or the total amount of district delinquent assessments.

The bonds are structured to have only one bond maturity: Jan. 15, 2031. However, assessments must be paid on an annual schedule in an amount approximately equal to level annual principal payments, with the last payment due two years before the bonds' maturity. The extra two-year period is timed to allow a final period to foreclose on a delinquent assessment. The city must foreclose upon an assessment lien if:

- On the first day of any year, two installments of any assessment are delinquent; or
- If the final installment of any assessment has been delinquent for more than one year.

As scheduled annual assessments pay principal, an equal amount of bonds are called at par, so that all bonds would be retired before final bond maturity to the extent that annual special assessments are paid on time. Property owners pay their assessments in level installments and declining fixed interest payments sized at about 0.5% above the bonds' interest rate, and may prepay their full assessment balance in any year. We note that this prepayment option could eventually change the composition of the assessment payment base, but that the combination of mandatory bond calls and an estimated (rather than fixed) payment schedule prior to the final maturity also provides flexibility to weather real estate cycles.

Of the original 264 parcels in the LID, 125 have already prepaid. A special study of the market value effects of the improvement projects estimate the market value of the remaining parcels at \$1.3 billion. The largest property owner is Westfield Corporation, the owner of the Westfield Mall. Westfield owns 16 parcels within the district, and its assessments comprise a concentrated 43% of total outstanding assessments. The top 10 taxpayers comprise a concentrated 67% of outstanding assessments.

In the event of no prepayments and no delinquencies among assessment payers in the consolidated LIDs and other LIDs covered by the guarantee fund, we calculate that the district would cover annual debt service by 2.1x in 2015, after which the coverage ratio would decline to what we consider to be an only adequate 1.14x in 2029, assuming that the city reduces the guarantee fund to match outstanding assessments. In the event of a permanent delinquency by the owners of vacant parcels, which make up 16.2% of outstanding assessments, we calculate that the guarantee fund replenishment and warrants would be sufficient through the second to last bond payment, but would not be sufficient to allow the district to cover the final bond payment without recovery from foreclosures. We calculate the district could withstand a permanent delinquency of the top taxpayer for 12 years, and the top 10 taxpayers for nine years.

Although the district's assessments are not dependent on assessed value (AV), we view AV as an indicator of the tax base performance. We estimate that total market value stands at 138x direct LID debt within the district, a ratio we consider very strong. However, taking into account overlapping debt, the value-to-lien ratio decreases to around 41x, which we consider strong.

The district's average effective tax rate is relatively low at 1.4% before taking into account increased market value with LID development. This rate would be lower taking into account these developments.

Management reports that the city does not have any other LIDs or have plans for any other LID, which would be

covered by the guarantee fund, but we note that the city may create additional LIDs and could also issue debt to be secured by additional assessments.

Tukwila, in which the consolidated LID is located, serves an estimated population of 19,160. It is located 12 miles south of downtown Seattle, and 17 miles north of Tacoma. The city is home to the Westfield Southcenter Mall, the largest shopping center in the Pacific Northwest. We view the city's income levels as good at 95% of national median household effective buying income, but only adequate on a per capita basis at 86% of the nation. Market value has remained fairly stable during the past few years, and per capita market value, a measure of wealth, is extremely strong in our opinion, at \$259,000, due largely to the lack of residential properties in the district.

Outlook

The stable outlook reflects our view that the district will appropriately replenish the guarantee fund and issue warrants as needed. The stable outlook further reflects our anticipation that the district will not issue further LID debt in the near term. If prepayments cause a further amount of concentration in the district, we could lower the rating. Conversely, if prepayments from the LID's top taxpayers were to significantly reduce concentration, we could raise the rating.

Related Criteria And Research

USPF Criteria: Special-Purpose Districts, June 14, 2007

Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

Copyright © 2013 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED, OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses, and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw, or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription) and www.spcapitaliq.com (subscription) and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

McGRAW-HILL

CLOSING CERTIFICATE

I, PEGGY McCARTHY, certify that I am the duly appointed and acting Finance Director of the City of Tukwila, Washington (the "City"), authorized to execute and deliver this certificate and further certify on behalf of the City as follows:

1. This certificate is delivered in connection with the issuance of the \$6,687,500 principal amount Local Improvement District No. 33 Bonds (the "Bonds"), of the City.

2. To my knowledge and belief, no event affecting the City has occurred since the date of the Official Statement dated November 5, 2013 (the "Official Statement"), which should be disclosed in the Official Statement for the purpose for which it is to be used or which is necessary to disclose therein in order to make the statements therein not misleading, and the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided that no representation or warranty is made with respect to information within the Preliminary Official Statement dated October 22, 2013, as amended and supplemented by the Addendum dated October 31, 2013 (together, the "Preliminary Official Statement"), or the Official Statement relating to The Depository Trust Company ("DTC"), DTC's book-entry system or Piper Jaffray & Co. (the "Underwriter").

3. Ordinance No. 2411 of the City (the "Bond Ordinance"), the ordinance authorizing the issuance and sale of the Bonds, has not been modified or repealed.

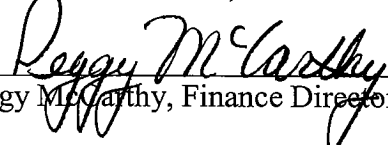
4. The representations, warranties and covenants of the City contained in Bond Ordinance and in the Purchase Agreement for the Bonds dated November 5, 2013, between the City and the Underwriter (the "Purchase Agreement") are true and correct in all material respects on and as of the date hereof with the same effect as if made on the date hereof.

5. To my knowledge and belief, no litigation or other proceedings are pending or threatened in any court in any way: (a) affecting the position or title of the authorized officers of the City; or (b) seeking to restrain or to enjoin the authorization, issuance, sale or delivery of, or security for, any of the Bonds; or (c) contesting or affecting the validity or enforceability of the Bonds, the Bond Ordinance or the Purchase Agreement; or (d) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or (e) contesting the powers of the City or its authority with respect to the Bonds, the Bond Ordinance or the Purchase Agreement; or (f) materially affecting the finances of the City.

6. The execution of this certificate shall constitute the execution of the Official Statement by the City.

DATED as of November 19, 2013.

CITY OF TUKWILA, WASHINGTON


Peggy McCarthy, Finance Director

CERTIFICATE OF MAILING

The undersigned, an employee of Foster Pepper PLLC, DO HEREBY CERTIFY that on December 8, 2008, I mailed by U.S. mail, postage prepaid, certificates of manual signature in the form attached hereto executed by the following officials of the City of Tukwila, Washington:

Name	Position
Jim Haggerton	Mayor
Christy O'Flaherty	City Clerk

to the Secretary of State of the State of Washington via Federal Express at the following address:

Office of the Secretary of State
State Archives Division
1129 Washington Street SE
Olympia, WA 98504
(360) 586-1492

Dated 12/8/2008

Shelly A. Horn
(SIGNATURE)

TAX EXEMPTION AND NONARBITRAGE CERTIFICATE
CONCERNING \$6,687,500
LOCAL IMPROVEMENT DISTRICT NO. 33 BONDS
OF THE CITY OF TUKWILA, WASHINGTON

I, PEGGY MCCARTHY, on behalf of the City of Tukwila, Washington (the "City"), certify as follows:

1. General.

1.1 Responsible Officer. I am the Finance Director of the City and, as such, am an officer of the City responsible for issuing the City's \$6,687,500 par value Local Improvement District No. 33 Bonds, dated, delivered and paid for on the same date as the date of this certificate (the "issue date").

1.2 Purpose of Certificate. This certificate is executed to establish the facts, estimates and circumstances in existence on the issue date and the bona fide reasonable expectations of the City on the issue date as to future events in connection with the Bonds for the purposes of the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable Treasury Regulations under Sections 103, 141 and 148-150 of the Code.

1.3 Reasonable Basis for Expectations. To the best of my knowledge, information and belief, this certificate accurately summarizes the facts, estimates and circumstances in existence on the issue date, and the expectations of the City on the issue date about future events in connection with the Bonds are reasonable.

1.4 Defined Terms. Capitalized words used but not otherwise defined in this certificate have the meaning set forth in Ordinance No. 2411 of the City (the "Bond Ordinance").

2. Purpose of Issuing the Bonds.

2.1 Governmental Purpose. The City is a local government unit of the State of Washington, and the Bonds are being issued for the purpose of providing the funds necessary to pay part of the cost of public improvements within Local Improvement District ("LID") No. 33 of the City (the "Improvements"), as ordered to be carried out by Ordinance No. 2260 (the "LID No. 33 Formation Ordinance"), and as provided by the Bond Ordinance.

It is expected that approximately \$5,929,162.50 of Bond proceeds will be used to reimburse the City for capital expenditures made for the Improvements prior to the issue date of the Bonds. For the purposes of certain federal regulations relating to use of proceeds of tax-exempt obligations to reimburse prior expenditures (the "reimbursement regulations"), the City in the LID No. 33 Formation Ordinance passed on November 16, 2009, declared an official intent to reimburse itself from proceeds of short-term obligations or local improvement district bonds for certain expenditures authorized to be made for the Improvements prior to the issue date of the Bonds with certain City funds later documented as interfund loans that were not, and

were not reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside to pay the cost of the Improvements, as more fully described in Section 3.2(b) below. Interest on interfund loans has been paid with prepaid assessments collected prior to the issue date.

The original expenditures that will be repaid or reimbursed with proceeds of the Bonds were made beginning on approximately November 19, 2010, a date that is 3 years prior to the issue date, and all were made either after or not more than 60 days before the date of that declaration of official intent, except for (i) qualified “preliminary expenditures” within the meaning of the reimbursement regulations (such as expenditures for architectural, engineering, surveying or soil testing services and similar items made before commencement of construction, but not for costs of purchasing land, site preparation, or other costs incident to commencement of construction) in an amount that does not exceed 20% of the expected cost of the Improvements; and (ii) other expenditures for the Improvements in an aggregate total amount not exceeding the lesser of \$100,000 or 5% of the proceeds of the Bonds.

The City has proceeded with all diligence to finalize the assessment roll, levy assessments and issue bonds as quickly as permitted within the timelines, notice, public hearing and procedural requirements under State law. The sale date of the Bonds was the earliest practicable date for selling the Bonds, following expiration of all appeal and prepayment periods in accordance with State law.

The Improvements are defined as all of the public improvements included within LID No. 33. The city placed certain portions of the Improvements in service as completed, but the whole of the Improvements which comprise a single project within LID No. 33 have not been placed in service for more than 18 months. Therefore, the reimbursement allocations being made with proceeds of the Bonds will occur not later than 18 months after the date the Improvements were first placed in service and not later than 3 years after the date of the earliest original expenditure for the Improvements, except for reimbursement for expenditures in an aggregate total amount not exceeding the lesser of \$100,000 or 5% of the proceeds of the Bonds.

2.2 No Impermissible Private Business Use. No more than 10% (\$668,750) of the proceeds of the Bonds (or of a corresponding portion of the Improvements being financed with proceeds of the Bonds) will be used for any private business use. No more than 5% (\$334,375) of the proceeds of the Bonds (or of a corresponding portion of the Improvements being financed with proceeds of the Bonds) will be used either for any private business use that is unrelated to the governmental purpose of the Bonds or for any private business use that is related to a governmental purpose of the Bonds but exceeds the amount of proceeds of the Bonds that are expected to be used for that governmental purpose. No more than 5% of the proceeds of the Bonds will be used directly or indirectly to make or finance loans to any person other than a governmental unit, except a loan, if any, which enables the borrower to finance a governmental tax or assessment of general application for a specific essential governmental function, or which constitutes a nonpurpose investment within the meaning of Section 148 of the Code.

3. Source and Disbursement of Proceeds.

3.1 Purchaser and Purchase Price of the Bonds. The Bonds will be sold to Piper Jaffray & Co. (the "Purchaser"), at a price of par, less an underwriter's discount of \$46,812.50, for a total purchase price of \$6,640,687.50.

3.2 Funds into Which Proceeds From the Issuance and Sale of the Bonds Will Be Deposited. The City expects that the proceeds to be derived from the issuance and sale of the Bonds will be deposited with the City and used as follows:

(a) Guaranty Fund. Proceeds of the Bonds in the amount of \$668,750.00 will be deposited into the City's Guaranty Fund as further described in Section 4.3.

(b) Project Fund. Proceeds of the Bonds remaining in the amount of \$5,971,937.50 will be deposited into the City's Arterial Street Fund (the "Project Fund") and used to (i) pay the costs of issuance and sale of the Bonds (\$42,775.00) and (ii) reimburse the City (as further described in Section 2.1) for a portion of the costs of carrying out the Improvements (\$5,929,162.50).

3.3 Cost of the Improvements. The Improvements have been completed at a total cost of approximately \$24,000,000, which cost will have been paid and reimbursed from proceeds of the issuance and sale of the Bonds, prepaid special benefit assessments, federal and state grants, impact and mitigation fees and other money of the City legally available therefor. The net amount received by the City as a result of the sale of the Bonds, after payment of all expenses of issuing, selling, and delivering the Bonds, is not expected to exceed the amount necessary to pay the costs of the Improvements.

3.4 No Sale of Improvements Expected. The Improvements are not expected to be sold or otherwise disposed of in whole or in part prior to maturity of the Bonds other than to dispose of any portion of the Improvements that become inadequate, obsolete, worn out, unfit, or no longer necessary or useful to the operation of the Improvements.

4. Payment of Bonds.

4.1 Debt Service Structure. The Bonds are assessment bonds of the City and are term in form. The Bonds mature on January 15, 2031, and are subject to call on any Interest Payment Date, in the order of the estimated redemption schedule set forth in the Official Statement for the Bonds dated November 5, 2013, whenever there is sufficient money in the LID Bond Fund to permit that redemption in the manner provided by the Bond Ordinance. The City expects to redeem bonds such that there is never more than a reasonable carry over (no more than the greater of one year's earnings on that account or 1/12th of the annual debt service on the Bonds) in the LID Bond Fund from year to year. Interest on the Bonds is payable annually on each January 15, beginning January 15, 2015.

4.2 Source of Payment; Use of Assessment Proceeds. The Bonds are payable from special benefit assessments deposited in the LID Bond Fund. It is expected that the LID Bond

Fund will be depleted at least once a year (on each January 15), except for a reasonable carryover. When the special benefit assessments are collected, they will be paid into the Bond Fund for payment of principal of and interest on the Bonds on January 15 of each year. To the extent sufficient funds from special assessments are not available in the Bond Fund to pay the principal of and interest on the Bonds when due, that principal and interest will be paid by the City's Guaranty Fund hereinafter referred to.

4.3 Reserve for the Bonds. Pursuant to the laws of the State of Washington, the City maintains a Guaranty Fund for the Bonds. On the issue date, the Guaranty Fund will consist solely of proceeds of the Bonds in the amount of \$668,750.00, which is not more than the lesser of (a) 10% of the proceeds (stated principal amount) of the Bonds (\$668,750.00), (b) maximum annual debt service on the Bonds (\$794,284), and (c) 125% of average annual debt service on the Bonds (\$732,032), and constitutes a reasonably required reserve for the Bonds. Both maximum annual debt service and average annual debt service are based on the estimated debt service schedule set forth in the Certificate of Purchaser attached hereto as Exhibit A, and are believed by me to be reasonable. The portion of the Guaranty Fund allocable to the Bonds may increase as subsequent obligations guaranteed by the fund are issued. The City will invest the portion of the Guaranty Fund allocable to the Bonds so that the amount thereof, if any, in excess of a reasonably required reserve (as defined in Section 5.2(b)) will be invested in accordance with the provisions of Section 5.2(e).

4.4 Absence of Other Sinking Funds. Except for the Bond Fund and the allocable portion of the Guaranty Fund, the City has not created or established and does not expect to create or establish any reserve fund, sinking fund, or other similar fund that is reasonably expected to be used directly or indirectly to pay debt service on the Bonds or any pledged fund with respect to which there is reasonable assurance that money will be available in that fund to pay debt service on the Bonds even if the City were to encounter financial difficulties.

5. Restrictions on Investing Proceeds of the Bonds in Higher Yielding Investments.

5.1 Calculation of Yield on Bonds. The yield on the Bonds has been calculated as that yield which when used in computing the present worth of all payments of principal of and interest on the Bonds produces an amount equal to the issue price of the Bonds. The amounts and dates of payments of principal of and interest on the Bonds are based on the estimated debt service schedule set forth in the Certificate of Purchaser attached hereto as Exhibit A, and the "issue price" of the Bonds is the initial offering price (including accrued interest and original issue discount or premium, if any) at which a substantial amount (at least 10%) of each maturity of the Bonds have been sold to the public (not including bond houses, brokers, or other intermediaries). Based on the Certificate of Purchaser, the yield on the Bonds has been calculated to be 4.813767%. In determining this yield, no adjustments were made for Purchaser's discount or other costs of issuance of the Bonds.

5.2 Restrictions on Investment of Proceeds in Higher Yielding Investments.

(a) Project Fund. It is expected that proceeds of the Bonds deposited into the Project Fund to be used for the purpose of reimbursing the City for costs of the Improvements

and paying the costs of issuance of the Bonds will be spent for those purposes within 30 days after the issue date, as described in Section 3.2(b).

(b) Guaranty Fund. Amounts held in the Guaranty Fund allocable to the Bonds and earnings thereon may be invested in higher yielding investments so long as the amount of such investments (valued at cost) does not exceed the least of 10% of the proceeds (stated principal amount) of the Bonds, maximum annual debt service on the Bonds and 125% average annual debt service on the Bonds, which is a reasonably required reserve as described in Section 4.3.

(c) LID Bond Fund. Amounts treated as replacement proceeds of the Bonds because they are held in the LID Bond Fund may be invested in higher yielding investments for a temporary period not exceeding 13 months from the date of their deposit in the LID Bond Fund.

(d) Investment Earnings. Investment proceeds of the Bonds for which no other temporary period is available may be invested in higher yielding investments for a temporary period of one year from the date of receipt of those investment earnings.

(e) Restricted Yield Investments. Proceeds (and amounts treated as replacement proceeds) of the Bonds that may not be invested in higher yielding investments will be invested only in (i) obligations purchased at fair market value in bona fide, arm's-length transactions in an established market for those obligations and having yields not materially higher than the yield on the Bonds when calculated using the same frequency interval of compounding interest as used for the Bonds, (ii) obligations the interest on which is excluded from gross income under Section 103 of the Code which are not private activity bonds under Section 141 of the Code (or obligations treated as tax exempt obligations under Section 103 of the Code, e.g., obligations issued by certain qualified regulated investment companies that invest, to the extent practicable, all of their assets in tax exempt governmental bonds and meet certain other conditions), and Demand Deposit Securities issued by the United States Treasury pursuant to the State and Local Government Series program, or (iii) other United States Treasury Obligations—State and Local Government Series having yields not materially higher than the yield on the Bonds.

6. Compliance with Arbitrage Rebate Requirement or Conditions for Exception From Arbitrage Rebate Requirement.

6.1 General Arbitrage Rebate Compliance. The Bonds are subject to the rebate requirement imposed by Section 148(f) of the Code, and therefore the City, in the manner and to the extent required by that Section, will calculate and rebate to the United States any investment earnings on gross proceeds of the Bonds that are in excess of the amounts that would have been earned if those gross proceeds had been invested at the yield on the Bonds, plus any income attributable to such excess earnings. Investment earnings on amounts held in the LID Bond Fund will not be taken into account for this purpose at any time, even if the amount earned is \$100,000 or more in a Bond year, because the Bonds bear interest at fixed rates (i.e., rates that do not vary during the term of the Bonds) and have an average maturity of at least 5 years. If the City for any reason fails to comply with the rebate requirement to the extent applicable to the Bonds, the

City, to the extent permitted and required by Section 148(f)(7) of the Code, will pay any penalty that may be necessary to preserve the tax exemption for interest on the Bonds.

6.2 Gross Proceeds of Bonds Eligible For 6-Month Spending Exception From Rebate Requirement. It is expected that all gross proceeds of the Bonds (except an amount that is not more than 5% of proceeds of the Bonds) will be spent for the governmental purpose of the Bonds not later than the date that is 6 months after the issue date of the Bonds, and that any gross proceeds of the Bonds remaining unspent at the end of that 6 month period will be spent for the governmental purpose of the Bonds not later than the date that is 12 months after the issue date of the Bonds.

Solely for the purpose of this spending exception from the rebate requirement, “gross proceeds” of the Bonds include sale and investment proceeds of the Bonds, but do not include transferred proceeds or any amounts deposited and held in the LID Bond Fund (so long as it constitutes a bona fide debt service fund for the Bonds) or the Guaranty Fund (so long as the portion of the Guaranty Fund allocable to the Bonds constitutes a reasonably required reserve for the Bonds). If these expenditure expectations are actually realized and the rebate requirement is satisfied with respect to investments in the Guaranty Fund allocable to the Bonds, those gross proceeds of the Bonds will be excepted from the rebate requirement pursuant to Section 148(f)(4)(B)(i) and (ii) of the Code. If these expenditure expectations are not actually realized, all gross proceeds of the Bonds (other than amounts held in a bona fide debt service fund) will be subject to the rebate requirement, unless the requirements of another available spending exception from the rebate requirement are satisfied.

Amounts held in the Guaranty Fund are subject to the rebate requirement, and the City will comply with the rebate requirement as application to investments held in the Guaranty Fund.

7. Bonds Meet Other Arbitrage Requirements.

7.1 No Other Governmental Obligations Part of This Issue. There are no other obligations of the City that are being sold at substantially the same time (less than 15 days apart) as the Bonds pursuant to the same plan of financing and that are reasonably expected to be paid from substantially the same source of funds.

7.2 No Replacement of Funds Invested in Higher Yielding Investments. No portion of the proceeds of the Bonds will be used directly or indirectly to replace funds of the City invested in higher yielding investments.

7.3 No Abusive Arbitrage Device. The primary, bona fide governmental purposes of issuing the Bonds are to finance the costs of the Improvements. No action is being taken or will be taken in connection with the issuance of the Bonds that has the effect of (i) enabling the City to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage by investing any portion of the gross proceeds of the Bonds over any period of time, and (ii) overburdening the tax-exempt bond market as a result of issuing more Bonds, issuing the Bonds earlier, or allowing the Bonds to remain outstanding longer than is otherwise reasonably necessary to finance the Improvements.

7.4 No Intent to Earn Impermissible Arbitrage Profit. The City will not take any intentional action to earn any impermissible arbitrage profit from the investment of gross proceeds of the Bonds.

8. Bonds Meet Other Requirements for Tax Exemption.

8.1 Bonds in Registered Form. The Bonds are issued only in registered form.

8.2 No Federal Guaranty. Except as otherwise permitted by the Code, payment of the principal of or interest on the Bonds is not guaranteed in whole or in part by the United States or any agency or instrumentality thereof.

8.3 Information Return to Be Filed. The City will cause a Form 8038-G Information Return respecting the Bonds to be timely filed with the Internal Revenue Service.

8.4 Bonds Not Hedge Bonds. The City reasonably expects that (i) at least 85% of the spendable proceeds of the Bonds will be used to carry out the governmental purposes of the Bonds within the 3-year period beginning on the issue date, and (ii) not more than 50% of the proceeds of the Bonds will be invested in nonpurpose investments having a substantially guaranteed yield for 4 years or more.

8.5 Post-Issuance Compliance Procedures. Pursuant to Ordinance No. 2361 authorizing the City's Limited Tax General Obligation Refunding Bonds, 2011, the City adopted the "Post-Issuance Compliance Procedures for Tax-Exempt Bonds" attached hereto as Exhibit B to facilitate compliance by the City with the applicable requirements of the Code that must be satisfied after the issue date to maintain the tax exemption for interest on the City's tax-exempt bonds after the issue date.

9. Bonds Tax Exempt and Not Arbitrage Bonds.

The City expects that bond counsel to the City will rely upon the foregoing facts, estimates and circumstances in existence on the issue date and the reasonable expectations of the City as to future events respecting the Bonds to enable them to conclude that it is not expected that proceeds of the Bonds will be used in any manner that would cause the Bonds to be arbitrage bonds and to provide their opinion that the Bonds are governmental obligations the interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code.

DATED November 19, 2013.

CITY OF TUKWILA, WASHINGTON

By Peggy M. McCarthy
Peggy McCarthy, Finance Director

EXHIBIT A

CERTIFICATE OF PURCHASER

PIPER JAFFRAY & CO., Seattle, Washington (the "Purchaser"), purchaser of the \$6,687,500 principal amount Local Improvement District No. 33 Bonds (the "Bonds"), of the City of Tukwila, Washington (the "City"), certify the following facts for purpose of calculating the yield on the Bonds:

1. Authorized Representative. The undersigned is the duly authorized representative of the Purchaser.

2. Estimated Redemption Schedule. The following is the reasonably anticipated redemption schedule for the Bonds:

<u>Term Bond Number</u>	<u>Term Bond Total</u>	<u>Annual Estimated Redemption Amounts</u>	<u>Interest Rates</u>	<u>Estimated Redemption Dates (Jan. 15)</u>
R-1	\$1,792,500	\$447,500	3.150%	2015
		450,000	3.150	2016
		450,000	3.150	2017
		445,000	3.150	2018
R-2	\$2,225,000	\$445,000	4.500%	2019
		445,000	4.500	2020
		445,000	4.500	2021
		445,000	4.500	2022
		445,000	4.500	2023
R-3	\$2,670,000	\$445,000	5.375%	2024
		445,000	5.375	2025
		445,000	5.375	2026
		445,000	5.375	2027
		445,000	5.375	2028
		445,000	5.375	2029

3. Bona Fide Public Offering. On November 5, 2013 (the "Sale Date"), the Purchaser made a *bona fide* public offering of the Bonds to the public ("public buyers"), excluding bond houses, brokers, and similar persons acting in the capacity of underwriters or wholesalers. The Bonds were initially offered to public buyers on the Sale Date at the price of par (the "Reoffering Prices").

4. Reasonable Expectations. On the Sale Date, based upon our assessment of market conditions, investor demand, sale and offering prices for comparable bonds, and the recent behavior of interest rates, the Purchaser reasonably expected that a substantial portion (at least 10% of the Bonds of each maturity would be sold to public buyers at the respective Reoffering Prices. Based upon our records, the Reoffering Prices are the first prices at which a substantial amount (at least 10%) of each maturity of the Bonds was sold to the public.

5. We express no view regarding the legal sufficiency of any bond yield computations or the correctness of any legal interpretation made by bond counsel.

6. The City may rely on the foregoing representations in making its certification as to issue price of the Bonds under the Internal Revenue Code of 1986, as amended (the "Code"), and bond counsel may rely on the foregoing representations in rendering their opinion on the exclusion from federal gross income of the interest on the Bonds; *provided, however*, that nothing herein represents our interpretation of any laws, and in particular, regulation under section 148 of the Internal Revenue Code.

DATED as of November 19, 2013.

PIPER JAFFRAY & CO.

By 
Lindsay Sovde, Managing Director

Exhibit B

POST-ISSUANCE COMPLIANCE PROCEDURES FOR TAX-EXEMPT BONDS

1. Purpose. The purpose of these post-issuance compliance procedures (“Compliance Procedures”) for tax-exempt bonds and other obligations (sometimes collectively referred to herein as “bonds” or “tax-exempt bonds”) issued by the City of Tukwila (the “City”) for which federal tax exemption is provided by the Internal Revenue Code of 1986, as amended (the “Code”), is to facilitate compliance by the City with the applicable requirements of the Code that must be satisfied after the issue date of the bonds to maintain the tax exemption for the bonds after the issue date.

2. Responsibility for Monitoring Post-Issuance Tax Compliance. The City Council of the City has the overall, final responsibility for monitoring whether the City is in compliance with post-issuance federal tax requirements for the City’s tax-exempt bonds. However, the City Council has delegated the primary operating responsibility to monitor the City’s compliance with post-issuance federal tax requirements for the City’s bonds. The City Council also has authorized and directed the Finance Director of the City to adopt and implement on behalf of the City these Compliance Procedures.

3. Arbitrage Yield Restriction and Rebate Requirements. The Finance Director will maintain or cause to be maintained records of:

(a) purchases and sales of investments made with bond proceeds (including amounts treated as “gross proceeds” of bonds under section 148 of the Code) and receipts of earnings on those investments;

(b) expenditures made with bond proceeds (including investment earnings on bond proceeds) in a timely and diligent manner for the governmental purposes of the bonds, such as for the costs of purchasing, constructing and/or renovating property and facilities;

(c) information showing, where applicable for a particular calendar year, that the City was eligible to be treated as a “small issuer” in respect of bonds issued in that calendar year because the City did not reasonably expect to issue more than \$5,000,000 of tax-exempt bonds in that calendar year;

(d) calculations that will be sufficient to demonstrate to the Internal Revenue Service (“IRS”) upon an audit of a bond issue that, where applicable, the City has complied with an available spending exception to the arbitrage rebate requirement in respect of that bond issue;

(e) calculations that will be sufficient to demonstrate to the IRS upon an audit of a bond issue for which no exception to the arbitrage rebate requirement was applicable, that the rebate amount, if any, that was payable to the United States of America in respect of investments made

with gross proceeds of that bond issue was calculated and timely paid with Form 8038-T timely filed with the IRS; and

(f) information and records showing that investments held in yield-restricted advance refunding or defeasance escrows for bonds, and investments made with unspent bond proceeds after the expiration of the applicable temporary period, were not invested in higher-yielding investments.

4. Restrictions on Private Business Use and Private Loans. The Finance Director will adopt procedures calculated to educate and inform the principal operating officials of those departments, including utility departments, if any, of the City (the “users”) for which land, buildings, facilities and equipment (“property”) are financed with proceeds of tax-exempt bonds about the restrictions on private business use that apply to that property after the bonds have been issued, and of the restriction on the use of proceeds of tax-exempt bonds to make or finance any loan to any person other than a state or local government unit.

In particular, following the issuance of bonds for the financing of property, the Finance Director shall provide to the users of the property a copy of these Compliance Procedures and other appropriate written guidance advising that:

(a) “private business use” means use by any person other than a state or local government unit, including business corporations, partnerships, limited liability companies, associations, nonprofit corporations, natural persons engaged in trade or business activity, and *the United States of America and any federal agency*, as a result of ownership of the property or use of the property under a lease, management or service contract (except for certain “qualified” management or service contracts), output contract for the purchase of electricity or water, privately sponsored research contract (except for certain “qualified” research contracts), “naming rights” contract, “public-private partnership” arrangement, or any similar use arrangement that provides special legal entitlements for the use of the bond-financed property;

(b) under section 141 of the Code, no more than 10% of the proceeds of any tax-exempt bond issue (including the property financed with the bonds) may be used for private business use, of which no more than 5% of the proceeds of the tax-exempt bond issue (including the property financed with the bonds) may be used for any “unrelated” private business use—that is, generally, a private business use that is not functionally related to the governmental purposes of the bonds; and no more than *the lesser* of \$5,000,000 or 5% of the proceeds of a tax-exempt bond issue may be used to make or finance a loan to any person other than a state or local government unit;

(c) before entering into any special use arrangement with a nongovernmental person that involves the use of bond-financed property, the user must consult with the Finance Director, provide the Finance Director with a description of the proposed nongovernmental use arrangement, and determine whether that use arrangement, if put into effect, will be consistent with the restrictions on private business use of the bond-financed property;

(d) in connection with the evaluation of any proposed nongovernmental use arrangement, the Finance Director should consult with nationally recognized bond counsel to the City as may be necessary to obtain federal tax advice on whether that use arrangement, if put into effect, will be consistent with the restrictions on private business use of the bond-financed property, and, if not, whether any “remedial action” permitted under section 141 of the Code may be taken by the City as a means of enabling that use arrangement to be put into effect without adversely affecting the tax-exempt status of the bonds that financed the property; and

(e) the Finance Director and the user of the property shall maintain records of such nongovernmental uses, if any, of bond-financed property, including copies of the pertinent leases, contracts or other documentation, and the related determination that those nongovernmental uses are not inconsistent with the tax-exempt status of the bonds that financed the property.

5. Records to be Maintained for Tax-Exempt Bonds. It is the policy of the City that, unless otherwise permitted by future IRS regulations or other guidance, written records (which may be in electronic form) will be maintained with respect to each bond issue for as long as those bonds remain outstanding, plus three years. For this purpose, the bonds include refunding bonds that refund the original bonds and thereby refinance the property that was financed by the original bonds.

The records to be maintained are to include:

- (a) the official Transcript of Proceedings for the original issuance of the bonds;
- (b) records showing how the bond proceeds were invested, as described in 3(a) above;
- (c) records showing how the bond proceeds were spent, as described in 3(b) and 4(c) above, including purchase contracts, construction contracts, progress payment requests, invoices, cancelled checks, payment of bond issuance costs, and records of “allocations” of bond proceeds to make reimbursement for project expenditures made before the bonds were actually issued;
- (d) information, records and calculations showing that, with respect to each bond issue, the City was eligible for the “small issuer” exception or one of the spending exceptions to the arbitrage rebate requirement or, if not, that the rebate amount, if any, that was payable to the United States of America in respect of investments made with gross proceeds of that bond issue was calculated and timely paid with Form 8038-T timely filed with the IRS, as described in 3(c), (d) and (e) above; and
- (e) records showing that special use arrangements, if any, affecting bond-financed property made by the City with nongovernmental persons, if any, are consistent with applicable restrictions on private business use of property financed with proceeds of tax-exempt bonds and restrictions on the use of proceeds of tax-exempt bonds to make or finance loans to any person other than a state or local government unit, as described in 4 above.

The basic purpose of the foregoing record retention policy for the City's tax-exempt bonds is to enable the City to readily demonstrate to the IRS upon an audit of any tax-exempt bond issue that the City has fully complied with all federal tax requirements that must be satisfied after the issue date of the bonds so that those bonds continue to be tax-exempt under the Code.

6. Identification and Remediation of Potential Violations of Federal Tax Requirements for Tax-Exempt Bonds.

(a) So long as any of the City's tax-exempt bond issues remain outstanding, the Finance Director will periodically consult with the users of the City's bond-financed property to review and determine whether current use arrangements involving that property continue to comply with applicable federal tax requirements as described in these Compliance Procedures. This may be accomplished, for example, by periodically meeting with users, providing questionnaires to users about current use arrangements, or adopting other protocols reasonably calculated to ensure compliance with applicable federal tax requirements on a continuing basis. This periodic review may be scheduled, for example, at or before the times that the City is required to file with the Municipal Securities Rulemaking Board the annual financial information and operating data pursuant to the City's undertaking to provide continuing disclosure with respect to outstanding bond issues.

(b) If at any time during the life of an issue of tax-exempt bonds, the City discovers that a violation of federal tax requirements applicable to that issue may have occurred, the Finance Director will consult with bond counsel to determine whether any such violation actually has occurred and, if so, take prompt action to accomplish an available remedial action under applicable Internal Revenue Service regulations or to enter into a closing agreement with the Internal Revenue Service under the Voluntary Closing Agreement Program described under Notice 2008-31 or other future published guidance.

7. Education Policy With Respect to Federal Tax Requirements for Tax-Exempt Bonds. It is the policy of the City that the Finance Director and his or her staff, as well as the principal operating officials of those departments of the City for which property is financed with proceeds of tax-exempt bonds should be provided with education and training on federal tax requirements applicable to tax-exempt bonds. The City recognizes that such education and training is vital as a means of helping to ensure that the City remains in compliance with those federal tax requirements in respect of its bonds. The City therefore will enable and encourage those personnel to attend and participate in educational and training programs offered by, among others, the Washington Municipal Treasurers Association and the Washington Finance Officers Association with regard to the federal tax requirements applicable to tax-exempt bonds.

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)
 ► See separate instructions.
Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority If Amended Return, check here

1 Issuer's name City of Tukwila, Washington		2 Issuer's employer identification number (EIN) 91-6001519	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address) 6200 Southcenter Boulevard	Room/suite	5 Report number (For IRS Use Only) 3	
6 City, town, or post office, state, and ZIP code Tukwila, Washington 98188		7 Date of issue 11/19/2013	
8 Name of issue Local Improvement District No. 33 Bonds		9 CUSIP number 899053AQ5	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Peggy McCarthy, Finance Director		10b Telephone number of officer or other employee shown on 10a 206-433-1838	

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education	11	
12 Health and hospital	12	
13 Transportation	13	6,687,500
14 Public safety	14	
15 Environment (including sewage bonds)	15	
16 Housing	16	
17 Utilities	17	
18 Other. Describe ►	18	
19 If obligations are TANs or RANs, check only box 19a <input type="checkbox"/>		
If obligations are BANs, check only box 19b <input type="checkbox"/>		
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	01/15/2031	\$ 6,687,500	\$ 6,687,500	8.1447 years	4.8138 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest	22	0
23	Issue price of entire issue (enter amount from line 21, column (b))	23	6,687,500
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	89,588
25	Proceeds used for credit enhancement	25	0
26	Proceeds allocated to reasonably required reserve or replacement fund	26	668,750
27	Proceeds used to currently refund prior issues	27	0
28	Proceeds used to advance refund prior issues	28	0
29	Total (add lines 24 through 28)	29	758,338
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	5,929,162

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the bonds to be currently refunded	N/A	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded	N/A	years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	N/A	
34	Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	N/A	

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	N/A
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	N/A
b	Enter the final maturity date of the GIC ▶ _____		
c	Enter the name of the GIC provider ▶ _____		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	N/A
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ <input type="checkbox"/> and enter the following information:		
b	Enter the date of the master pool obligation ▶ _____		
c	Enter the EIN of the issuer of the master pool obligation ▶ _____		
d	Enter the name of the issuer of the master pool obligation ▶ _____		
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶		<input checked="" type="checkbox"/>
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶		<input type="checkbox"/>
41a	If the issuer has identified a hedge, check here ▶ <input type="checkbox"/> and enter the following information:		
b	Name of hedge provider ▶ _____		
c	Type of hedge ▶ _____		
d	Term of hedge ▶ _____		
42	If the issuer has superintegrated the hedge, check box ▶		<input type="checkbox"/>
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶		<input checked="" type="checkbox"/>
44	If the issuer has established written procedures to monitor the requirements of section 148, check box ▶		<input checked="" type="checkbox"/>
45a	If some portion of the proceeds was used to reimburse expenditures, check here ▶ <input checked="" type="checkbox"/> and enter the amount of reimbursement ▶ <u>\$5,929,162</u>		
b	Enter the date the official intent was adopted ▶ <u>11/16/2029</u>		

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	<i>Peggy McCarthy</i> Signature of issuer's authorized representative	11/19/2013 Date	Peggy McCarthy, Finance Director Type or print name and title	
Paid Preparer Use Only	Alice M. Ostdiek Print/Type preparer's name	<i>Alice M. Ostdiek</i> Preparer's signature	11/19/2013 Date	Check <input type="checkbox"/> if self-employed PTIN P01062938
	Firm's name ▶ Foster Pepper PLLC		Firm's EIN ▶ 91-0606972	
	Firm's address ▶ 1111 Third Avenue, Suite 3400, Seattle, WA 98101		Phone no. (206) 447-4400	

CERTIFICATE OF MAILING

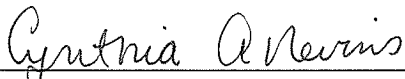
I, Cynthia A. Nevins, a paralegal at Foster Pepper PLLC, in Seattle, Washington, certify that on this day I mailed the original IRS Form 8038-G relating to the issuance of:

City of Tukwila, Washington
\$6,687,500
Local Improvement District No. 33 Bonds

Issue Date: November 19, 2013
Dated Date: November 19, 2013

to the Department of the Treasury, Internal Revenue Service Center, Ogden, Utah 84201, by certified mail, return receipt requested (7012 2210 0002 1583 4233).

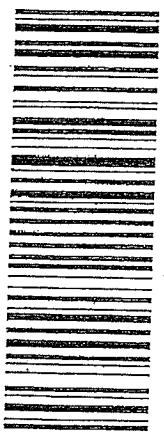
DATED: January 3, 2014.



Cynthia A. Nevins

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL™



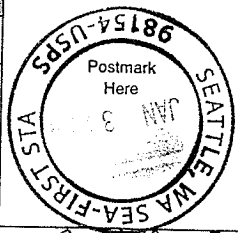
7012 2210 0002 1583 4233
 EE24 E95T 2000 0122 2702
 EE24 E95T 2000 0122 2702

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.11



Sent To: Dept of Treasury 804/40193-27
 Street, Apt. No.; or PO Box No. 31-03
 City, State, ZIP+4 Ogden, UT 84202

PS Form 3800, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Department of Treasury
 Internal Revenue Service Center
 Ogden, UT 84201

COMPLETE THIS SECTION ON DELIVERY

A. Signature X Agent Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below: No

RECEIVED
 JAN 10 2014
 OGDEN UT

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Transfer from service label) 7012 2210 0002 1583 4233

UNITED STATES POSTAL SERVICE



First-Class Mail
 Postage & Fees Paid
 USPS
 Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

Cindy Nevins
 Foster Pepper PLLC
 1111 Third Avenue, Suite 3400
 Seattle, WA 98101



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

906 Columbia Street SW
P.O. Box 42525
Olympia, WA 98504-2525
Phone: 360/725-5021
Fax: 360/586-4162

BOND 101 REPORT FORM

Issue ID: 1312-016		Date Submitted: 12/19/2013	
Issuer Information			
Name of Issuer:	City of Tukwila, Washington		
Address of Issuer:	6200 Southcenter Blvd. Tukwila, WA 98188		
Issue Type:	City/Town		
Principle User, if different than issuer:			
Counties in which the entity using the bond proceeds is located:	King <input type="checkbox"/> Various Counties - More than four <input type="checkbox"/> Statewide		
Issue Type and Title			
Was this bond voter approved?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Exact title of issue:	Local Improvement District No. 33 Bonds		
Issue Sale Method:	Negotiated Sale If Competitive Bid, number of bids:		
Debt Type:	LID Bond		
Debt Category:	Bond		
Series:			
New/Refund/Combo:	New Issue		
Issue Dates			
Dated Date of Issue: 11/19/2013	Issue Closing Date: 11/19/2013		
Date of Issue Sale: 11/05/2013	Issue Maturity Date: 01/15/2029		
Issue Purpose			
Purpose of Proceeds:	Finance improvements in Local Improvement District No. 33		
Purpose Type:	Streets/Roads/Bridges		
Is this a Bond Cap issuance?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes: Bond Cap Use Category: Project Title: Bond Cap Amount:		
Par Value and Interest Rates			
Tax-Exempt Par Value: \$6,687,500.00	Net Tax-Exempt Interest Rate: 5.010884%	<input type="checkbox"/> Variable	
Taxable par Value: \$0.00	Net Taxable Interest Rate: 0%	<input type="checkbox"/> Variable	
Total Par Value: \$6,687,500.00			
Discount: \$0.00	Premium: \$0.00		
Issue Costs			



**STATE OF WASHINGTON
DEPARTMENT OF COMMERCE**

906 Columbia Street SW
P.O. Box 42525
Olympia, WA 98504-2525
Phone: 360/725-5021
Fax: 360/586-4162

Underlying security that supports the debt (e.g. taxes or other revenue streams)	Assessments	
Gross Underwriting Spread:	\$46,812.50	<input type="checkbox"/> Estimate
Underwriting Spread per \$1,000:	\$7.00	
Bond Counsel Fee:	\$23,400.00	<input type="checkbox"/> Estimate
Legal/Underwriter's Counsel Fee:	\$0.00	<input type="checkbox"/> Estimate
Administrative/Commission Fee:	\$0.00	<input type="checkbox"/> Estimate
Feasibility Study Cost:	\$0.00	<input type="checkbox"/> Estimate
Rating Agency Fee:	\$9,375.00	<input type="checkbox"/> Estimate
Trustee Fee:	\$0.00	<input type="checkbox"/> Estimate
Credit Enhancement:	\$0.00	<input type="checkbox"/> Estimate
Escrow Costs:	\$0.00	<input type="checkbox"/> Estimate
Financial Advisor Fee:	\$0.00	<input type="checkbox"/> Estimate
Bond Insurance:	\$0.00	<input type="checkbox"/> Estimate
Printing, inc. Office Statement:	\$0.00	<input type="checkbox"/> Estimate
Out-of-State Travel:	\$0.00	<input type="checkbox"/> Estimate
Miscellaneous:	\$10,000.00	<input type="checkbox"/> Estimate
Issuance Team		
Name of Financial Advisor:		
Name of Bond Counsel:	Foster, Pepper PLLC	
Name Of Lead Underwriter(s):	Piper Jaffray & Co.	
Name Of Company Insuring Bond:		
Name of Bond Registrar:	The Bank of New York Mellon	
Name of Trustee:		
Bond Ratings		
Standard & Poor's:	BBB	
Moody's:		
Fitch:		
Attachments		
Are bond covenants available?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Is an Official Statement available?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Reporter Contact Information		
Reporter Name:	Alice M Ostdiek	
Title:	Bond Counsel	
Affiliation:	Foster Pepper PLLC	



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

906 Columbia Street SW
P.O. Box 42525
Olympia, WA 98504-2525
Phone: 360/725-5021
Fax: 360/586-4162

Address:	1111 Third Avenue, Suite 3400 Seattle, WA 98101
Email:	ostda@foster.com
Phone:	(206) 447-4400

**CERTIFICATE OF BOND AUTHENTICATION,
REGISTRATION AND DELIVERY OF BONDS**

THE BANK OF NEW YORK MELLON of New York, New York (hereinafter sometimes referred to as "Registrar"), certifies as follows:

1. As Fiscal Agent for the State of Washington and its political subdivisions, in accordance with the terms and conditions of Resolution No. 1045 of the State Finance Committee and that certain Amended and Restated Agreement for Fiscal Agency Services (the "Agreement") effective as of February 1, 2011, entered into by and between the Registrar and the State of Washington, the Registrar acknowledges that it duly and properly has authenticated and registered \$6,687,500 principal amount of Local Improvement District No. 33 Bonds (the "Bonds"), of the City of Tukwila, Washington.

2. The Registrar hereby acknowledges receipt in New York, New York, of the following number of unauthenticated bonds of the following issue:

<u>Bond Issue</u>	<u>Number of Unauthenticated Bonds Received</u>
City of Tukwila, Washington, Local Improvement District No. 33 Bonds - \$6,687,500	3

3. The employees of the Registrar whose signatures appear on each authenticated Bond are regular employees of the Registrar and have authenticated the Bonds as one of their responsibilities as employees, and each is duly authorized by the Registrar to do the same.

4. On the date hereof the Registrar authenticated and registered the Bonds by manually executing the Certificate of Authentication and by entering the names and addresses of the bond owners or their nominees in records maintained for such purpose. All of such Bonds authenticated by the authorized employees of the Registrar bore, in the spaces appropriate for the insertion of such information, the name of the registered owner, the principal amount, the interest rate, the maturity date, the Bond number and the CUSIP number thereof.

5. We accept the duties and responsibilities created in the Agreement. We shall act in good faith, and no implied duties or obligations shall be incurred by us other than those specified in the Agreement. All unauthenticated bonds delivered to the Registrar shall be held by it and shall be subject to the trust created by the Agreement and the duties and obligations created therein. The Registrar shall be liable for the safekeeping thereof and for the performance of its duties and obligations as specifically set forth therein and for the actions and omissions of its agent(s). The Registrar shall act in good faith, and no implied duties or obligations shall be incurred by the Registrar other than those specifically in said Agreement.

6. CUSIP numbers have been assigned to the Bonds as follows:

Bond Number	Maturity (January 15)	Estimated Redemption (January 15)	Principal Amount	Interest Rate	CUSIP Number
R-1	2031	2015-2018 ***	\$1,792,500 ***	3.150% ***	899053AD4 ***
R-2	2031	2019-2023 ***	2,225,000 ***	4.500 ***	899053AJ1 ***
R-3	2031	2024-2029	2,670,000	5.375	899053AQ5

DATED at New York, New York, this 19th day of November, 2013.

THE BANK OF NEW YORK MELLON
New York, New York,
as Registrar

By: Bibi Mursalin
Title: Vice President

No. R- _____

SPECIMEN

\$ _____

UNITED STATES OF AMERICA

STATE OF WASHINGTON

LOCAL IMPROVEMENT BOND

OF

CITY OF TUKWILA

LOCAL IMPROVEMENT DISTRICT NO. 33

Interest Rate:
_____ %

Maturity Date:
JANUARY 15, 2031

CUSIP No.:

Registered Owner: CEDE & CO.

Principal Amount: _____ AND NO/100 DOLLARS

N.B. The laws of the State of Washington under which this Bond is issued contain the following section (RCW 35.45.070):

“Neither the holder nor owner of any bond, interest coupon, warrant, or other short-term obligation issued against a local improvement fund shall have any claim therefor against the city or town by which it is issued, except for payment from the special assessments made for the improvement for which the bond or warrant was issued and except also for payment from the local improvement guaranty fund of the city or town as to bonds issued after the creation of a local improvement guaranty fund of that city or town. The city or town shall not be liable to the holder or owner of any bond, interest coupon, warrant, or other short-term obligation for any loss to the local improvement guaranty fund occurring in the lawful operation thereof. A copy of the foregoing part of this section shall be plainly written, printed or engraved on each bond.”

The CITY OF TUKWILA, WASHINGTON (the “City”), a municipal corporation of the State of Washington, promises to pay to the Registered Owner identified above on the Maturity Date identified above the Principal Amount identified above and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-day months) from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum identified above payable annually on each January 15, beginning January 15, 2015, to the maturity or earlier redemption of this Bond. If this Bond is not redeemed when properly presented at its maturity or call date, then interest shall continue to accrue at the Interest Rate identified above until this Bond, both principal and interest, is paid in full or until sufficient money for its payment in full has been deposited in the Local Improvement Fund, District No. 33 (the “LID Bond Fund”), and this Bond has been called for payment by giving notice to the Registered Owner.

Both principal of and interest on this Bond are payable in lawful money of the United States of America solely out of the LID Bond Fund or from the Local Improvement Guaranty Fund of the City (the "Guaranty Fund"). Principal of and interest on this Bond registered in the name of the Securities Depository is payable in the manner set forth in the Letter of Representations. Interest on each Bond not registered in the name of the Securities Depository is payable by electronic transfer on each Interest Payment Date, or by check or draft of the Bond Registrar mailed on such Interest Payment Date to the Registered Owner at the address appearing on the Bond Register on the Record Date. However, the City is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received at least ten days prior to the Record Date and at the sole expense of the Registered Owner. Principal of each Bond not registered in the name of the Securities Depository is payable upon presentation and surrender of the Bond by the Registered Owner to the Bond Registrar.

This Bond is one of an authorized issue of bonds designated Local Improvement District No. 33 Bonds (the "Bonds") aggregating \$6,687,500 in principal amount, maturing January 15, 2031, of like date, tenor and effect, except as to interest rates, Bond numbers and denominations. The City shall call Bonds for redemption in whole or in part in Authorized Denominations in the order set forth on the estimated redemption schedule below when there is money in the LID Bond Fund from assessment payments (including principal, interest, and penalties thereon) and other money of the City sufficient to pay the Bond (or portion thereof) so called over and above the amount required for the payment of the interest payable on all unpaid Bonds on that Interest Payment Date. Bonds shall be redeemed at a redemption price equal to the stated principal amount to be redeemed plus interest accrued thereon to the redemption date. If less than all of the principal amount of a Bond that is assigned to an estimated redemption year is called for redemption, the portion of such Bond to be redeemed shall be determined by the Securities Depository or by the Bond Registrar in accordance with Section 9 of the Bond Ordinance.

Estimated Redemption Schedule

Bond Number	Estimated Redemption Years	Interest Rate	Estimated Redemption Amounts	CUSIP Number
R-1	2015-2018	3.150%	\$1,792,500	899053AD4
R-2	2019-2023	4.500	\$2,225,000	899053AJ1
R-3	2024-2029	5.375	\$2,670,000	899053AQ5

The City in the Bond Ordinance has designated this Bond and the Bonds as qualified tax-exempt obligations for the purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Washington and ordinances of the City, including the Bond Ordinance. The Bonds are issued for the purpose of providing the funds necessary to pay the costs of constructing the public improvements within Local Improvement District No. 33 of the City as ordered to be carried out by Ordinance No. 2260 of the City.

The funds deposited in the LID Bond Fund and the Guaranty Fund have been and are pledged irrevocably to the payment of the principal of and interest on this Bond. This Bond is not a general obligation of the City.

Reference is made to the additional provisions of this Bond set forth in the Bond Ordinance, and those additional provisions shall have the same effect for all purposes as if set forth on the front hereof.

Reference also is made to the Bond Ordinance for the definitions of the capitalized terms used but not otherwise defined herein and as more fully describing the covenants with and rights of Owners of the Bonds.

In the manner and subject to the limitations set forth in the Bond Ordinance, this Bond may be transferred by the Registered Owner or by such Owner's authorized agent at the Bond Registrar on completion of the assignment form appearing hereon and surrender and cancellation of this Bond. Any exchange or transfer shall be without cost to the Owner or transferee. The Bond Registrar shall not be obligated to exchange any Bond or transfer registered ownership during the period between the applicable Record Date and the next upcoming interest payment or redemption date.

The City and the Bond Registrar may deem and treat the Registered Owner of this Bond as its absolute owner for the purpose of receiving payment of principal and interest and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary other than proper notice of assignment. As used herein, Registered Owner means the person or entity named as Registered Owner of this Bond as identified above and on the Bond Register.

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon has been signed by the Bond Registrar.

The principal of and interest on this Bond shall be paid only to the Registered Owner as of the Record Date and to no other person or entity, and this Bond may not be assigned except on the Bond Register.

[Remainder of Page Intentionally Left Blank]

It is certified, recited and declared that all acts, conditions and things required to be done precedent to and in the levying of any assessments and the issuance of this Bond have been done properly, have happened and have been performed in regular and due form, as required by law, and that this Bond, together with all other Bonds of this issue, has not been issued in an amount in excess of the cost of the improvements in Local Improvement District No. 33

IN WITNESS WHEREOF, the City has caused this Bond to be executed on behalf of the City by the facsimile signatures of its Mayor and City Clerk, and a facsimile reproduction of the seal of the City to be printed hereon, this 19th day of November, 2013.

CITY OF TUKWILA, WASHINGTON



By

Jim Haggerton
Mayor

By

Christy O'Flaherty
City Clerk

Date of Authentication: _____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the fully registered City of Tukwila, Washington, Local Improvement District No. 33 Bonds described in the Bond Ordinance.

WASHINGTON STATE FISCAL AGENT
Bond Registrar

By

Authorized Signer

ASSIGNMENT

For value received, the undersigned Registered Owner does sell, assign and transfer unto:

(name, address and social security or other identifying number of assignee)

the within mentioned Bond and irrevocably constitutes and appoints _____
_____ to transfer the same on the Bond Register with full power of
substitution in the premises.

DATED: _____.

Registered Owner

(NOTE: The signature above must correspond with the name of the Registered Owner as it appears on the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.)

Signature Guaranteed:

(NOTE: Signature must be guaranteed pursuant to law.

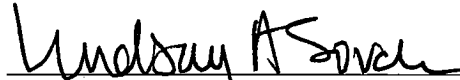
RECEIPT FOR BONDS

PIPER JAFFRAY & CO. of Seattle, Washington (the "Underwriter"), acknowledges receipt this day of \$6,687,500 principal amount Local Improvement District No. 33 Bonds (the "Bonds"), of the City of Tukwila, Washington (the "City"), dated November 19, 2013.

All closing conditions set forth in the Purchase Agreement for the Bonds dated November 5, 2013, between the City and the Underwriter have been provided to the satisfaction of Underwriter.

DATED: November 19, 2013.

PIPER JAFFRAY & CO.



Lindsay Sovde, Managing Director

RECEIPT FOR PAYMENT

The CITY OF TUKWILA, WASHINGTON, acknowledges receipt from Piper Jaffray & Co. this day of \$6,640,687.50 in full payment for the City's \$6,687,500 principal amount Local Improvement District No. 33 Bonds, which settlement amount was computed as follows:

Par value of Bonds	\$6,687,500.00
Less: Underwriter's Discount	<u>(46,812.50)</u>
TOTAL SOURCES OF FUNDS	<u>\$6,640,687.50</u>
Deposit to Project Fund	\$5,929,162.50
Deposit to Guaranty Fund	668,750.00
Deposit to Project Fund for Costs of Issuance	<u>42,775.00</u>
TOTAL USES OF FUNDS	<u>\$6,640,687.50</u>

DATED: November 19, 2013.

CITY OF TUKWILA, WASHINGTON



Peggy McCarthy, Finance Director



FOSTER PEPPER PLLC

November 19, 2013

City of Tukwila, Washington

Re: City of Tukwila, Washington, \$6,687,500
Local Improvement District No. 33 Bonds

We have served as bond counsel to the City of Tukwila, Washington (the "City"), in connection with the issuance of the above referenced bonds (the "Bonds"), and in that capacity have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion. As to matters of fact material to this opinion, we have relied upon representations contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

The Bonds are issued by the City pursuant to Ordinance No. 2411 (the "Bond Ordinance") for the purpose of providing the funds necessary to (i) reimburse the City for a portion of the costs of the public improvements in Local Improvement District No. 33, (ii) make a deposit in the City's Local Improvement Guaranty Fund, and (iii) pay the costs of issuance and sale of the Bonds, all as described in the Bond Ordinance.

The Bonds are payable solely from special assessments levied in Local Improvement District No. 33 and paid into the Local Improvement Fund, District No. 33 of the City (the "LID Bond Fund") and the Local Improvement Guaranty Fund of the City.

Reference is made to the Bonds and the Bond Ordinance for the definitions of capitalized terms used and not otherwise defined herein.

We have not been engaged to review and thus express no opinion concerning the completeness or accuracy of any official statement, offering circular or other sales or disclosure material relating to the issuance of the Bonds or otherwise used in connection with the Bonds.

Under the Internal Revenue Code of 1986, as amended (the "Code"), the City is required to comply with certain requirements after the date of issuance of the Bonds in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, including, without limitation, requirements concerning the qualified use of Bond proceeds and the facilities financed or refinanced with Bond proceeds, limitations on investing gross proceeds of the Bonds in higher yielding investments in certain circumstances and the arbitrage rebate requirement to the extent applicable to the Bonds. The City has covenanted in the Bond Ordinance to comply with those requirements, but if the City fails to comply with such requirements, interest on the Bonds could become taxable retroactive to the date of issuance of the Bonds. We have not undertaken and do not undertake to monitor the City's compliance with such requirements.

Further, pursuant to authority delegated in the Bond Ordinance, the City's Designated Representative has designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Based upon the foregoing, as of the date of initial delivery of the Bonds to the purchaser thereof and full payment therefor, it is our opinion that under existing law:

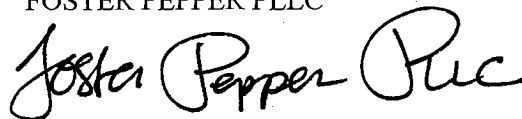
1. The City is a duly organized and legally existing code city under the laws of the State of Washington.
2. The Bonds have been duly authorized and executed by the City and are issued in full compliance with the provisions of the Constitution and laws of the State of Washington and the ordinances of the City relating thereto.
3. The Bonds constitute valid and binding obligations of the LID Bond Fund and the Local Improvement Guaranty Fund of the City, except only to the extent that enforcement of payment may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and by the application of equitable principles and the exercise of judicial discretion in appropriate cases.
4. The Bonds are not general obligations of the City.
5. Assuming compliance by the City after the date of issuance of the Bonds with applicable requirements of the Code, the interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals; however, while interest on the Bonds also is not an item of tax preference for purposes of the alternative minimum tax applicable to corporations, interest on the Bonds received by corporations is to be taken into account in the computation of adjusted current earnings for purposes of the alternative minimum tax applicable to corporations, interest on the Bonds received by certain S corporations may be subject to tax, and interest on the Bonds received by foreign corporations with United States branches may be subject to a foreign branch profits tax. We express no opinion regarding any other federal tax consequences of receipt of interest on the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

We bring to your attention the fact that the foregoing opinions are expressions of our professional judgment on the matters expressly addressed and do not constitute guarantees of result.

Respectfully submitted,

FOSTER PEPPER PLLC





November 19, 2013

Piper Jaffray & Co.
Seattle, Washington

Re: City of Tukwila, Washington, \$6,687,500
Local Improvement District No. 33 Bonds

We have rendered an approving legal opinion dated November 19, 2013, regarding the above-referenced bonds and addressed to the City of Tukwila, Washington, which opinion is attached hereto and is delivered with the bonds. You may rely on that opinion as though it were addressed to you.

No attorney-client relationship has existed or exists between our firm and yourselves in connection with the bonds or by virtue of this letter.

Very truly yours,

FOSTER PEPPER PLLC

By

A handwritten signature in black ink, appearing to read 'Alice M. Ostdiek', written over a horizontal line.

Alice M. Ostdiek

City of Tukwila, Washington

Local Improvement District No. 33 Bonds

Dated: November 19, 2013

Costs of issuance to be paid by the city upon receipt of invoice:

<u>Description</u>	<u>Firm</u>	<u>Total</u>
Bond Counsel	Foster Pepper PLLC	\$ 23,400.00
Disclosure Counsel	Foster Pepper PLLC	10,000.00
Rating fee	Standard & Poor's	<u>9,375.00</u>
Total		<u>\$ 42,775.00</u>

EXHIBIT B

BOND DEBT SERVICE
 City of Tukwila, Washington
 Local Improvement District No. 33 Bonds
 FINAL NUMBERS

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/15/2015	447,500	3.150%	346,783.67	794,283.67	794,283.67
01/15/2016	450,000	3.150%	286,005.00	736,005.00	736,005.00
01/15/2017	450,000	3.150%	271,830.00	721,830.00	721,830.00
01/15/2018	445,000	3.150%	257,655.00	702,655.00	702,655.00
01/15/2019	445,000	4.500%	243,637.50	688,637.50	688,637.50
01/15/2020	445,000	4.500%	223,612.50	668,612.50	668,612.50
01/15/2021	445,000	4.500%	203,587.50	648,587.50	648,587.50
01/15/2022	445,000	4.500%	183,562.50	628,562.50	628,562.50
01/15/2023	445,000	4.500%	163,537.50	608,537.50	608,537.50
01/15/2024	445,000	5.375%	143,512.50	588,512.50	588,512.50
01/15/2025	445,000	5.375%	119,593.75	564,593.75	564,593.75
01/15/2026	445,000	5.375%	95,675.00	540,675.00	540,675.00
01/15/2027	445,000	5.375%	71,756.25	516,756.25	516,756.25
01/15/2028	445,000	5.375%	47,837.50	492,837.50	492,837.50
01/15/2029	445,000	5.375%	23,918.75	468,918.75	468,918.75
	6,687,500		2,682,504.92	9,370,004.92	9,370,004.92

Note: All amounts estimated; principal of all Bonds matures on January 15, 2031 and will be redeemed prior to maturity as set forth in the Ordinance

EXHIBIT C

BOND PRICING

City of Tukwila, Washington
Local Improvement District No. 33 Bonds
FINAL NUMBERS

Bond Component	Maturity Date	Amount	Rate	Yield	Price
2018 Term Bonds:					
	01/15/2015	447,500	3.150%	3.150%	100.000
	01/15/2016	450,000	3.150%	3.150%	100.000
	01/15/2017	450,000	3.150%	3.150%	100.000
	01/15/2018	445,000	3.150%	3.150%	100.000
		<u>1,792,500</u>			
2023 Term Bonds:					
	01/15/2019	445,000	4.500%	4.500%	100.000
	01/15/2020	445,000	4.500%	4.500%	100.000
	01/15/2021	445,000	4.500%	4.500%	100.000
	01/15/2022	445,000	4.500%	4.500%	100.000
	01/15/2023	445,000	4.500%	4.500%	100.000
		<u>2,225,000</u>			
2029 Term Bonds:					
	01/15/2024	445,000	5.375%	5.375%	100.000
	01/15/2025	445,000	5.375%	5.375%	100.000
	01/15/2026	445,000	5.375%	5.375%	100.000
	01/15/2027	445,000	5.375%	5.375%	100.000
	01/15/2028	445,000	5.375%	5.375%	100.000
	01/15/2029	445,000	5.375%	5.375%	100.000
		<u>2,670,000</u>			
		<u>6,687,500</u>			

Dated Date	11/19/2013	
Delivery Date	11/19/2013	
First Coupon	01/15/2015	
Par Amount	6,687,500.00	
Original Issue Discount	-	
Production	6,687,500.00	100.000000%
Underwriter's Discount	-46,812.50	-0.700000%
Purchase Price	6,640,687.50	99.300000%
Accrued Interest	-	
Net Proceeds	6,640,687.50	

Note: All redemption dates and amounts estimated; bonds will mature on Jan 15, 2031 and will be redeemed prior to maturity as set forth in the Ordinance