

CITY OF SEATTLE
ORDINANCE 126077
COUNCIL BILL 119782

AN ORDINANCE relating to the financing of fire facilities; creating a fund for depositing proceeds of Limited Tax General Obligation Bonds in 2021; authorizing the loan of funds in the amount of \$8,200,000 from the Construction and Inspections Fund to the 2021 Multipurpose LTGO Bond Fund for bridge financing of the Fire Station 31 Replacement Project; amending Ordinance 126000, which adopted the 2020 Budget, including the 2020-2025 Capital Improvement Program, changing appropriations to various departments and budget control levels, and from various funds in the Budget; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

WHEREAS, The City of Seattle (“City”) has determined that Fire Station 31 in its current location at 1319 N. Northgate Way no longer meets the operational needs of the Seattle Fire Department (SFD); and

WHEREAS, the Northgate area is anticipated to continue rapid growth in both residential population and business activity in the next 20 years; and

WHEREAS, SFD and the Department of Finance and Administrative Services (FAS), through a site search, environmental due diligence, public outreach, and preliminary architectural designs, determined that this property is ideal for the new Fire Station 31; and

WHEREAS, the property owners are willing sellers and have agreed to sell the property according to purchase and sale agreements which were conditioned upon Mayor and City Council approval; and

WHEREAS, Ordinance 126000 authorized the 2020-2025 Adopted Capital Improvement Program, which provides for the establishment of a temporary station, and authorizes FAS to obtain options on real property for a new permanent station; and

WHEREAS, Seattle Municipal Code subsection 5.06.030.C requires City Council approval by ordinance of any interfund loan for a duration of 90 days or more; and

1 WHEREAS, in the normal course of business the City may temporarily lend cash between funds
2 to maintain required balances; and

3 WHEREAS, the Director of Finance and the City Budget Director have determined that this
4 interfund loan request is consistent with the Debt Management Policies adopted by
5 Resolution 31553; and

6 WHEREAS, there is sufficient cash in the Construction and Inspections Fund to support an
7 interfund loan of up to \$8,200,000 through December 31, 2021 and still meet regular
8 budgeted operating needs; and

9 WHEREAS, funds loaned by the Construction and Inspections Fund to the 2021 Multipurpose
10 LTGO Bond Fund for the bridge financing of acquiring a site for and designing a new
11 Fire Station 31 are anticipated to be repaid with proceeds from the sale of limited tax
12 general obligation (LTGO) bonds issued in 2021; NOW, THEREFORE,

13 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

14 Section 1. The City Council finds and declares that:

15 A. Governor’s Proclamation 20-28 prohibits agencies from taking action (as defined in
16 RCW 42.30.020), unless the matter is (1) necessary and routine; or (2) necessary to respond to
17 the COVID-19 public health emergency.

18 B. This legislation is necessary because providing fire protection services, including
19 building fire facilities, is a core City function for the preservation of public health and safety.

20 C. The City Council routinely reviews and approves budget actions, including adjusting
21 or increasing appropriations, authorizing interfund loans, creating new funds, and adjusting or
22 creating capital projects.

1 D. The City Council routinely reviews and approves funding mechanisms for building
2 and maintaining fire facilities as planned in the Seattle Fire Department’s Fire Facilities
3 Framework.

4 Section 2. A new 2021 Multipurpose LTGO Bond Fund is created in the City Treasury,
5 into which the principal proceeds and any premium received from the sale and delivery of
6 limited tax general obligation bonds in 2021 shall be deposited for the purpose of paying all or
7 part of the costs of various elements of the City’s capital improvement program and other City
8 purposes approved by ordinance. The Fund shall receive earnings on its positive balances and
9 pay interest on its negative balances. The Director of Finance is authorized to create other
10 Accounts or Subaccounts as may be needed.

11 Section 3. The Director of Finance is authorized to make a non-revolving loan of up to
12 \$8,200,000 principal and interest outstanding from the Construction and Inspection Fund to the
13 2021 Multipurpose LTGO Bond Fund, created by Section 2 of this ordinance, to provide bridge
14 financing for the Fire Station 31 Replacement project that will be financed by authorized limited
15 tax general obligation (LTGO) bond proceeds. The loan is to be repaid no later than December
16 31, 2021, with interest on the loan at the rate of return of the City’s Consolidated Cash Pool. The
17 entire principal and interest amount of the loan drawn is intended to be repaid with proceeds
18 from the sale of LTGO bonds issued in 2021.

19 Section 4. The Director of Finance may effectuate the loan authorized in Section 3 of this
20 ordinance by transferring cash from the Construction and Inspections Fund to the 2021
21 Multipurpose LTGO Bond Fund or by carrying the 2021 Multipurpose LTGO Bond Fund in a
22 negative cash position, in an amount not to exceed \$8,200,000 until no later than December 31,
23 2021 or until repayment with proceeds from the sale of LTGO bonds in 2021, whichever is

1 earlier. The Director of Finance is further authorized to establish, and modify if necessary, from
2 time to time, a repayment plan and schedule.

3 Section 5. The 2020-2025 Capital Improvement Program is amended by adding new
4 project page “Fire Station 31 Replacement,” attached to this ordinance as Attachment A.

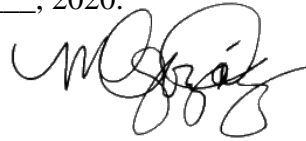
5 Section 6. In order to pay for necessary capital costs and expenses, but for which
6 insufficient appropriations were made due to causes that could not reasonably have been
7 foreseen at the time of the making of the 2020 Budget, the appropriation for the following item
8 in the 2020 Budget is increased from the fund shown, as follows:

Item	Fund	Department	Budget Summary Level	Amount
6.1	2021 Multipurpose LTGO Fund (36800)	Finance and Administrative Services	Fire Facilities (BC-FA- PSFACFIRE)	\$8,083,000
Total				\$8,083,000

9 Section 7. Any act consistent with the authority of this ordinance taken prior to its
10 effective date is ratified and confirmed.

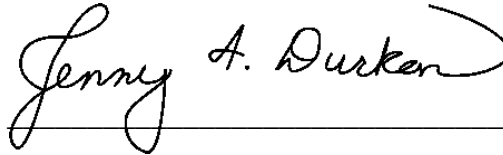
1 Section 8. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by a 3/4 vote of all of the members of the City Council the 4th day of
5 May, 2020, and signed by me in open session in authentication of its
6 passage this 4th day of May, 2020.



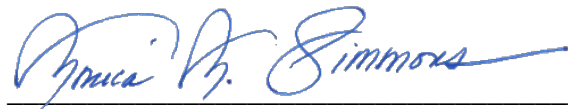
7 _____
8 President _____ of the City Council

9 Approved by me this 6th day of May, 2020.



10 _____
11 Jenny A. Durkan, Mayor

12 Filed by me this 6th day of May, 2020.



13 _____
14 Monica Martinez Simmons, City Clerk

15 (Seal)

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Attachments:
Attachment A – Fire Station 31 Replacement CIP Project Page

Fire Station 31 Replacement

Project No:	MC-FA-FS31	BSL Code:	BC-FA-PSFACFIRE
Project Type:	Discrete	BSL Name:	Public Safety Facilities Fire
Project Category:	New Facility	Location:	11320 Meridian Ave. N
Current Project Stage:	Stage 1 – Pre-Project Development	Council District:	Council District 5
Start/End Date:	2020 - 2026	Neighborhood District:	Not in a Neighborhood District
Total Project Cost Range:	35,000 - 56,000	Urban Village:	Aurora Licton Springs

This project provides funding for acquisition, design and construction of a new Fire Station 31 to replace the existing facility and the demolition of the existing Fire Station 31. The 2020 appropriations are supported with an Interfund Loan. The Interfund Loan will be paid back with 2021 LTGO Bond Proceeds (\$8.09m).

Resources	LTD thru 2019	2019 Cfwd	2020 Adptd	2020 Adj ²	2020 Rev ³	2021	2022	2023	2024	2025	Total
LTGO Bond Proceeds	-	-	-	8,083	8,083	3,200	-	-	-	-	11,283
Total:	-	-	-	8,083	8,083	3,200	-	-	-	-	11,283

Fund Appropriations / Allocations ¹	LTD thru 2019	2019 Cfwd	2020 Adptd	2020 Adj ²	2020 Rev ³	2021	2022	2023	2024	2025	Total
2021 Multipurpose LTGO Bond Fund	-	-	-	8,083	8,083	3,200	-	-	-	-	11,283
Total:	-	-	-	8,083	8,083	3,200	-	-	-	-	11,283

Financial Planning Estimate:	LTD thru 2019	2019 Cfwd	2020 Adptd	2020 Adj ²	2020 Rev ³	2021	2022	2023	2024	2025	Total
LTGO Bond Proceeds	-	-	-	-	-	-	3,500	17,000	10,000	1,000	31,500
Total:	-	-	-	-	-	-	3,500	17,000	10,000	1,000	31,500

Financial Planning Strategy: The estimated cost to reach 100% design, including land acquisition and demolition of the old structure is \$11.3m. Once the project reaches the 30% design milestone it will be baselined and FAS will establish a total project cost. The financial planning estimate above is based on the midpoint of the Total Project Cost range. The expenditures per year are based on typical design, bidding and construction durations of similar projects. The current financial strategy is to finance acquisition, design, and construction with REET backed LTGO bonds.

O&M Impacts: O&M impacts will be evaluated as the project advances through the planning and design process.

¹Funds are appropriated through the Adopted Budget at the Budget Summary Level. All Amounts shown above are in thousands of dollars

²2020 adjustment shows the sum of all changes to date

³2020 Revised is the sum of prior year carryforward, current year adopted and any current year adjustments