

COMPTROLLER FILE No. 294219

APPLICATION FOR A CHARTER for a MUSEUM
DEVELOPMENT AUTHORITY

REPORT OF COMMITTEE

Honorable President:
Your

to which was referred the within
would respectfully report that we have considered the same and respectfully recommend that

Filed August 8, 1985 Tim Hill, City Comptroller
By Theresa Dunbar Deputy

ACTION OF THE COUNCIL

Referred	To
Referred	To
Referred	To
Reported	Disposition
Re-referred	To
Reported	Disposition

LAW OFFICES OF
WICKWIRE, LEWIS, GOLDMARK
& SCHORR
A PROFESSIONAL CORPORATION

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DAVID C. CROSBY
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CHRISTOPHER G. OECHELI
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August 3, 1985

						
TIM HILL Seattle City Comptroller RECEIVED						
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The Honorable Tim Hill
Comptroller
101 Municipal Building
Seattle, Washington 98104

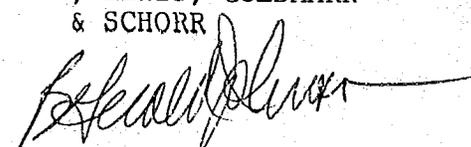
Dear Mr. Hill:

Enclosed please find duplicate originals of an application for a charter for a Museum Development Authority to be issued pursuant to State law and City ordinance. I understand that the Mayor has designated Linda Gorton in the Office of Management and Budget as the "responsible City official" to receive his copy for review during the statutory review period.

Please let me know if you have any questions or concerns about the filing.

Sincerely yours,

WICKWIRE, LEWIS, GOLDMARK
& SCHORR


B. Gerald Johnson

BGJ:rrb
Enclosure

FILED
CITY OF SEATTLE
1985 AUG - 8 PM 2:37
COMPTROLLER AND CITY CLERK

APPLICATION TO CHARTER A

PUBLIC CORPORATION

(Seattle Municipal Code Ch. 3.110)

1. Proposed name of the public corporation: Museum Development Authority.
2. Character or period of its duration: Its duration shall be perpetual.
3. Precise purposes or functions to be performed: The purpose of the Museum Development Authority is to provide a legal entity under RCW 35.21.730 and Seattle Municipal Code Chapter 3.110 to undertake, assist with and otherwise facilitate the development and operation of a public art museum in downtown Seattle. To the extent appropriate and consistent with the needs and objectives of the City and the Seattle Art Museum, the Authority will acquire and manage real property (including property for future museum expansion); secure financing; undertake the construction and development of structures and otherwise accomplish all purposes required for the downtown museum project. The Authority shall have no purpose other than the development and operation of a public art museum in downtown Seattle.
4. Charter requested: See Exhibit A.
5. Proposed initial rules and regulations: See Exhibit B.

6. Names and addresses of persons nominated as the initial corporate officials:

<u>Name</u>	<u>Business Address</u>	<u>Home Address</u>
Solomon Katz	Dept. of History 210A Smith Hall Univ. of Washington Seattle, WA 98195 (543-5692)	7708 56th Place N.E. Seattle, WA 98115 (523-5085)
C. Calvert Knudsen	(604-661-8484)	1853 41st Avenue E. Seattle, WA 98112 (322-1158)
Jim Nicholson	Nordstrom 1501 5th Ave. S. Seattle, WA 98101 (628-2111)	
Dennis Okamoto	Treasurer - PNB 1600 7th Ave. - Rm. 3006 Seattle, WA 98101 (345-3310)	425 35th Avenue S. Seattle, WA 98122 (328-2345)
Richard S. Page	Washington Roundtable 808 Skinner Building Seattle, WA 98101 (623-0180)	1716 36th Avenue Seattle, WA 98122 (329-9455)
J. Thurston Roach	Simpson Timber Co. Bank of California Ctr. Seattle, WA 98164 (292-5000)	234 Maiden Lane E. Seattle, WA 98112 (325-5581)
Faye Sarkowsky		1301 Spring, Apt. 22-J Seattle, WA 98104 (328-6022)
Dorothy Simpson		2012 Faben Drive Mercer Island, WA 98040 (232-8663)
Janet Smith	(285-5585)	304 W. Highland Drive Seattle, WA 98119 (284-7212)

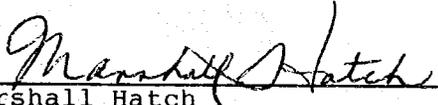
7. Funds and other assets necessary to undertake the activities or functions contemplated within the coming year; the anticipated sources of such funds and assets; and any other supporting data the applicants deem appropriate and necessary to evaluate their application: See Exhibit C.

8. Name and address of each applicant:

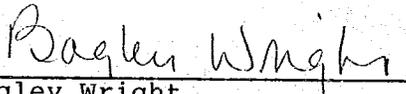
<u>Name</u>	<u>Address</u>
Marshall Hatch	President, Board of Trustees, Seattle Art Museum 1511 Leary Avenue N.W. Seattle, Washington 98107
Bagley Wright	Co-chairman, New Museum Development Committee 900 Fourth Avenue Seattle, Washington 98104

Dated this _____ day of _____, 1985.

Submitted by:



Marshall Hatch



Bagley Wright

PDA3:U4

Exhibit A



CHARTER
OF THE
MUSEUM DEVELOPMENT AUTHORITY

Issued: _____

Seattle, Washington 98104

IT IS DUE TO THE QUALITY OF THE DOCUMENT.

TABLE OF CONTENTS
MUSEUM DEVELOPMENT AUTHORITY CHARTER

		<u>Page</u>
ARTICLE I	NAME AND SEAL.....	1
ARTICLE II	AUTHORITY AND LIMIT ON LIABILITY.....	1
	Section 1. Authority.....	1
	Section 2. Limit on Liability.....	1
	Section 3. Mandatory Disclaimer.....	1
ARTICLE III	DURATION.....	2
ARTICLE IV	PURPOSES.....	2
ARTICLE V	POWERS.....	3
ARTICLE VI	LIMITS.....	6
ARTICLE VII	COUNCIL.....	10
	Section 1. Council Composition.....	10
	Section 2. Council Concurrence Required.....	13
	Section 3. Council Review.....	14
	Section 4. Council Concurrence and Quorum Defined.....	14
	Section 5. Officers and Division of Duties.....	15
	Section 6. Executive Committee.....	16
	Section 7. Committees.....	16
ARTICLE VIII	MEETINGS.....	16
	Section 1. Council Meetings.....	16
	Section 2. Open Public Meetings.....	16

	<u>Page</u>
Section 3. Parliamentary Authority.....	17
Section 4. Minutes.....	17
ARTICLE IX RULES AND REGULATIONS.....	17
ARTICLE X AMENDMENTS TO CHARTER AND RULES AND REGULATIONS.....	18
Section 1. Proposals to Amend Charter and Rules and Regulations.....	18
Section 2. Council Consideration of Proposed Amendments.....	19
Section 3. Vote Required for Amendments to Charter.....	19
Section 4. Vote Required for Amendments to Rules and Regulations.....	19
Section 5. Approval by Mayor.....	20
Section 6. Effective Date of Amendments to Charter.....	20
Section 7. Effective Date of Amendments to Rules and Regulations.....	20
ARTICLE XI RECORDS AND REPORTING REQUIREMENTS.....	20
Section 1. Establishment and Maintenance of Office and Records.....	20
Section 2. Public Records.....	21
Section 3. Annual Report.....	21
ARTICLE XII COMMENCEMENT.....	22
ARTICLE XIII DISSOLUTION.....	22
Section 1. Dissolution.....	22
Section 2. Dissolution Statement.....	22

	<u>Page</u>
ARTICLE XIV MISCELLANEOUS.....	23
Section 1. Geographic Limitation.....	23
Section 2. Bonding.....	24
Section 3. Safeguarding of Funds.....	24
Section 4. Insurance.....	24
Section 5. Code of Ethics.....	24
Section 6. Discrimination Prohibited.....	25
Section 7. Nonexclusive Charter.....	25

CHARTER
OF THE
MUSEUM DEVELOPMENT AUTHORITY

ARTICLE I
NAME AND SEAL

The name of this corporation shall be the Museum Development Authority. The Authority seal, as set forth below, shall be a circle with the name the Museum Development Authority inscribed therein.

ARTICLE II
AUTHORITY AND LIMIT ON LIABILITY

Section 1. Authority.

The Authority is a public corporation organized pursuant to 35.21.730-.755, and Seattle Municipal Code Ch. 3.110.

Section 2. Limit on Liability.

All liabilities incurred by the Authority shall be satisfied exclusively from the assets and properties of the Authority and no creditor or other person shall have any right of action against the City of Seattle on account of any debts, obligations, or liabilities of the Authority.

Section 3. Mandatory Disclaimer.

The following disclaimer shall be posted in a prominent place where the public may readily see it in the Authority's principal and other offices. It shall also be printed or stamped

on all contracts, bonds, and other documents that may entail any debt or liability by the Authority.

The Museum Development Authority is organized pursuant to Seattle Municipal Code (SMC) 3.110 and 35.21.730-.755. RCW 35.21.750 provides as follows: "[A]ll liabilities incurred by such public corporation, commission, or authority shall be satisfied exclusively from the assets and properties of such public corporation, commission or authority and no creditor or other person shall have any right of action against the city, town, or county creating such corporation, commission, or authority on account of any debts, obligations, or liabilities of such public corporation, commission, or authority."

ARTICLE III

DURATION

The duration of the Authority shall be perpetual.

ARTICLE IV

PURPOSES

The purpose of the Authority is to provide a legal entity under RCW 35.21.730 and Seattle Municipal Code Chapter 3.110 to undertake, assist with and otherwise facilitate the development and operation of a public art museum in downtown Seattle. To the extent appropriate and consistent with the needs and objectives of the City and the Seattle Art Museum, the Authority will acquire and manage real property (including property for future museum expansion); secure financing; undertake the construction and development of structures and otherwise accomplish all purposes required for the downtown museum project. The Authority

shall have no purpose other than the development and operation of a public art museum in downtown Seattle.

ARTICLE V

POWERS

The Authority shall have and exercise all powers necessary or convenient to effect the purposes for which the Authority is organized and perform authorized Authority functions, including without limitations, the power to:

1. Own and sell real and personal property;
2. Contract for any Authority purpose with the United States, a state, and any subdivision or agency of either, and with individuals, associations and corporations;
3. Sue and be sued in its name;
4. Lend and borrow money;
5. Do anything a natural person may do;
6. Perform all manner and type of community services and activities;
7. Provide and implement such municipal services as the City Council and Mayor may by ordinance direct;
8. Transfer any funds, real or personal property, property interests, or services;
9. Receive and administer private funds, goods, or services for any lawful public purpose;
10. Purchase, lease, exchange, mortgage, encumber, improve, use, or otherwise transfer or grant security interests in real or

personal property or any interests therein; grant or acquire options on real and personal property; and contract regarding the income or receipts from real property;

11. Issue negotiable bonds and notes in conformity with Seattle Municipal Code 3.110.420 and applicable provisions of the Uniform Commercial Code and state law in such principal amounts as, in the discretion of the Council, shall be necessary or appropriate to provide sufficient funds for achieving any Authority purposes; or to secure financial assistance, including matching funds from the United States, for corporate projects and activities;

12. Contract for, lease, and accept transfers, gifts, or loans of funds or property from the United States, a state, and any political subdivision or agency of either, including property acquired by any such governmental unit through the exercise of its power of eminent domain, and from corporations, associations, individuals or any other source, and to comply with the terms and conditions therefor;

13. Manage, on behalf of the United States, a state, and any political subdivision or agency of either, any property acquired by any such entity through gift, purchase, construction, lease, assignment, default, or exercise of the power of eminent domain;

14. Recommend to appropriate governmental authorities public improvements and expenditures in downtown Seattle;

15. Recommend to the United States, a state, and any political subdivision or agency of either any property which, if committed or transferred to the Authority, would materially advance the public purpose for which the Authority is chartered;
16. Initiate, carry out, and complete such improvements of benefit to the public consistent with this Charter as the United States, a state, and any political subdivision or agency of either may request;
17. Recommend to the United States, a state, and any political subdivision or agency of either such tax, financing, and security measures as the Authority may deem appropriate to maximize the public interest in downtown Seattle;
18. Lend its funds, property, credit, or services for Authority purposes, or act as a surety or guarantor for Authority purposes;
19. Provide advisory, consultative, training, educational, and community services or advice to individuals, associations, corporations or governmental agencies, with or without charge;
20. Control the use and disposition of Authority property, assets, and credit;
21. Invest and reinvest its funds;
22. Fix and collect charges for services rendered or to be rendered, and establish the consideration for property transferred;

23. Sponsor, lease, manage, construct, own, or otherwise participate in housing projects, where such activity furthers the public purpose for which the Authority is chartered;

24. Maintain books and records as appropriate for the conduct of its affairs;

25. Conduct Authority affairs, carry on its operations, and use its property as allowed by law and consistent with Seattle Municipal Code Ch. 3.110, its Charter, and its Rules and Regulations; name Authority officials, designate agents, and engage employees, prescribing their duties, qualifications, and compensation; and secure the services of consultants for professional services, technical assistance, or advice;

26. Identify and recommend to the United States, a state, and any political subdivision or agency of either, the acquisition by the appropriate governmental entity--for transfer to or use by the Authority--of property and property rights which, if so acquired, whether through purchase or the exercise of eminent domain, and so transferred or used, would materially advance the purpose for which the Authority is chartered; and

27. Exercise and enjoy such powers as may be authorized by law.

ARTICLE VI

LIMITS

The Authority in all activities and transactions shall be limited in the following respects:

1. All funds, assets, or credit of the Authority shall be applied toward or expended upon services, projects, and activities authorized by its Charter. No part of the net earnings of the Authority shall inure to the benefit of, or be distributable as such to, the Council members, officers of the Authority or other private persons, except that the Authority is authorized and empowered to:

(a) Compensate Authority officials and others performing services for the Authority a reasonable amount for services rendered and to reimburse reasonable expenses actually incurred in performing their duties;

(b) Assist the Authority officials as members of a general class of persons to be assisted by the Council-approved project or activity to the same extent as other members of the class as long as no special privilege or treatment accrues to such Authority official by reason of his or her status or position in the Authority;

(c) Defend and indemnify any Authority official (including employees), any former Authority official, and their successors, against all costs, expenses, judgments, and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him or her in connection with or resulting from any claim, action, or proceeding, civil or criminal, in which he or she is or may be made a party by reason of being or having been an Authority official, or by reason of any action alleged to have been taken or omitted by him or her as such official, provided

that he or she was acting in good faith on behalf of the Authority and within the scope of duties imposed or authorized by law. This power of indemnification shall not be exclusive of other rights to which Authority officials may be entitled as a matter of law;

(d) Purchase insurance to protect and hold personally harmless any of its officials (including its employees and agents) from any action, claim, or proceeding instituted against the foregoing individuals arising out of the performance, in good faith, of duties for, or employment with, the Authority and to hold these individuals harmless from any expenses connected with the defense, settlement, or monetary judgments from such actions, claims, or proceedings. The purchase of such insurance and its policy limits shall be discretionary with the Authority Council, and such insurance shall not be considered to be compensation to the insured individuals. The powers conferred by this subsection shall not be exclusive of any other powers conferred by law to purchase liability insurance; and

(e) Sell assets for a consideration greater than their reasonable market value or acquisition costs, charge more for services than the expense of providing them, or otherwise secure an increment in a transaction or carry out any other transaction or activity, as long as such gain is not the object or purpose of the Authority's transactions or activities and is applied to or expended upon services, projects, and activities as aforesaid.

2. No funds, assets, or property of the Authority shall be used for any partisan political activity or to further the election or defeat of any candidate for public office; nor shall any funds or substantial part of the activities of the Authority be used for publicity or educational purposes designed to support or defeat legislation pending before the Congress of the United States, or the legislature of this State, or the City Council; provided, however, that members and officials of the Authority may respond to requests by contacting members of Congress, State legislators, or City Council members for information and may appear before any such legislative body in connection with funding and other matters directly affecting the Authority or its ability to carry out the purposes for which it is chartered.

3. The Authority shall have no power of eminent domain nor any power to levy taxes or special assessments.

4. The Authority may not incur or create any liability that permits recourse by any contracting party or members of the public to any assets, services, resources, or credit of the City of Seattle.

5. The Authority shall not issue shares of stock, pay dividends, make private distribution of assets, or make loans to its corporate officials or engage in business for private gain.

ARTICLE VII

COUNCIL

Section 1. Council Composition.

Management of all Authority affairs shall reside in the Council. The Council shall be composed of nine (9) members selected as follows:

1. Within two (2) months of the issuance of this Charter, the initial Council as designated in the application for this Charter shall by resolution divide the members of the Council into three (3) classes of three (3) members each (designated Class I, Class II, and Class III).

2. At the regular meeting of the Council that coincides most closely with the second anniversary of the issuance of this Charter, the terms of those members of the Council that are in Class I shall expire, provided that they shall continue in office until their successors are selected and qualified as provided in the Rules and Regulations.

ALTERNATIVE II

3. The Council vacancies created by the expiration of the terms of the Class I, Class II and Class III members shall be filled with:

(a) One member selected by the Board of Trustees of the Seattle Art Museum;

(b) One member selected by the Mayor; and

(c) One member selected by the Council who may not be a member of the Board of Trustees of the Seattle Art Museum.

4. The names of members selected by the Mayor, the Council or the Board of Trustees of the Seattle Art Museum shall be promptly submitted to the City Council for confirmation. Any such person whose name and supporting documentation have been submitted to the City Council shall, unless and until his or her name has been rejected by the City Council, have full powers and responsibilities of a confirmed Council member. No such person shall have or purport to have or exercise such powers and responsibilities until his or her name and all supporting documentation required by the City Council have been submitted to the City Council for confirmation.

5. This reappointment and confirmation procedure shall continue annually as to successive classes, so that at the regular meeting of the Council that coincides most closely with each anniversary of the issuance of this Charter, a new class of Council members shall take office; provided, however, that each person so selected shall hold office for the three (3) year term for which he or she is selected and until his or her successor shall have been selected and qualified; and provided that there shall be no restriction on members of the Council serving successive terms.

6. Any Council member who is absent for three (3) consecutive regular meetings may, by resolution duly adopted by a

majority vote of the whole Council, be deemed to have forfeited his or her position as Council member.

7. If a member appointed by the Mayor or by the Board of Trustees of the Seattle Art Museum resigns, or becomes ineligible to serve or becomes unable to serve, the Council shall request that the appointing entity appoint a new member to serve the balance of the unexpired term of such member.

8. In addition to Intervention and Trusteeship, as provided in Seattle Municipal Code 3.110.440 and 3.110.450, respectively, if it is determined for any reason that any or all of the Council members should be removed from office, after a full public hearing, and after selection of appropriate replacements by the Mayor and City Council pursuant to this section, the Mayor and City Council may by ordinance remove any or all voting Council members from office. The term of any Council member removed pursuant to this section shall expire when the member receives a copy of the ordinance removing him or her from office and a letter signed by the Mayor advising him or her that he or she has been removed pursuant to this section. Any person appointed to the Council pursuant to this section shall be appointed by the Mayor and confirmed by the City Council in the same way other persons appointed to positions requiring City Council approval are appointed and confirmed. Any person appointed and confirmed pursuant to this section shall serve the balance of the term of the person being replaced.

Section 2. Council Concurrence Required.

General or particular authorization or concurrence of the Council by resolution shall be necessary for any of the following transactions:

1. Transfer or conveyance of an interest in real estate other than a release of a lien or satisfaction of a mortgage after payment has been received and the execution of a lease for a current term of less than one (1) year;

2. The contracting of debts, issuance of notes, debentures, or bonds, and the mortgaging or pledging of corporate assets to secure the same;

3. The donation of money, property, or other assets belonging to the Authority;

4. An action by the Authority as a surety or guarantor;

5. All transactions in which: (i) the consideration exchanged or received by the Authority exceeds ten thousand dollars (\$10,000), (ii) the performance by the Authority shall extend over a period of one (1) year from the date of execution of an agreement therefor, or (iii) the Authority assumes duties to the United States, a state, or any political subdivision or agency of either;

6. Any project or activity outside the limits of the City;

7. Adoption of an annual budget and a separate capital budget, when annual capital expenditures are expected to exceed one hundred thousand dollars (\$100,000);

8. Certification of annual reports and statements to be filed with the City Comptroller as true and correct in the opinion of the Council and of its members, except as noted;

9. Proposed amendments to the Charter and to the Rules and Regulations; and

10. Such other transactions, duties, and responsibilities as the Charter shall repose in the Council or require Council participation by resolution.

Section 3. Council Review.

At least quarterly, the Council shall review monthly statements of income and expenses which compare budgeted expenditures to actual expenditures. When the operating budget is in excess of one million dollars (\$1,000,000), the Council shall also review on a quarterly basis balance sheets for the previous three months. The Council shall review all such information at regular meetings, the minutes of which shall specifically note such reviews, and include such information.

Section 4. Council Concurrence and Quorum Defined.

"Council concurrence," as used in this Article, may be obtained at any regular or special Council meeting by an affirmative vote of a majority of the Council members voting on the issue, provided that such majority equals not less than one-third of the Council voting membership.

A quorum to commence a Council meeting shall be no fewer than a majority of the Council's total voting membership. Voting membership means the total number of voting positions on the

Council authorized by the Charter, whether filled or vacant. The Rules and Regulations of the Authority may prescribe Council quorum restrictions which equal or exceed the quorum restrictions imposed in this Section 4. Council members present at a duly convened meeting may continue to transact business notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 5. Officers and Division of Duties.

The Authority shall have two or more officers. The same person shall not occupy both the chief executive office of the Authority and the office responsible for the custody of funds and maintenance of accounts and finances. The initial officers of the Authority shall be the Chairperson, Vice-Chairperson, Secretary and Treasurer of the Council. Additional officers may be provided for in the Rules and Regulations of the Authority. The Chairperson shall be the agent of the Authority for service of process; the Rules and Regulations may designate additional corporate officials as agents to receive or initiate process. The corporate officers, who shall be selected from among the membership of the Council as provided in the Rules and Regulations, shall manage the daily affairs and operations of the Authority. The Council shall oversee the activities of the corporate officers, establish and/or implement policy, participate in corporate activity in matters prescribed in Section 2 of this Article VII, and shall be responsible for the management and determination of all Authority affairs.

Section 6. Executive Committee.

The Rules and Regulations may provide for an Executive Committee, which shall be appointed and/or removed by the Council, and shall have and exercise such authority of the Council in the management between meetings of the Council, as may be specified in the Rules and Regulations.

Section 7. Committees.

The appointment of other committees shall be provided for in the Rules and Regulations.

ARTICLE VIII

MEETINGS

Section 1. Council Meetings.

1. The Council shall meet at least once a month.
2. Special meetings of the Council may be called as provided in the Rules and Regulations.
3. Any member of the Council, upon five (5) days' notice, may call a special meeting of the Council to consider matters appropriate to a regular meeting if twenty-five (25) days have elapsed since the previous Council meeting and no future meeting has been scheduled.

Section 2. Open Public Meetings.

All Council meetings, including executive, all other permanent and ad hoc committee meetings, shall be open to the public to the extent required by RCW 42.30.010 et seq. The Council and committees may hold executive sessions to consider matters enumerated in RCW 42.30.010 et seq. or privileged matters recognized

by law, and shall enter the cause therefor upon its official journal. Notice of meetings shall be given in a manner consistent with RCW 42.30.010 et seq. In addition, the Authority shall routinely provide reasonable notice of meetings to any individual specifically requesting it in writing. At such meeting, any citizen shall have a reasonable opportunity to address the Council either orally or by written petition. Voting by telephone is not permitted.

Section 3. Parliamentary Authority.

The rules in Robert's Rules of Order (revised) shall govern the Authority in all cases to which they are applicable, where they are not inconsistent with the Charter or with the special rules of order of the Authority set forth in the Rules and Regulations.

Section 4. Minutes.

Copies of the minutes of all regular or special meetings of the Council shall be available to any person or organization that requests them. The minutes of all Council meetings shall include a record of individual votes on all matters requiring Council concurrence.

ARTICLE IX

RULES AND REGULATIONS

The Council shall adopt Rules and Regulations to provide such rules for governing the Authority and its activities as are not inconsistent with this Charter. The adoption of the Rules and Regulations and any amendments thereto require a majority

vote of the whole Council. The Council may provide in the Rules and Regulations for all matters related to the governance of the Authority, including but not limited to matters referred to elsewhere in the Charter for inclusion therein, and for the following:

1. The existence of committees of the Authority and the duties of any such committee;
2. Regular and special meetings of the Council of the Authority;
3. Suspension or removal of Authority officials and conditions which would require such suspension or removal;
4. Any matters set forth in Seattle Municipal Code 3.110.140 not inconsistent with the Charter or not provided for herein.

ARTICLE X

AMENDMENTS TO CHARTER AND RULES AND REGULATIONS

Section 1. Proposals to Amend Charter and Rules and Regulations.

1. Proposals to amend the Charter or Rules and Regulations shall be presented in a format which strikes over material to be deleted and underlines new material.
2. Any Council member may introduce an amendment to the Charter or to the Rules and Regulations (which may consist of new Rules and Regulations) at any regular meeting or at any special meeting of which thirty (30) days' advance notice has been given.

Section 2. Council Consideration of Proposed Amendments.

If notice of a proposed amendment to the Charter or to the Rules and Regulations, and information, including the text of the proposed amendment and a statement of its purpose and effect, is provided to members of the Council fifteen (15) days prior to any regular Council meeting or any special meeting of which thirty (30) days' advance notice has been given, then the Council may vote on the proposed amendment at the same meeting as the one at which the amendment is introduced. If such notice and information is not so provided, the Council may not vote on the proposed amendment until the next regular Council meeting or special meeting of which thirty (30) days' advance notice has been given, provided that such notice and information is provided to Council members at least fifteen (15) days prior to such meeting.

Germane amendments to the proposed amendment within the scope of the original amendment will be permitted at the meeting at which the vote is taken.

Section 3. Vote Required for Amendments to Charter.

Resolutions of the Council approving amendments to the Charter require an affirmative vote representing two-thirds (2/3) of the Council members voting on the issue and a majority of the Council voting membership for adoption.

Section 4. Vote Required for Amendments to Rules and Regulations.

The minimum vote that is required for the amendment, alteration, or repeal of the Rules and Regulations of the Authority shall be an affirmative vote of a majority of the whole Council.

Section 5. Approval by Mayor.

After adoption of a proposed amendment to the Charter of the Authority, as set forth herein, by the Council the proposed amendment shall be filed in duplicate with the City Comptroller. The Mayor may approve or disapprove the proposed amendment. If the Mayor approves the proposed amendment, he or she shall cause to be issued duplicate originals of the revised Charter, each signed by the Mayor and bearing the City Seal attested by the City Comptroller. One original shall be retained by the City Comptroller as a public record, and the other shall be delivered to the Authority.

Section 6. Effective Date of Amendments to Charter.

Amendments to the Charter proposed by the Authority shall take effect and become part of the Charter upon the filing of the Mayor's approval with the Comptroller.

Section 7. Effective Date of Amendments to Rules and Regulations.

Amendments to the Rules and Regulations shall not take effect until ten (10) days after filing of the same with the City Comptroller, unless such amendment(s) shall have been passed by unanimous vote of the Council and an earlier date be set.

ARTICLE XI

RECORDS AND REPORTING REQUIREMENTS

Section 1. Establishment and Maintenance of Office and Records.

The Authority shall:

1. Maintain a principal office within the limits of the City;
2. File and maintain current with the Comptroller a listing of all officials, their positions, and their business and home addresses, their business and home phone numbers, the address of its principal office and all other offices used by it, and a current set of its Rules and Regulations; and
3. Maintain all authority records in a manner consistent with the Preservation and Destruction of Public Records Act, RCW Chapter 40.14.

Section 2. Public Records.

The public shall have access to records and information of the Authority to the extent required by state law and City ordinance.

Section 3. Annual Report.

The Authority shall:

1. Within three (3) months of the end of its fiscal year, file an annual report with the Comptroller, the City Council, and the Mayor's designee containing a certified statement of assets and liabilities, income and expenditures and changes in its financial position during the previous year; a summary of significant accomplishments; a list of depositories used; a projected operating budget for the current fiscal year and a separate capital budget when annual capital expenditures are expected to exceed one hundred thousand dollars (\$100,000); a summary of projects and activities to be undertaken during the

current year; a list of corporate officials and a list of officers bonded pursuant to Seattle Municipal Code 3.110.240(c); and

2. Within six (6) months of the end of its fiscal year, file an audited and Council-certified statement of assets and liabilities, income and expenditures, and changes in financial position.

ARTICLE XII

COMMENCEMENT

The Authority shall commence its existence effective upon filing its Charter as issued and attested.

ARTICLE XIII

DISSOLUTION

Section 1. Dissolution.

Dissolution of the Authority shall be in the form and manner required by law, City ordinance, and the Rules and Regulations. Upon dissolution of the Authority and the winding up of its affairs, all of the rights, assets and property of the Authority shall pass to and be distributed according to the terms of the applicable grant agreements or covenants with the federal government, or agreements with donors, or other parties made at the time of acquisition, or to a qualified entity specified in Seattle Municipal Code 3.110.490.

Section 2. Dissolution Statement.

Upon enactment of a resolution by the City Council for dissolution of the Authority or by the Authority for its own

dissolution other than for purposes of merger or reorganization in a plan approved by the Mayor, the Authority shall file a dissolution statement signed by its chief executive officer setting forth:

1. The name and principal office of the Authority;
2. The debts, obligations, and liabilities of the Authority, and the property and assets available to satisfy the same; the provisions to be made for satisfaction of outstanding liabilities and performance of executory contracts; and the estimated time for completion of its dissolution;
3. Any pending litigation or contingent liabilities;
4. The Council resolution providing for such dissolution and the date(s) and proceedings leading toward its adoption, whenever the dissolution be voluntary; and
5. A list of persons to be notified upon completion of dissolution.

ARTICLE XIV

MISCELLANEOUS

Section 1. Geographic Limitation.

The Authority may conduct activities outside the City of Seattle upon a determination by the Council that each such activity will further the purposes of the Authority but only in those areas of another jurisdiction whose governing body by agreement with the City consents thereto.

Section 2. Bonding.

The Treasurer of the Authority, and any other officials responsible for Authority accounts and finances, shall file with the Authority fidelity bonds in an amount determined adequate and appropriate by the Council. Such officials may hold such positions only as long as such bonds continue in effect. The Authority shall notify the Mayor in its annual report of the officials responsible for Authority funds, accounts and finances, the names of such officials and the amounts of the bonds prescribed for them and confirm that such bonds are currently in effect.

Section 3. Safeguarding of Funds.

Authority funds shall be deposited in a depository acceptable to the Mayor and be otherwise safeguarded pursuant to such instructions as the Mayor may from time to time issue.

Section 4. Insurance.

The Authority shall maintain in full force and effect public liability insurance in an amount specified by the Mayor sufficient to cover potential claims for bodily injury, death or disability, and for property damage, which may arise from or be related to projects and activities of the Authority, naming the City as an additional insured.

Section 5. Code of Ethics.

No current corporate official or employee shall engage in conduct prohibited under Seattle Municipal Code 3.110.560. Uncompensated officials and employees and designated compensated

employees shall annually by April 15 file statements of economic interest as required under Seattle Municipal Code 3.110.570. The Council shall enforce the provisions of Seattle Municipal Code 3.110.580. Additionally, all final Council determinations under Seattle Municipal Code 3.110.580 shall be provided to the City Board of Ethics for its information. The Board, in its discretion, may comment on any determination and provide its comments to the Council.

Section 6. Discrimination Prohibited.

1. As provided in Seattle Municipal Code 3.110.260, Council membership may not directly or indirectly be based upon or limited by age, race, color, religion, sex, national origin, marital status, sexual orientation, political ideology, or the physical handicap of a capable person; provided that the Council shall take steps to ensure equality of employment opportunity as provided in the Code.

2. Authority use of funds provided to it by the City after January 1, 1985, shall be subject to the requirements of Seattle Municipal Code Chapter 20.46 (Women's and Minority Business Utilization).

Section 7. Nonexclusive Charter.

This Charter is nonexclusive and does not preclude the granting by the City of other charters to establish additional public corporations.

CHRT9:C4

Exhibit B



FORM 3

ONE SUPPLY CO. ONE COVERED DRIVE, GRANFORD, NEW JERSEY 07034

RULES AND REGULATIONS
OF THE
MUSEUM DEVELOPMENT AUTHORITY

ARTICLE I

COUNCIL

Section 1. Composition of the Council.

For the purpose of determining Council composition, the anniversary of the issuance of the Charter shall be September of each year.

Section 2. Vacancies.

Subject to Section 3 hereof, vacancies on the Council shall be filled by the body with authority to fill the vacated position. A vacancy or vacancies on the Council shall be deemed to exist in the case of the death, disability, resignation or removal from office of any Council member as provided herein. Upon such an occurrence, the Council shall notify the body that has the power to replace such a member and said body shall have the opportunity to select another person as Council member to fill the vacant term, subject to approval and qualification as prescribed in the Charter. If the selecting body, other than the Mayor, has not selected another person as Council member to fill the vacant term described herein within two (2) calendar months from that body's receipt of notice of said vacancy, the vacancy shall be filled by the Council. Such person shall then be subject to approval and qualification as prescribed in the Charter.

Section 3. Quorum.

At least five (5) members of the Council must be present at any regular or special meeting to comprise a quorum. A lesser number in attendance at such a meeting may adjourn the meeting and reconvene it within forty-eight (48) hours of the adjourned meeting without further notice.

ARTICLE II

OFFICERS AND COMMITTEES

Section 1. Officers Designated.

The officers of the Authority shall be a Chairperson, Vice Chairperson, Treasurer, and Secretary, each of whom shall be elected by the Council. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Council. No person may simultaneously hold more than one office. In addition to the powers and duties specified below, the officers shall have such powers and perform such duties as the Council may prescribe.

Section 2. Election, Qualifications and Term of Office.

Each of the officers shall be elected by the Council from among its members. The officers shall be elected by the Council at the first regular meeting after the term of new or reappointed Council members commences each year, for a one-year term, and each officer shall hold office during said one-year term and until his or her successor is elected. The first officers of the Council shall be elected by the Council at its organizational meeting.

Section 3. Powers and Duties.

a. Chairperson. The Chairperson shall exercise the usual executive powers pertaining to the office of Chairperson. He or she shall be the chief executive officer of the Authority. He or she shall preside at all meetings of the Council. He or she shall be the designated agent of the Authority to receive service of process. When authorized by the Council, he or she shall have the power to sign and execute all deeds, bonds, contracts, and other obligations or instruments in the name of the corporation, and all such instruments shall be effective, valid, and binding upon his or her signature alone without the necessity of adding thereto the signature of any other officer or officers of the Authority unless otherwise required by the Charter, and such authority shall include the right to endorse the transfer in blank, or otherwise, of any stocks, bonds, securities, or evidence of indebtedness owned or standing in the name of the corporation.

b. Vice Chairperson. The Vice Chairperson shall act in the place of the Chairperson in the absence of the Chairperson, or upon disability or refusal of the Chairperson to act. The Vice Chairperson shall have such other duties as the Chairperson and Council shall designate.

c. Secretary. The Secretary shall be responsible for notices for all meetings of the Council, shall be responsible for keeping its minutes, shall be responsible for the seal and corporate books, shall affix the corporate seal and sign with the

Chairperson of the Council such instruments as require the seal or his or her signature, and shall make such reports and perform such other duties as are incident to his or her office, or are properly required of him or her by the Council.

d. Treasurer. The Treasurer shall have the care and custody of and be responsible for all funds and investments of the Authority, and shall cause to be kept regular books of account. He or she shall cause to be deposited all funds and other valuable effects in the name of the Authority in such depositories as may be required by law, or, if not required, as designated by the Council. In general, he or she shall perform all of the duties incident to the office of Treasurer.

Section 4. Removal.

Upon reasonable prior notice to all Council members of the alleged reasons for dismissal, the Council by an affirmative vote of the majority of the whole Council may remove any officer from his or her office whenever in its judgment the best interests of the Authority will be served thereby.

Section 5. Vacancies.

The Council shall fill any office which becomes vacant with a successor who shall hold office for the unexpired term and until his or her successor shall have been duly elected and qualified.

Section 6. Establishment of Committees.

The Council, by resolution adopted by a majority of the full Council, may designate from among its members one or more

committees, each consisting of at least three or more members, to represent the Council and, on matters other than those described in Sections 2 and 3 of Title VII of the Charter, act for and on behalf of the Council. The designation of any such committee and the delegation thereto of authority shall not operate to relieve any member of the Council of any responsibility imposed by law.

Section 7. Executive Committee.

The Executive Committee of the Authority shall consist of the Chairperson, Vice Chairperson, Treasurer and Secretary of the Council and one member-at-large elected by the Council. The provisions for election, qualifications, term of office and removal of the member-at-large of the Executive Committee shall be identical to those of officers of the Council as provided herein in Sections 2, 4, and 5 of this Article II.

Except as provided in Sections 2 and 3 of Article VII of the Charter of the Authority, the Executive Committee shall have and exercise such powers of the Council of the Authority as the Council may from time to time provide by resolution.

ARTICLE III

MEETINGS

Section 1. Regular Council Meetings.

Regular meetings of the Council shall be held at least once every month on the _____ of each month at _____ p.m. at _____, Seattle; provided, however, that the Council may alter such regular meeting time and place by resolution.

Section 2. Special Council Meetings.

Subject to Article VIII of the Charter of the Authority, special meetings of the Council may be held at any place at any time whenever called by the Chairperson or a majority of the members of the Council.

Section 3. Notice of Regular Council Meetings.

No notice of the regular meeting shall be required, except of the first regular meeting after any change in the time or place of such meeting adopted by resolution of the Council as above provided. Notice of such changed regular meeting shall be given by the Secretary or by the person or persons calling the meeting by personal communication over the telephone to each Council member at least twenty-four (24) hours prior to the time of the meeting or by at least three (3) days' notice by mail, telegram or written communication. If mailed, notice shall be mailed by United States mail, postage prepaid, to the last known address of each Council member. In addition, the Authority shall routinely provide reasonable notice of meetings to any individual specifically requesting it in writing. At any regular meeting of the Council, any business may be transacted and the Council may exercise all of its powers.

Section 4. Notice of Special Council Meetings.

Notice of all special meetings of the Council shall be given by the Secretary or by the person or persons calling the special meeting by delivering personally or by mail written notice at least twenty-four (24) hours prior to the time of the meeting to

each Council member and to each local newspaper of general circulation and to each radio or television station that has requested notice as provided in RCW 42.30.080. In addition, the Authority shall provide notice of special meetings to any individual specifically requesting it in writing.

The time and place of the special meeting and the business to be transacted must be specified in the notice. Final disposition shall not be taken on any other matter at such meetings.

Section 5. Waiver of Notice.

Notice as provided in Sections 3 and 4 hereof may be dispensed with as to any member of the Council who at or prior to the time the meeting convenes files with the Council of the Authority a written waiver of notice or who is actually present at the meeting at the time it convenes. Such notice may also be dispensed with as to special meetings called to deal with an emergency involving injury or damage to persons or property or the likelihood of such injury or damage, where time requirements of such notice would make notice impractical and increase the likelihood of such injury or damage. Notice, as provided in Article X of the Charter concerning proposed amendments to the Charter or Rules and Regulations and votes on such amendments, may not be so waived.

ARTICLE IV

ADMINISTRATIVE PROVISIONS

Section 1. Books and Records.

The Authority shall keep current and complete books and records of account and shall keep minutes of the proceedings of its Council and its committees having any of the authority of the Council.

Section 2. Indemnification of Council Members.

The Authority elects to defend and indemnify its present and former officials and their successors to the full extent authorized by the Charter. In addition, the right of indemnification shall inure to each Council member or officer upon his or her appointment to the Council and in the event of his or her death shall extend to his or her heirs, legal representatives and estate. Each person who shall act as Council member or officer of the Authority shall be deemed to do so in reliance upon such indemnification and such rights shall not be exclusive of any other right which he or she may have.

PDA3:C1

Exhibit C

FORM 30

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CHANFORD, NEW JERSEY 07016



**Seattle
Northwest**
SECURITIES CORPORATION

SEAFIRST FIFTH AVENUE PLAZA
SUITE 3700
SEATTLE, WASHINGTON 98104

August 5, 1985

Mr. Mitchell Olejko
Davis, Wright, Todd, Riese & Jones
4200 Seattle-First National Bank Building
Seattle, Washington 98154

Dear Mitchell:

Enclosed is a third revision of our cash flow projections and description of the financing. Treatment of the reserves has been altered and the interim financing is mentioned.

Please note the concluding caveat to the memo. With interest rates rising, an \$8 million dollar endowment is not likely to be sufficient.

Sincerely,

A handwritten signature in cursive script that reads "David L. Beller".

David L. Beller
President

DLB:cb

Enclosure

8/05/85

SEATTLE ART MUSEUM

Overall Structure

A Public Development Authority (PDA) would be formed under the authority of RCW 35.21 to acquire necessary property and to construct a public art museum in downtown Seattle. The art museum and associated property would be managed and operated by the Seattle Art Museum (SAM). The necessary property is currently owned by SAM and would be purchased from SAM by the PDA. The PDA would finance the purchase of property for the museum with a long-term tax-exempt bond issue. Funds to pay debt service on the PDA bond issue would come from SAM pursuant to a leaseback from the PDA to SAM or an operating agreement between SAM and the PDA. Property acquisition, financing and the leaseback or operating agreement is the subject of this memorandum and is referred to as Phase I of the museum construction process. Phase II will be the financing and construction of a museum on the property.

The Museum Property

The museum property is currently owned by SAM. The museum property consists of the block bordered by Union, University, First and Second Avenues (the "Arcade Block") plus a parcel across First Avenue on which a parking garage and heliport are located (the "Heliporter"). The art museum will be constructed on the southern half of the block, now occupied by a parking lot and a vacant building. The northern half is occupied by the Arcade Plaza, an eight-story office building, which is income-producing property.

In acquiring these properties, SAM assumed two loans and negotiated corresponding lines of credit. As of September 1, 1985, SAM estimates that it will owe Mercantile Bank of Canada (MBC) and Rainier National Bank (RNB) the following amounts on these two loans:

	<u>Amount</u>	<u>Rate</u>
MBC	\$23,682,195	LIBOR + 1%
RNB	3,128,023	RNB prime + 1%
	<u>\$26,810,218</u>	

Capital Improvements

The Arcade Plaza is estimated to require capital improvements as follows:

1985	\$ 600,000
1986	580,000
1987	675,000
1988	0
1989	1,350,000
1990	0
1991	273,000

The financing plan provides for capital improvements required in the next three years. Capital improvements after that date will need to be funded from the property revenue remaining after debt service or financed in some other fashion.

Appraised and assessed values of the museum property are as follows:

	<u>Appraised (1985)</u>	<u>Assessed (1985)</u>
Arcade Plaza (N. 1/2)		
Land	\$ 9,116,965	\$ 4,930,700
Building	8,583,035	6,669,300
Arcade Building (S. 1/2)		
Land	12,150,000	7,289,700
Building		1,000
Heliporter		
Land	3,825,000	2,530,800
Building		322,900
	<u>\$33,675,000</u>	<u>\$21,744,400</u>

Projected rental income from the combined museum properties is shown on Attachment 1.

Endowment

SAM anticipates raising \$10,000,000 in endowment funds prior to the Phase I financing. The endowment will be invested and will secure the letter of credit (LC) described below. If invested in 10-year U.S. Treasury Bonds at 10.5%, the \$10,000,000 would earn \$1,050,000 per year.

Structure of Transaction

All real estate would be purchased by the PDA except the Arcade Plaza Building. (The Arcade Plaza land would be purchased by the PDA.) The PDA would enter into a ground lease with SAM for the Arcade Plaza land and a management agreement for the heliporter and any other income-producing parking on the south half of the block. The ground lease and management agreement would be for very long terms (e.g., 100 years) and for the period that PDA debt is being retired would be sufficient to pay principal and interest on the PDA bonds. The source of funds for SAM to make these payments to the PDA is the property revenues and the endowment income.

Letter of Credit

The PDA bonds would be additionally secured by a letter of credit. The LC would be for a term of from five to ten years, renewable after that period of time by mutual agreement. In the event of non-renewal by the original bank, a new LC from a bank of comparable rating could be substituted. In the event of non-renewal and failure to obtain a new LC,

the bonds would have to be called. The LC would secure the call, but the PDA would then have an obligation to reimburse the LC bank and the PDA would in effect be required to refinance.

The reimbursement agreement with the LC bank would obligate the PDA and would be secured by a real estate mortgage from the PDA. The SAM endowment would be pledged to the PDA and in turn by the PDA to the LC bank. The exact structure of the pledge is dependent on tax and financing considerations and will need to be worked out in more detail.

Proposed Bond Issue

Attachment 2 is a debt service schedule assuming a bank LC and current market conditions. Principal payments do not begin until 1989, when property income will be substantially increased. Income from the endowment is used to offset debt service requirements, but the full \$33,080,000 bond issue is amortized over the term of the issue, leaving the principal amount of the endowment intact.

Interest Rate Swap or Interim Financing

To further reduce the revenue requirements in the first two years of the PDA's operation, an interest rate swap could be arranged. The terms of the swap would be such that the PDA would pay a variable rate during the first two years to the swap counterparty of approximately 7.75% (current rates) and the swap counterparty would pay the PDA the fixed rate owed by the PDA of approximately 9%. Alternatively, if interim financing can be arranged, the long-term bonds described in this summary would be structured to take out the interim financing at the end of two years. In the meantime, bond proceeds would be reinvested to cover bond interest. In effect, the PDA would pay only the short-term rate for two years. In the following projections, the same 7.75% rate is assumed in either case, although in fact the interim financing rate should be lower.

Bond Sizing

A very preliminary sizing of the issue is as follows:

Purchase price of property, used by SAM to retire RNB and MBC debt	\$26,810,000
Capitalized Interest	1,500,000
Capitalized Debt Service and Building Improvement Reserve	3,945,000
Allowance for bond discount and issuance expenses	<u>825,000</u>
	<u>\$33,080,000</u>

Cash Flow

Attachments 1-1, 1-2, and 1-3 are cash flow projections based on endowment amounts of \$10 million, \$8 million and \$5 million, respectively. Other assumptions are as stated on the printouts. The cumulative balance is designed to build up to a level of \$1,000,000 on the April 1, principal payment dates. Any excess is shown as going to SAM for operations. Note that the \$8 million dollar endowment is marginal at current bond rates and the \$5 million endowment is too small.

Also note, these projections are extremely sensitive to the interest rates on the bonds, which fluctuate with the market and which are currently rising (August 5, 1985). These numbers should therefore not be taken to show that an \$8 million dollar endowment level, or even \$10 million, will be sufficient.

Seattle Art Museum Cash Flow Projection Page Preliminary 05-Aug-85

Issue Size:	\$33,080,000	Endowment Size:	\$8,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LOC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payments:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pmt.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pmt.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative From Balance	(To) Reserve
Oct-85	19,679	\$0	0	199,693	0	(180,014)		0	(180,014)	180,014
Nov-85	91,852	\$112,944	0	199,693	0	5,103		0	5,103	(5,103)
Dec-85	95,676	\$112,988	0	199,693	0	8,972		0	8,972	(8,972)
Jan-86	130,590	\$113,067	0	48,298	0	195,359		0	195,359	(165,939)
Feb-86	114,094	\$114,715	0	48,298	0	180,511		0	209,930	0
Mar-86	106,861	\$115,918	0	48,298	0	174,481		0	384,411	0
Apr-86	59,258	\$117,081	1,281,850	48,298	1,281,850	128,041	\$512,452	0	512,452	0
May-86	108,271	\$109,389	0	48,298	0	169,362		0	681,815	0
Jun-86	118,103	\$110,519	0	48,298	0	180,323		0	862,138	0
Jul-86	128,879	\$111,721	0	48,298	0	192,301		0	1,054,439	0
Aug-86	138,681	\$113,003	0	48,298	0	203,385		0	1,257,825	0
Sep-86	109,274	\$114,359	0	48,298	0	175,334		0	1,433,159	0
Oct-86	40,656	\$115,527	218,150	48,298	1,281,850	(955,815)		0	477,344	0
Nov-86	99,471	\$107,701	0	48,298	0	158,874		0	636,218	0
Dec-86	99,471	\$108,760	0	48,298	0	159,933		0	796,151	0
Jan-87	139,907	\$109,826	0	56,283	0	193,450		0	989,601	0
Feb-87	121,350	\$111,116	0	56,283	0	178,183		0	1,165,784	0
Mar-87	111,859	\$112,291	0	56,283	0	167,866		0	1,333,650	0
Apr-87	132,704	\$113,410	0	56,283	1,281,850	(1,092,020)	(\$270,822)	0	241,631	0
May-87	181,717	\$106,130	0	56,283	0	231,563		0	473,194	0
Jun-87	191,781	\$107,673	0	56,283	0	243,171		0	716,365	0
Jul-87	201,850	\$109,295	0	56,283	0	254,861		0	971,226	0
Aug-87	211,690	\$110,994	0	56,283	0	266,400		0	1,237,626	0
Sep-87	182,283	\$112,770	0	56,283	0	238,769		0	1,476,396	0
Oct-87	113,665	\$114,361	0	56,283	1,281,850	(1,110,107)		0	366,289	0
Nov-87	172,480	\$106,961	0	56,283	0	223,157		0	589,446	0
Dec-87	172,480	\$108,448	0	56,283	0	224,645		0	814,091	0
Jan-88	181,000	\$109,946	0	0	0	290,946		0	1,105,037	0
Feb-88	181,000	\$111,286	0	0	0	292,886		0	1,397,923	0
Mar-88	181,000	\$113,838	0	0	0	294,838		0	1,692,761	0
Apr-88	181,000	\$115,804	0	0	1,516,568	(1,219,764)	\$231,366	0	472,997	0
May-88	181,000	\$107,672	0	0	0	288,672		0	761,669	0
Jun-88	181,000	\$109,597	0	0	0	290,597		0	1,052,265	0
Jul-88	181,000	\$111,534	0	0	0	292,534		0	1,344,799	0
Aug-88	181,000	\$113,484	0	0	0	294,484		0	1,639,283	0
Sep-88	181,000	\$115,447	0	0	0	296,447		0	1,935,731	0
Oct-88	181,000	\$117,424	0	0	1,516,568	(1,218,144)		0	717,586	0
Nov-88	181,000	\$109,303	0	0	0	290,303		0	1,007,889	0
Dec-88	181,000	\$111,238	0	0	0	292,238		0	1,300,127	0
Jan-89	212,083	\$113,186	0	112,612	0	212,658		0	1,512,785	0
Feb-89	212,083	\$114,604	0	112,612	0	214,075		0	1,726,860	0
Mar-89	212,083	\$116,031	0	112,612	0	215,503		0	1,942,363	0
Apr-89	212,083	\$117,468	0	112,612	1,795,000	(1,578,061)	(\$108,695)	0	364,302	0
May-89	212,083	\$106,947	0	112,612	0	206,419		0	570,721	0
Jun-89	212,083	\$108,324	0	112,612	0	207,795		0	778,516	0

Seattle Art Museum Cash Flow Projection Pa. 2 Preliminary 05-Aug-85

Issue Size:	\$33,080,000	Endowment Size:	\$8,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LOC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pmt.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pmt.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative Balance	From (To) Reserve
Jul-89	212,083	\$109,709		112,612	0	209,180		0	987,696	0
Aug-89	212,083	\$111,103		112,612	0	210,575		0	1,198,271	0
Sep-89	212,083	\$112,507		112,612	0	211,979		0	1,410,249	0
Oct-89	212,083	\$113,920		112,612	1,795,000	(1,581,608)		0	(171,359)	171,359
Nov-89	212,083	\$103,019		112,612	0	202,491		0	202,491	(171,359)
Dec-89	212,083	\$104,726		112,612	0	204,198		0	235,330	0
Jan-90	225,167	\$106,088		0	0	331,254		0	566,584	0
Feb-90	225,167	\$108,296		0	0	333,463		0	900,047	0
Mar-90	225,167	\$110,519		0	0	335,686		0	1,235,732	0
Apr-90	225,167	\$112,757		0	1,795,000	(1,457,076)	(\$585,646)	0	(221,344)	221,344
May-90	225,167	\$102,582		0	0	327,749		0	327,749	(221,344)
Jun-90	225,167	\$105,228		0	0	330,395		0	436,799	0
Jul-90	225,167	\$107,431		0	0	332,597		0	769,397	0
Aug-90	225,167	\$109,648		0	0	334,815		0	1,104,211	0
Sep-90	225,167	\$111,880		0	0	337,047		0	1,441,258	0
Oct-90	225,167	\$114,127		0	1,795,000	(1,455,706)		0	(14,448)	14,448
Nov-90	225,167	\$104,392		0	0	329,559		0	329,559	(14,448)
Dec-90	225,167	\$106,619		0	0	331,786		0	646,897	0
Jan-91	228,750	\$108,831		22,747	0	314,835		0	961,732	0
Feb-91	228,750	\$110,930		22,747	0	316,934		0	1,278,666	0
Mar-91	228,750	\$113,043		22,747	0	319,047		0	1,597,712	0
Apr-91	228,750	\$115,170		22,747	1,795,000	(1,473,326)	\$345,230	0	123,886	0
May-91	228,750	\$105,345		22,747	0	311,348		0	435,234	0
Jun-91	228,750	\$107,420		22,747	0	313,424		0	748,658	0
Jul-91	228,750	\$109,510		22,747	0	315,513		0	1,064,171	0
Aug-91	228,750	\$111,613		22,747	0	317,617		0	1,381,788	0
Sep-91	228,750	\$113,731		22,747	0	319,734		0	1,701,522	0
Oct-91	228,750	\$115,862		22,747	1,795,000	(1,473,134)		0	228,387	0
Nov-91	228,750	\$106,041		22,747	0	312,045		0	540,432	0
Dec-91	228,750	\$108,122		22,747	0	314,125		0	854,557	0
Jan-92	274,000	\$110,216		0	0	384,216		0	1,238,773	0
Feb-92	274,000	\$112,777		0	0	386,777		0	1,625,550	0
Mar-92	274,000	\$115,356		0	0	389,356		0	2,014,906	0
Apr-92	274,000	\$117,951		0	1,795,000	(1,403,049)	\$487,971	0	611,857	0
May-92	274,000	\$108,598		0	0	382,598		0	994,455	0
Jun-92	274,000	\$111,148		0	0	385,148		0	1,379,604	0
Jul-92	274,000	\$113,716		0	0	387,716		0	1,767,320	0
Aug-92	274,000	\$114,301		0	0	390,301		0	2,157,621	0
Sep-92	274,000	\$113,903		0	0	392,903		0	2,550,524	0
Oct-92	274,000	\$121,522		0	1,795,000	(1,399,478)		0	1,151,046	0
Nov-92	274,000	\$112,192		0	0	386,192		0	1,537,238	0
Dec-92	274,000	\$114,767		0	0	388,767		0	1,926,005	0
Jan-93	274,667	\$117,359		3,775	0	388,250		0	2,314,255	0
Feb-93	274,667	\$119,947		3,775	0	390,839		0	2,705,094	0
Mar-93	274,667	\$122,553		3,775	0	393,444		0	3,098,538	0

Seattle Art Museum Cash Flow Projection Page 3 Preliminary 05-Aug-85

Issue Size:	\$33,080,000	Endowment Size:	\$8,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LOC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pmt.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pmt.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative Balance	From (To) Reserve
Apr-93	274,667	\$125,176		3,775	1,795,000	(1,398,933)	\$1,087,748	699,605	1,000,000	0
May-93	274,667	\$111,185		3,775	0	382,077		0	1,382,077	0
Jun-93	274,667	\$113,733		3,775	0	384,624		0	1,766,701	0
Jul-93	274,667	\$116,297		3,775	0	387,188		0	2,153,889	0
Aug-93	274,667	\$118,878		3,775	0	389,769		0	2,543,658	0
Sep-93	274,667	\$121,476		3,775	0	392,368		0	2,936,026	0
Oct-93	274,667	\$124,092		3,775	1,795,000	(1,400,016)		0	1,536,010	0
Nov-93	274,667	\$114,759		3,775	0	385,650		0	1,921,660	0
Dec-93	274,667	\$117,330		3,775	0	388,221		0	2,309,881	0
Jan-94	294,667	\$119,918		0	0	414,585		0	2,724,466	0
Feb-94	294,667	\$122,682		0	0	417,349		0	3,141,815	0
Mar-94	294,667	\$125,464		0	0	420,131		0	3,561,945	0
Apr-94	294,667	\$128,265		0	1,795,000	(1,372,068)	\$1,189,877	1,189,877	1,000,000	0
May-94	294,667	\$111,185		0	0	405,852		0	1,405,852	0
Jun-94	294,667	\$113,891		0	0	408,558		0	1,814,410	0
Jul-94	294,667	\$116,615		0	0	411,281		0	2,225,691	0
Aug-94	294,667	\$119,357		0	0	414,023		0	2,639,715	0
Sep-94	294,667	\$122,117		0	0	416,784		0	3,056,498	0
Oct-94	294,667	\$124,895		0	1,795,000	(1,375,438)		0	1,681,060	0
Nov-94	294,667	\$115,726		0	0	410,392		0	2,091,453	0
Dec-94	294,667	\$118,462		0	0	413,128		0	2,504,581	0
Jan-95	268,667	\$121,216		35,166	0	354,716		0	2,859,298	0
Feb-95	268,667	\$123,581		35,166	0	357,081		0	3,216,379	0
Mar-95	268,667	\$125,961		35,166	0	359,462		0	3,575,840	0
Apr-95	268,667	\$128,358		35,166	1,795,000	(1,433,142)	\$1,142,699	1,142,699	1,000,000	0
May-95	268,667	\$111,185		35,166	0	344,686		0	1,344,686	0
Jun-95	268,667	\$113,483		35,166	0	348,984		0	1,691,670	0
Jul-95	268,667	\$115,797		35,166	0	349,297		0	2,040,967	0
Aug-95	268,667	\$118,125		35,166	0	351,626		0	2,392,592	0
Sep-95	268,667	\$120,469		35,166	0	353,970		0	2,746,562	0
Oct-95	268,667	\$122,829		35,166	1,795,000	(1,438,670)		0	1,307,892	0
Nov-95	268,667	\$113,238		35,166	0	346,738		0	1,654,630	0
Dec-95	268,667	\$115,550		35,166	0	349,050		0	2,003,680	0
Jan-96	302,083	\$117,877		11,629	0	408,331		0	2,412,011	0
Feb-96	302,083	\$120,599		11,629	0	411,053		0	2,823,065	0
Mar-96	302,083	\$123,339		11,629	0	413,794		0	3,236,859	0
Apr-96	302,083	\$126,098		11,629	1,795,000	(1,378,448)	\$858,411	858,411	1,000,000	0
May-96	302,083	\$111,185		11,629	0	401,640		0	1,401,640	0
Jun-96	302,083	\$113,863		11,629	0	404,318		0	1,805,958	0
Jul-96	302,083	\$116,558		11,629	0	407,013		0	2,212,971	0
Aug-96	302,083	\$119,272		11,629	0	409,727		0	2,622,697	0
Sep-96	302,083	\$122,003		11,629	0	412,458		0	3,035,156	0
Oct-96	302,083	\$124,753		11,629	1,795,000	(1,379,792)		0	1,655,363	0
Nov-96	302,083	\$115,555		11,629	0	406,009		0	2,061,372	0
Dec-96	302,083	\$118,261		11,629	0	408,716		0	2,470,088	0

Seattle Art Museum Cash Flow Projection Page 4 Preliminary 05-Aug-85

Issue Size:	\$33,080,000	Endowment Size:	\$8,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LOC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pmt.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pmt.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative Balance	From (To) Reserve
Jan-97	302,083	\$120,986		0	0	423,069		0	2,893,158	0
Feb-97	302,083	\$123,806		0	0	425,890		0	3,319,048	0
Mar-97	302,083	\$126,646		0	0	428,729		0	3,747,777	0
Apr-97	302,083	\$129,504		0	1,795,000	(1,363,413)	\$1,384,364	1,384,364	1,000,000	0

1-2

Issue Size:	\$33,080,000	Endowment Size:	\$5,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LOC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pat.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pat.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative Balance	From (To) Reserve
Oct-85	19,679	\$0	0	199,693	0	(180,014)		0	(180,014)	180,014
Nov-85	91,852	\$86,694	0	199,693	0	(21,147)		0	(21,147)	21,147
Dec-85	95,676	\$86,509	0	199,693	0	(17,508)		0	(17,508)	17,508
Jan-86	130,590	\$86,355	0	48,298	0	168,647		0	168,647	(168,647)
Feb-86	114,094	\$87,331	0	48,298	0	153,627		0	153,627	(150,022)
Mar-86	106,861	\$88,959	0	48,298	0	147,522		0	251,127	0
Apr-86	59,258	\$89,943	1,281,850	48,298	1,281,850	100,903	\$352,030	0	352,030	0
May-86	108,271	\$82,070	0	48,298	0	142,043		0	494,073	0
Jun-86	118,103	\$83,017	0	48,298	0	152,822		0	646,894	0
Jul-86	128,879	\$84,036	0	48,298	0	164,616		0	811,511	0
Aug-86	138,681	\$85,133	0	48,298	0	175,516		0	987,027	0
Sep-86	109,274	\$86,303	0	48,298	0	147,279		0	1,134,306	0
Oct-86	40,656	\$87,285	218,150	48,298	1,281,850	(984,057)		0	150,249	0
Nov-86	99,471	\$79,270	0	48,298	0	130,443		0	280,692	0
Dec-86	99,471	\$80,140	0	48,298	0	131,313		0	412,005	0
Jan-87	139,907	\$81,015	0	56,283	0	164,639		0	576,644	0
Feb-87	121,350	\$82,113	0	56,283	0	147,180		0	723,823	0
Mar-87	111,859	\$83,094	0	56,283	0	138,670		0	862,493	0
Apr-87	132,704	\$84,019	0	56,283	1,281,850	(1,121,411)	(\$610,947)	0	(258,917)	258,917
May-87	181,717	\$76,003	0	56,283	0	201,437		0	201,437	(201,437)
Jun-87	191,781	\$77,766	0	56,283	0	213,263		0	213,263	(57,480)
Jul-87	201,850	\$77,307	0	56,283	0	224,974		0	380,657	0
Aug-87	211,690	\$80,806	0	56,283	0	236,213		0	616,870	0
Sep-87	182,283	\$82,381	0	56,283	0	208,381		0	825,251	0
Oct-87	113,665	\$83,770	0	56,283	1,281,850	(1,140,698)		0	(315,447)	315,447
Nov-87	172,480	\$75,509	0	56,283	0	191,705		0	191,705	(191,705)
Dec-87	172,480	\$77,186	0	56,283	0	193,383		0	193,383	(123,742)
Jan-88	181,000	\$78,733	0	0	0	259,733		0	329,374	0
Feb-88	181,000	\$80,465	0	0	0	261,465		0	590,839	0
Mar-88	181,000	\$82,208	0	0	0	263,208		0	854,046	0
Apr-88	181,000	\$83,962	0	0	1,516,568	(1,251,606)	(\$138,642)	0	(397,559)	397,559
May-88	181,000	\$74,790	0	0	0	255,790		0	255,790	(255,790)
Jun-88	181,000	\$77,028	0	0	0	258,028		0	258,028	(141,769)
Jul-88	181,000	\$79,044	0	0	0	260,044		0	376,303	0
Aug-88	181,000	\$80,777	0	0	0	261,777		0	638,080	0
Sep-88	181,000	\$82,523	0	0	0	263,523		0	901,603	0
Oct-88	181,000	\$84,279	0	0	1,516,568	(1,251,289)		0	(349,686)	349,686
Nov-88	181,000	\$75,209	0	0	0	256,209		0	256,209	(256,209)
Dec-88	181,000	\$77,451	0	0	0	258,451		0	258,451	(93,477)
Jan-89	212,083	\$79,369	0	112,612	0	178,840		0	343,814	0
Feb-89	212,083	\$80,561	0	112,612	0	180,032		0	523,847	0
Mar-89	212,083	\$81,761	0	112,612	0	181,232		0	705,079	0
Apr-89	212,083	\$82,969	0	112,612	1,795,000	(1,612,559)	(\$509,921)	0	(907,480)	907,480
May-89	212,083	\$70,328	0	112,612	0	169,800		0	169,800	(169,800)
Jun-89	212,083	\$71,814	0	112,612	0	171,285		0	171,285	(171,285)

Seattle Art Museum Cash Flow Projection Page 2 Preliminary 05-Aug-85

Issue Size:	\$33,080,000	Endowment Size:	\$5,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LOC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pmt.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pmt.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative From (To) Balance Reserve
Jul-89	212,083	\$73,313		112,612	0	172,784		0	172,784 (172,784)
Aug-89	212,083	\$74,825		112,612	0	174,296		0	174,296 (174,296)
Sep-89	212,083	\$76,350		112,612	0	175,821		0	175,821 (175,821)
Oct-89	212,083	\$77,888		112,612	1,795,000	(1,617,640)		0	(1,617,640) 1,617,640
Nov-89	212,083	\$63,734		112,612	0	163,205		0	163,205 (163,205)
Dec-89	212,083	\$65,162		112,612	0	164,633		0	164,633 (164,633)
Jan-90	225,167	\$66,602		0	0	291,769		0	291,769 (291,769)
Feb-90	225,167	\$69,155		0	0	294,322		0	294,322 (294,322)
Mar-90	225,167	\$71,731		0	0	296,897		0	296,897 (296,897)
Apr-90	225,167	\$74,329		0	1,795,000	(1,495,505)	(\$1,038,332)	0	(1,495,505) 1,495,505
May-90	225,167	\$61,243		0	0	286,410		0	286,410 (286,410)
Jun-90	225,167	\$63,749		0	0	288,916		0	288,916 (288,916)
Jul-90	225,167	\$66,277		0	0	291,444		0	291,444 (291,444)
Aug-90	225,167	\$68,827		0	0	293,994		0	293,994 (293,994)
Sep-90	225,167	\$71,400		0	0	296,566		0	296,566 (296,566)
Oct-90	225,167	\$73,995		0	1,795,000	(1,495,839)		0	(1,495,839) 1,495,839
Nov-90	225,167	\$60,906		0	0	286,073		0	286,073 (286,073)
Dec-90	225,167	\$63,409		0	0	288,576		0	288,576 (288,576)
Jan-91	228,750	\$65,934		22,747	0	271,938		0	271,938 (271,938)
Feb-91	228,750	\$68,314		22,747	0	274,317		0	274,317 (274,317)
Mar-91	228,750	\$70,714		22,747	0	276,717		0	276,717 (276,717)
Apr-91	228,750	\$73,135		22,747	1,795,000	(1,515,861)	(\$156,751)	0	(1,515,861) 1,515,861
May-91	228,750	\$59,871		22,747	0	265,875		0	265,875 (265,875)
Jun-91	228,750	\$62,198		22,747	0	268,201		0	268,201 (268,201)
Jul-91	228,750	\$64,544		22,747	0	270,548		0	270,548 (270,548)
Aug-91	228,750	\$66,912		22,747	0	272,915		0	272,915 (272,915)
Sep-91	228,750	\$69,300		22,747	0	275,303		0	275,303 (275,303)
Oct-91	228,750	\$71,709		22,747	1,795,000	(1,517,288)		0	(1,517,288) 1,517,288
Nov-91	228,750	\$58,432		22,747	0	264,436		0	264,436 (264,436)
Dec-91	228,750	\$60,746		22,747	0	266,750		0	266,750 (266,750)
Jan-92	274,000	\$63,080		0	0	337,080		0	337,080 (337,080)
Feb-92	274,000	\$66,030		0	0	340,030		0	340,030 (340,030)
Mar-92	274,000	\$69,005		0	0	343,005		0	343,005 (343,005)
Apr-92	274,000	\$72,004		0	1,795,000	(1,448,994)	(\$62,139)	0	(1,448,994) 1,448,994
May-92	274,000	\$59,328		0	0	333,328		0	333,328 (333,328)
Jun-92	274,000	\$62,244		0	0	336,244		0	336,244 (336,244)
Jul-92	274,000	\$65,186		0	0	339,186		0	339,186 (339,186)
Aug-92	274,000	\$68,154		0	0	342,154		0	342,154 (342,154)
Sep-92	274,000	\$71,148		0	0	345,148		0	345,148 (345,148)
Oct-92	274,000	\$74,168		0	1,795,000	(1,446,832)		0	(1,446,832) 1,446,832
Nov-92	274,000	\$61,508		0	0	335,508		0	335,508 (335,508)
Dec-92	274,000	\$64,444		0	0	338,444		0	338,444 (338,444)
Jan-93	274,667	\$67,405		3,775	0	338,297		0	338,297 (338,297)
Feb-93	274,667	\$70,366		3,775	0	341,257		0	341,257 (341,257)
Mar-93	274,667	\$73,352		3,775	0	344,243		0	344,243 (344,243)

Seattle Art Museum Cash Flow Projection Page 3 Preliminary 05-Aug-85

Issue Size:	\$33,080,000	Endowment Size:	\$5,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LOC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pmt.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pmt.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative Balance	From (To) Reserve
Apr-93	274,667	\$76,364		3,775	1,795,000	(1,447,745)	\$499,233	0	(1,447,745)	1,447,745
May-93	274,667	\$63,696		3,775	0	334,587		0	334,587	(334,587)
Jun-93	274,667	\$66,524		3,775	0	337,515		0	337,515	(337,515)
Jul-93	274,667	\$69,577		3,775	0	340,468		0	340,468	(340,468)
Aug-93	274,667	\$72,556		3,775	0	343,447		0	343,447	(343,447)
Sep-93	274,667	\$75,561		3,775	0	346,452		0	346,452	(309,451)
Oct-93	274,667	\$78,515		3,775	1,795,000	(1,445,593)		0	(1,408,592)	1,408,592
Nov-93	274,667	\$65,944		3,775	0	336,835		0	336,835	(336,835)
Dec-93	274,667	\$68,891		3,775	0	339,782		0	339,782	(339,782)
Jan-94	294,667	\$71,864		0	0	366,531		0	366,531	(366,531)
Feb-94	294,667	\$75,071		0	0	369,738		0	369,738	(365,444)
Mar-94	294,667	\$78,297		0	0	372,964		0	377,258	0
Apr-94	294,667	\$80,784		0	1,795,000	(1,419,550)	\$623,177	0	(1,042,292)	1,042,292
May-94	294,667	\$69,149		0	0	363,815		0	363,815	(363,815)
Jun-94	294,667	\$72,332		0	0	366,999		0	366,999	(366,999)
Jul-94	294,667	\$75,543		0	0	370,210		0	370,210	(311,478)
Aug-94	294,667	\$78,660		0	0	373,327		0	432,059	0
Sep-94	294,667	\$81,149		0	0	375,816		0	807,875	0
Oct-94	294,667	\$83,655		0	1,795,000	(1,416,679)		0	(608,804)	608,804
Nov-94	294,667	\$72,942		0	0	367,608		0	367,608	(367,608)
Dec-94	294,667	\$76,158		0	0	370,825		0	370,825	(241,195)
Jan-95	268,667	\$79,133		35,166	0	312,633		0	442,263	0
Feb-95	268,667	\$81,117		35,166	0	314,718		0	756,981	0
Mar-95	268,667	\$83,315		35,166	0	316,816		0	1,073,796	0
Apr-95	268,667	\$85,427		35,166	1,795,000	(1,476,072)	\$640,016	0	(402,276)	402,276
May-95	268,667	\$74,749		35,166	0	308,249		0	308,249	(308,249)
Jun-95	268,667	\$77,446		35,166	0	310,946		0	310,946	(94,027)
Jul-95	268,667	\$79,715		35,166	0	313,215		0	530,135	0
Aug-95	268,667	\$81,803		35,166	0	315,303		0	845,439	0
Sep-95	268,667	\$83,905		35,166	0	317,405		0	1,162,844	0
Oct-95	268,667	\$86,021		35,166	1,795,000	(1,475,479)		0	(312,635)	312,635
Nov-95	268,667	\$75,533		35,166	0	309,034		0	309,034	(309,034)
Dec-95	268,667	\$78,237		35,166	0	311,738		0	311,738	(3,601)
Jan-96	302,083	\$80,323		11,629	0	370,778		0	678,914	0
Feb-96	302,083	\$82,795		11,629	0	373,250		0	1,052,164	0
Mar-96	302,083	\$85,283		11,629	0	375,738		0	1,427,902	0
Apr-96	302,083	\$87,788		11,629	1,795,000	(1,416,757)	\$413,420	0	11,145	0
May-96	302,083	\$78,343		11,629	0	368,798		0	379,942	0
Jun-96	302,083	\$80,802		11,629	0	371,256		0	751,199	0
Jul-96	302,083	\$83,277		11,629	0	373,731		0	1,124,930	0
Aug-96	302,083	\$85,768		11,629	0	376,223		0	1,501,153	0
Sep-96	302,083	\$88,276		11,629	0	378,731		0	1,879,884	0
Oct-96	302,083	\$90,801		11,629	1,795,000	(1,413,744)		0	466,140	0
Nov-96	302,083	\$81,376		11,629	0	371,831		0	837,971	0
Dec-96	302,083	\$83,855		11,629	0	374,310		0	1,212,281	0

Seattle Art Museum Cash Flow Projection Page 4 Preliminary 05-Aug-95

Issue Size:	\$33,080,000	Endowment Size:	\$5,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LOC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,350	Reserve Fund Size:	\$3,945,000
Interest Pat.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pat.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative Balance	Fees (To) Reserve
Jan-97	302,083	\$86,351		0	0	388,434		0	1,600,715	0
Feb-97	302,083	\$88,940		0	0	391,024		0	1,991,738	0
Mar-97	302,083	\$91,547		0	0	393,630		0	2,385,367	0
Apr-97	302,083	\$94,171		0	1,795,000	(1,398,745)	\$975,479	0	986,623	0

1-3

Issue Size:	\$33,080,000	Endowment Size:	\$10,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LOC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pat.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pat.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative Balance	From (To) Reserve
Oct-85	19,579	\$0	0	199,693	0	(180,014)		0	(180,014)	180,014
Nov-85	91,852	\$130,444	0	199,693	0	22,603		0	22,603	(22,603)
Dec-85	95,676	\$130,641	0	199,693	0	26,625		0	26,625	(26,625)
Jan-86	130,590	\$130,874	0	48,298	0	213,166		0	213,166	(130,786)
Feb-86	114,094	\$132,568	0	48,298	0	198,364		0	260,744	0
Mar-86	106,861	\$133,890	0	48,298	0	192,453		0	473,197	0
Apr-86	59,258	\$135,173	1,281,850	48,298	1,281,850	146,133	\$619,330	0	619,330	0
May-86	108,271	\$127,602	0	48,298	0	187,575		0	806,905	0
Jun-86	118,103	\$128,852	0	48,298	0	198,657		0	1,005,562	0
Jul-86	128,879	\$130,177	0	48,298	0	210,758		0	1,216,320	0
Aug-86	138,681	\$131,582	0	48,298	0	221,965		0	1,438,284	0
Sep-86	109,274	\$133,062	0	48,298	0	194,037		0	1,632,322	0
Oct-86	40,656	\$134,355	218,150	48,298	1,281,850	(936,987)		0	695,335	0
Nov-86	99,471	\$126,654	0	48,298	0	177,827		0	873,162	0
Dec-86	99,471	\$127,840	0	48,298	0	179,013		0	1,052,174	0
Jan-87	139,907	\$129,033	0	56,283	0	212,657		0	1,264,831	0
Feb-87	121,350	\$130,451	0	56,283	0	195,518		0	1,460,349	0
Mar-87	111,859	\$131,754	0	56,283	0	187,330		0	1,647,679	0
Apr-87	132,704	\$133,003	0	56,283	1,281,850	(1,072,426)	(\$44,077)	0	575,253	0
May-87	181,717	\$125,854	0	56,283	0	251,287		0	826,540	0
Jun-87	191,781	\$127,529	0	56,283	0	263,027		0	1,089,567	0
Jul-87	201,850	\$129,283	0	56,283	0	274,849		0	1,364,416	0
Aug-87	211,690	\$131,115	0	56,283	0	286,522		0	1,650,938	0
Sep-87	182,283	\$133,025	0	56,283	0	259,025		0	1,909,962	0
Oct-87	113,665	\$134,752	0	56,283	1,281,850	(1,089,717)		0	820,246	0
Nov-87	172,480	\$127,487	0	56,283	0	243,684		0	1,063,930	0
Dec-87	172,480	\$129,112	0	56,283	0	245,308		0	1,309,238	0
Jan-88	181,000	\$130,747	0	0	0	311,747		0	1,620,985	0
Feb-88	181,000	\$132,325	0	0	0	313,825		0	1,934,810	0
Mar-88	181,000	\$134,917	0	0	0	315,917		0	2,250,728	0
Apr-88	181,000	\$137,024	0	0	1,516,568	(1,198,544)	\$476,930	52,183	1,000,000	0
May-88	181,000	\$128,685	0	0	0	309,685		0	1,309,685	0
Jun-88	181,000	\$130,750	0	0	0	311,750		0	1,621,435	0
Jul-88	181,000	\$132,828	0	0	0	313,828		0	1,935,264	0
Aug-88	181,000	\$134,921	0	0	0	315,921		0	2,251,184	0
Sep-88	181,000	\$137,027	0	0	0	318,027		0	2,569,211	0
Oct-88	181,000	\$139,147	0	0	1,516,568	(1,198,421)		0	1,372,790	0
Nov-88	181,000	\$131,171	0	0	0	312,171		0	1,684,960	0
Dec-88	181,000	\$133,252	0	0	0	314,252		0	1,999,212	0
Jan-89	212,083	\$135,347	0	112,612	0	234,818		0	2,234,030	0
Feb-89	212,083	\$136,912	0	112,612	0	236,384		0	2,470,414	0
Mar-89	212,083	\$138,488	0	112,612	0	237,960		0	2,708,374	0
Apr-89	212,083	\$140,075	0	112,612	1,795,000	(1,555,454)	\$152,920	152,920	1,000,000	0
May-89	212,083	\$128,685	0	112,612	0	228,157		0	1,228,157	0
Jun-89	212,083	\$130,206	0	112,612	0	229,678		0	1,457,835	0

Seattle Art Museum Cash Flow Projection Part 2 Preliminary 05-Aug-85

Issue Size:	\$33,080,000	Endowment Size:	\$10,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LDC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pmt.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pat.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative From Balance	(To) Reserve
Jul-89	212,083	\$131,738		112,612	0	231,209		0	1,689,044	0
Aug-89	212,083	\$133,279		112,612	0	232,750		0	1,921,794	0
Sep-89	212,083	\$134,831		112,612	0	234,302		0	2,156,096	0
Oct-89	212,083	\$136,393		112,612	1,795,000	(1,559,136)		0	596,961	0
Nov-89	212,083	\$125,998		112,612	0	225,470		0	822,430	0
Dec-89	212,083	\$127,502		112,612	0	226,973		0	1,049,403	0
Jan-90	225,167	\$129,015		0	0	354,181		0	1,403,585	0
Feb-90	225,167	\$131,376		0	0	356,543		0	1,760,128	0
Mar-90	225,167	\$133,753		0	0	358,920		0	2,119,047	0
Apr-90	225,167	\$136,146		0	1,795,000	(1,433,688)	(\$314,640)	0	685,360	0
May-90	225,167	\$126,588		0	0	351,754		0	1,037,114	0
Jun-90	225,167	\$128,933		0	0	354,100		0	1,391,214	0
Jul-90	225,167	\$131,294		0	0	356,460		0	1,747,674	0
Aug-90	225,167	\$133,670		0	0	358,837		0	2,106,510	0
Sep-90	225,167	\$136,062		0	0	361,229		0	2,467,739	0
Oct-90	225,167	\$138,470		0	1,795,000	(1,431,363)		0	1,036,376	0
Nov-90	225,167	\$128,928		0	0	354,095		0	1,389,771	0
Dec-90	225,167	\$131,289		0	0	356,455		0	1,746,926	0
Jan-91	228,750	\$133,665		22,747	0	339,668		0	2,086,594	0
Feb-91	228,750	\$135,929		22,747	0	341,933		0	2,428,527	0
Mar-91	228,750	\$138,209		22,747	0	344,212		0	2,772,739	0
Apr-91	228,750	\$140,504		22,747	1,795,000	(1,448,493)	\$638,887	324,246	1,000,000	0
May-91	228,750	\$128,685		22,747	0	334,689		0	1,334,689	0
Jun-91	228,750	\$130,917		22,747	0	336,920		0	1,671,609	0
Jul-91	228,750	\$133,163		22,747	0	339,166		0	2,010,775	0
Aug-91	228,750	\$135,424		22,747	0	341,427		0	2,352,202	0
Sep-91	228,750	\$137,700		22,747	0	343,704		0	2,695,906	0
Oct-91	228,750	\$139,991		22,747	1,795,000	(1,449,005)		0	1,246,901	0
Nov-91	228,750	\$130,331		22,747	0	336,335		0	1,583,236	0
Dec-91	228,750	\$132,574		22,747	0	338,577		0	1,921,813	0
Jan-92	274,000	\$134,831		0	0	408,831		0	2,330,644	0
Feb-92	274,000	\$137,556		0	0	411,556		0	2,742,200	0
Mar-92	274,000	\$140,300		0	0	414,300		0	3,156,500	0
Apr-92	274,000	\$143,062		0	1,795,000	(1,377,938)	\$778,562	778,562	1,000,000	0
May-92	274,000	\$128,685		0	0	402,685		0	1,402,685	0
Jun-92	274,000	\$131,370		0	0	405,370		0	1,808,055	0
Jul-92	274,000	\$134,072		0	0	408,072		0	2,216,128	0
Aug-92	274,000	\$136,793		0	0	410,793		0	2,626,921	0
Sep-92	274,000	\$139,532		0	0	413,532		0	3,040,452	0
Oct-92	274,000	\$142,288		0	1,795,000	(1,378,712)		0	1,661,741	0
Nov-92	274,000	\$133,097		0	0	407,097		0	2,068,838	0
Dec-92	274,000	\$135,811		0	0	409,811		0	2,478,649	0
Jan-93	274,667	\$138,543		3,775	0	409,434		0	2,888,083	0
Feb-93	274,667	\$141,273		3,775	0	412,164		0	3,300,247	0
Mar-93	274,667	\$144,020		3,775	0	414,912		0	3,715,159	0

Seattle Art Museum Cash Flow Projection Part 2 Preliminary 05-Aug-85

Issue Size:	\$33,080,000	Endowment Size:	\$10,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LDC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pat.:	\$1,516,568	Reserve Fund Rate:	10.50%
Prin./Int. Pal.	\$1,795,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative Balance	From (To) Reserve
Apr-93	274,667	\$146,786		3,775	1,795,000	(1,377,322)	\$1,337,837	1,337,837	1,000,000	0
May-93	274,667	\$128,685		3,775	0	399,577		0	1,399,577	0
Jun-93	274,667	\$131,349		3,775	0	402,241		0	1,801,818	0
Jul-93	274,667	\$134,031		3,775	0	404,922		0	2,206,740	0
Aug-93	274,667	\$136,730		3,775	0	407,622		0	2,614,362	0
Sep-93	274,667	\$139,448		3,775	0	410,339		0	3,024,701	0
Oct-93	274,667	\$142,183		3,775	1,795,000	(1,381,925)		0	1,642,776	0
Nov-93	274,667	\$132,971		3,775	0	403,862		0	2,046,638	0
Dec-93	274,667	\$135,663		3,775	0	406,554		0	2,453,192	0
Jan-94	294,667	\$138,373		0	0	433,040		0	2,886,232	0
Feb-94	294,667	\$141,260		0	0	435,927		0	3,322,159	0
Mar-94	294,667	\$144,166		0	0	438,833		0	3,760,992	0
Apr-94	294,667	\$147,092		0	1,795,000	(1,353,241)	\$1,407,751	1,407,751	1,000,000	0
May-94	294,667	\$128,685		0	0	423,352		0	1,423,352	0
Jun-94	294,667	\$131,508		0	0	426,174		0	1,849,527	0
Jul-94	294,667	\$134,349		0	0	429,016		0	2,278,542	0
Aug-94	294,667	\$137,209		0	0	431,876		0	2,710,418	0
Sep-94	294,667	\$140,088		0	0	434,755		0	3,145,173	0
Oct-94	294,667	\$142,987		0	1,795,000	(1,357,347)		0	1,787,826	0
Nov-94	294,667	\$133,938		0	0	428,604		0	2,216,430	0
Dec-94	294,667	\$136,795		0	0	431,462		0	2,647,892	0
Jan-95	268,667	\$139,671		35,166	0	373,172		0	3,021,064	0
Feb-95	268,667	\$142,159		35,166	0	375,660		0	3,396,723	0
Mar-95	268,667	\$144,664		35,166	0	378,164		0	3,774,887	0
Apr-95	268,667	\$147,185		35,166	1,795,000	(1,414,315)	\$1,360,572	1,360,572	1,000,000	0
May-95	268,667	\$128,685		35,166	0	362,186		0	1,362,186	0
Jun-95	268,667	\$131,100		35,166	0	364,600		0	1,726,786	0
Jul-95	268,667	\$133,531		35,166	0	367,031		0	2,093,817	0
Aug-95	268,667	\$135,978		35,166	0	369,472		0	2,463,295	0
Sep-95	268,667	\$138,441		35,166	0	371,941		0	2,835,236	0
Oct-95	268,667	\$140,920		35,166	1,795,000	(1,420,579)		0	1,414,657	0
Nov-95	268,667	\$131,450		35,166	0	364,950		0	1,779,607	0
Dec-95	268,667	\$133,883		35,166	0	367,383		0	2,146,991	0
Jan-96	302,083	\$136,332		11,629	0	426,787		0	2,573,777	0
Feb-96	302,083	\$139,177		11,629	0	429,632		0	3,003,409	0
Mar-96	302,083	\$142,041		11,629	0	432,496		0	3,435,905	0
Apr-96	302,083	\$144,925		11,629	1,795,000	(1,359,621)	\$1,076,285	1,076,285	1,000,000	0
May-96	302,083	\$128,685		11,629	0	419,140		0	1,419,140	0
Jun-96	302,083	\$131,450		11,629	0	421,934		0	1,841,074	0
Jul-96	302,083	\$134,293		11,629	0	424,747		0	2,265,822	0
Aug-96	302,083	\$137,124		11,629	0	427,579		0	2,693,401	0
Sep-96	302,083	\$139,975		11,629	0	430,429		0	3,123,830	0
Oct-96	302,083	\$142,844		11,629	1,795,000	(1,361,701)		0	1,762,129	0
Nov-96	302,083	\$133,766		11,629	0	424,221		0	2,186,350	0
Dec-96	302,083	\$136,594		11,629	0	427,049		0	2,613,399	0

Seattle Art Museum Cash Flow Projection Page 4 Preliminary 05-Aug-85

Issue Size:	\$33,080,000	Endowment Size:	\$10,000,000
Issue Rate:	9.08%	Endowment Rate:	10.50%
LOC Fee:	0.25%	Cap. Int. Fund:	\$1,500,000
Swap Spread:	1.25%	Current Int. Rate:	8.00%
Swap Payment:	\$1,281,850	Reserve Fund Size:	\$3,945,000
Interest Pmt.:	\$1,514,568	Reserve Fund Rate:	10.50%
Prin./Int. Pmt.	\$1,796,000		

Date	Property Revenues	Investment Income	Cap'd Interest	Capital Improvements	Debt Service	Balance	Year-End Balance	Transfer To SAM	Cumulative From (To) Balance	Reserve
Jan-97	302,082	\$132,441		0	0	441,525		0	3,054,924	0
Feb-97	302,083	\$142,385		0	0	444,468		0	3,499,392	0
Mar-97	302,083	\$145,348		0	0	447,431		0	3,946,823	0
Apr-97	302,083	\$148,331		0	1,795,000	(1,344,586)	\$1,602,238	1,602,238	1,000,000	0

SEATTLE ART MUSEUM
 SIT: ACQUISITION FINANCING
 (RATE INCLUDE 1/4% LC FEE)

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DEBT SERVICE SCHEDULE

DATE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	FISCAL TOTAL
3/ 1/86			1,516,568.75	1,516,568.75	
9/ 1/86			1,516,568.75	1,516,568.75	3,033,137.50
3/ 1/87			1,516,568.75	1,516,568.75	
9/ 1/87			1,516,568.75	1,516,568.75	3,033,137.50
3/ 1/88			1,516,568.75	1,516,568.75	
9/ 1/88			1,516,568.75	1,516,568.75	3,033,137.50
3/ 1/89			1,516,568.75	1,516,568.75	
9/ 1/89	555,000.00	7.000000	1,516,568.75	2,071,568.75	3,588,137.50
3/ 1/90			1,497,143.75	1,497,143.75	
9/ 1/90	595,000.00	7.500000	1,497,143.75	2,092,143.75	3,589,287.50
3/ 1/91			1,474,831.25	1,474,831.25	
9/ 1/91	640,000.00	7.750000	1,474,831.25	2,114,831.25	3,589,662.50
3/ 1/92			1,450,031.25	1,450,031.25	
9/ 1/92	690,000.00	8.000000	1,450,031.25	2,140,031.25	3,590,062.50
3/ 1/93			1,422,431.25	1,422,431.25	
9/ 1/93	745,000.00	8.250000	1,422,431.25	2,167,431.25	3,589,862.50
3/ 1/94			1,391,700.00	1,391,700.00	
9/ 1/94	805,000.00	8.450000	1,391,700.00	2,196,700.00	3,588,400.00
3/ 1/95			1,357,688.75	1,357,688.75	
9/ 1/95	870,000.00	8.650000	1,357,688.75	2,227,688.75	3,585,377.50
3/ 1/96			1,320,061.25	1,320,061.25	
9/ 1/96	945,000.00	8.750000	1,320,061.25	2,265,061.25	3,585,122.50
3/ 1/97			1,278,717.50	1,278,717.50	
9/ 1/97	1,030,000.00	8.850000	1,278,717.50	2,308,717.50	3,587,435.00
3/ 1/98			1,233,140.00	1,233,140.00	
9/ 1/98	1,120,000.00	8.950000	1,233,140.00	2,353,140.00	3,586,280.00
3/ 1/99			1,183,020.00	1,183,020.00	
9/ 1/99	1,220,000.00	9.050000	1,183,020.00	2,403,020.00	3,586,040.00
3/ 1/ 0			1,127,815.00	1,127,815.00	
9/ 1/ 0	1,330,000.00	9.150000	1,127,815.00	2,457,815.00	3,585,630.00
3/ 1/ 1			1,066,967.50	1,066,967.50	
9/ 1/ 1	1,455,000.00	9.250000	1,066,967.50	2,521,967.50	3,588,935.00
3/ 1/ 2			999,673.75	999,673.75	
9/ 1/ 2	1,590,000.00	9.350000	999,673.75	2,589,673.75	3,589,347.50
3/ 1/ 3			925,341.25	925,341.25	
9/ 1/ 3	1,735,000.00	9.450000	925,341.25	2,660,341.25	3,585,682.50
3/ 1/ 4			843,362.50	843,362.50	
9/ 1/ 4	1,900,000.00	9.500000	843,362.50	2,743,362.50	3,586,725.00
3/ 1/ 5			753,112.50	753,112.50	
9/ 1/ 5	2,080,000.00	9.500000	753,112.50	2,833,112.50	3,586,225.00
3/ 1/ 6			654,312.50	654,312.50	
9/ 1/ 6	2,280,000.00	9.500000	654,312.50	2,934,312.50	3,588,625.00
3/ 1/ 7			546,012.50	546,012.50	
9/ 1/ 7	2,495,000.00	9.500000	546,012.50	3,041,012.50	3,587,025.00
3/ 1/ 8			427,500.00	427,500.00	
9/ 1/ 8	2,735,000.00	9.500000	427,500.00	3,162,500.00	3,590,000.00
3/ 1/ 9			297,587.50	297,587.50	
9/ 1/ 9	2,990,000.00	9.500000	297,587.50	3,287,587.50	3,585,175.00
3/ 1/10			155,562.50	155,562.50	
9/ 1/10	3,275,000.00	9.500000	155,562.50	3,430,562.50	3,586,125.00
ACCRUED	33,080,000.00		54,944,575.00	88,024,575.00	
	33,080,000.00		54,944,575.00	88,024,575.00	

DATED 9/ 1/85 WITH DELIVERY OF 9/ 1/85
 BOND YEARS 588,665.000
 AVERAGE COUPON 9.334
 AVERAGE LIFE 17.795
 N I C % 9.333759 % WITH A BID OF 100.000

MUSEUM DEVELOPMENT AUTHORITY
PRO FORMA FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

	1985	1986
ASSETS:		
CAPITALIZED INTEREST	1,500,000	
BOND RESERVE FUND	3,779,061	3,945,000
ARCADE PROPERTIES	26,810,000	26,810,000
TOTAL	30,589,061	30,755,000
LIABILITIES:		
BONDS	33,080,000	33,080,000
TOTAL	33,080,000	33,080,000
INCREASE(DECREASE) IN FUND BALANCE	(2,490,939)	(2,325,000)

MUSEUM DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES
AND EXPENSES

	1985	1986
REVENUE:		
RENT (1)	0	0
OPERATING AGREEMENT	0	321,000
INTEREST INCOME (2)	127,748	422,700
TOTAL	127,748	743,700
EXPENSES:		
BOND ISSUANCE COSTS (3)	825,000	
LEGAL FEES	20,000	20,000
ACCOUNTING FEES	4,000	4,000
LIABILITY INSURANCE (4)	4,000	11,000
BOND INTEREST 3/1 (5)	0	1,281,500
BOND INTEREST 10/1 (5)	0	1,281,500
TOTAL EXPENSES	853,000	2,598,000
INCREASE(DECREASE) IN FUND BALANCE	(725,252)	(1,854,300)

MUSEUM DEVELOPMENT AUTHORITY
PRO FORMA FINANCIAL STATEMENTS
NOTES:

- (1) RENT and OPERATING AGREEMENT - Payments from the Seattle Art Museum to the MDA will commence on a staggered schedule. Rent payments will begin in 1987. Payments under the operating agreement are projected to begin in 1986.
- (2) INTEREST - Interest earned on CAPITALIZED INTEREST and BOND RESERVE FUND balances.
- (3) BOND ISSUANCE COSTS - Expenses of establishing the MDA and issuing bonds. Includes legal fees, underwriting fees, and a letter of credit origination fee.
- (4) LIABILITY INSURANCE - Liability insurance coverage for the museum properties and the MDA directors and officers.
- (5) BOND INTEREST - Debt service payments will be interest only through 1988.

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