

CODE

**CITY OF REDMOND
ORDINANCE NO. XXXX**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, APPROVING A PETITION BY MICROSOFT CORPORATION TO DISSOLVE REDMOND COMMUNITY FACILITIES DISTRICT NO. 2014-01; MAKING FINDINGS IN SUPPORT OF THE DISSOLUTION; PROVIDING FOR THE REMAINING BALANCE TO BE REPAYED TO MICROSOFT CORPORATION; REPEALING CHAPTER 3.95 OF THE REDMOND MUNICIPAL CODE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, Resolution No. 1411 (AM) of the City of Redmond, passed by the City Council on July 15, 2014, formed Redmond Community Facilities District ("CFD") No. 2014-01 for the purpose of financing the construction of a pedestrian/bicycle bridge connection from the east side of 156th Avenue NE to the Overlake Transit Center and to the West side of SR 520, and the construction of canopy coverage for waiting areas at the Overlake Transit Center; and

WHEREAS, Resolution No. 1417 of the City of Redmond, passed by the City Council on November 18, 2014, approved an amended petition from Microsoft Corporation for Redmond CFD No. 2014-01 which altered the purpose of the CFD to add construction of additional identified improvements; and

WHEREAS, Resolution No. 1590 of the City of Redmond, passed by the City Council on September 17, 2024, approved an amended

petition from Microsoft Corporation for Redmond CFD No. 2014-01 which again altered the purpose of the CFD to add expanded financing of additional identified improvements; and

WHEREAS, on April 25, 2025, Microsoft petitioned the CFD for dissolution because the only outstanding deliverables, digital wayfinding elements at the Redmond Technology Station, were determined to be addressed through other means not requiring the CFD; and

WHEREAS, on September 2, 2025, the Community Facilities District No. 2014-01 considered and approved a resolution finding that the CFD should be dissolved and submitted a request to the Redmond City Council to pass an ordinance formally dissolving the CFD and returning the remaining funds to Microsoft.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Classification. Section 5 of this ordinance is of a general and permanent nature and shall become a part of the city code.

Section 2. Findings.

A) The petition to dissolve Community Facilities District No. 2014-01 was received by the District on April 25, 2025, and was signed by Microsoft, which owns one hundred percent (100%) of the land within CFD No. 2014-01.

B) All improvements identified for completion under the CFD have either been completed or will be addressed through other means.

C) All invoices of the CFD have been paid.

D) All assessments have been paid and expended, or the balance will be repaid to Microsoft under the Commitment to Fund.

E) The CFD is no longer needed, and Microsoft's request for dissolution should be granted.

F) The recitals outlined above are hereby incorporated by reference as findings in support of the dissolution of Community Facilities District No. 2014-01.

Section 3. Dissolution. Community Facilities District No. 2014-01 is hereby dissolved. The Mayor and Finance Director, of their designees, are hereby empowered to take any necessary actions to accomplish the complete dissolution of Community Facilities District No. 2014-01.

Section 4. Transfer of Balance. The CFD balance remaining as of the date of the dissolution of Community Facilities District No. 2014-01 shall be transferred to Microsoft Corporation as the original, sole funder of the District.

Section 5. Repeal of Chapter 3.95 Redmond Municipal Code (RMC). Chapter 3.95 RMC is hereby repealed in its entirety.

CHAPTER 3.95—~~COMMUNITY FACILITY DISTRICT NO. 2014-1~~

REPEALED.

~~3.95.010 FUND CREATED.~~

~~A. A FUND TO BE KNOWN AS THE "COMMUNITY FACILITY DISTRICT NO. 2014-1" IS HEREBY CREATED AS A CAPITAL IMPROVEMENT FUND AND SHALL BE SPECIFICALLY PROVIDED FOR IN THE CITY'S BUDGET FOR REPORTING PURPOSES. (ORD. 2867 § 2 (PART), 2017).~~

~~3.95.020 PURPOSE.~~

~~THE PURPOSE OF THE COMMUNITY FACILITY DISTRICT NO. 2014-1 FUND SHALL BE TO MANAGE AND ACCOUNT FOR THE FINANCIAL ACTIVITY RELATED TO THE IMPROVEMENTS SPECIFIED IN THE OVERLAKE TRANSIT CENTER (OTC) AGREEMENT BETWEEN THE CITY, MICROSOFT, SOUND TRANSIT AND COMMUNITY FACILITY DISTRICT NO. 2014-1 AS AUTHORIZED BY THE REVISED CODE OF WASHINGTON (RCW) 36.145. (ORD. 2867 § 2 (PART), 2017).~~

~~3.95.030 EXPENDITURES AUTHORIZED.~~

~~A. EXPENDITURES FROM THE FUND SHALL BE AUTHORIZED IN THE BUDGET FOR THE FOLLOWING PURPOSES:~~

~~1. DEFERRED INFLOWS RELATED TO MICROSOFT'S INVESTMENT IN THE CFD AND SPECIFIED IN THE OVERLAKE TRANSIT CENTER AGREEMENT AND COMMUNITY FACILITY DISTRICT NO. 2014-1 AUTHORIZING DOCUMENTS,~~

~~2. EXPENDITURES RELATED TO PROJECT REIMBURSEMENTS TO DESIGN AND CONSTRUCT PROJECT ELEMENTS, INCLUDING A PED-BIKE BRIDGE AND EXPANDED CANOPY COVERAGE FOR TRANSIT WAITING AREAS AS INCLUDED IN THE SOUND TRANSIT EAST LINK PROJECT OR ADMINISTRATIVE EXPENSES RELATED TO THE COMMUNITY FACILITIES DISTRICT OPERATIONS, OR~~

~~3. TRANSFER TO A CAPITAL FUND AS DIRECTED BY THE COMMUNITY FACILITY DISTRICT BOARD OF SUPERVISORS. (ORD. 2867 § 2 (PART), 2017).~~

~~3.95.040 UNEXPENDED FUNDS.~~

~~A. ANY UNEXPENDED FUNDS REMAINING IN THE COMMUNITY FACILITY DISTRICT NO. 2014-1 FUND AT THE END OF ANY FISCAL YEAR SHALL REMAIN IN SAID FUND AND SHALL NOT LAPSE; BUT SHALL BE CARRIED FORWARD FROM YEAR TO YEAR UNTIL EXPENDED FOR THE PURPOSE SET FORTH IN SUBSECTION 3.95.030.A.~~

~~B. ANY UNEXPENDED FUNDS REMAINING IN THE COMMUNITY FACILITY DISTRICT NO. 2014-1 FUND AFTER TERMINATION OF THE CFD AND AFTER PAYMENT OF ALL OBLIGATIONS AND ASSESSMENTS, THOSE FUNDS SHALL BE DELIVERED TO MICROSOFT. (ORD. 2867 § 2 (PART), 2017).}~~

Section 6. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such

invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase.

Section 7. Effective date. This ordinance shall become effective five days after its publication, or publication of a summary thereof, in the city's official newspaper, or as otherwise provided by law.

ADOPTED by the Redmond City Council this _____ day of
_____, 2025.

CITY OF REDMOND

ANGELA BIRNEY, MAYOR

ATTEST:

CHERYL XANTHOS, MMC, CITY CLERK

(SEAL)

APPROVED AS TO FORM:

REBECCA MUELLER, CITY ATTORNEY

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
SIGNED BY THE MAYOR:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.