



SEATTLE CITY COUNCIL

Legislative Summary

CB 119134

Record No.: CB 119134

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125465

In Control: City Clerk

File Created: 11/07/2017

Final Action: 11/28/2017

Title: AN ORDINANCE relating to the financing of 2018 activities evaluating effects of the Sweetened Beverage Tax, and authorizing an interfund loan from the Revenue Stabilization Fund (00166) to the General Fund (00100) in the amount of \$500,000.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Herbold

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: patrick.wigren@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

Yes

No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Clerk	11/07/2017	sent for review	Council President's Office			
	Action Text: The Council Bill (CB) was sent for review. to the Council President's Office						
	Notes:						
1	Council President's Office	11/08/2017	sent for review	Select Budget Committee			
	Action Text: The Council Bill (CB) was sent for review. to the Select Budget Committee						
	Notes:						
1	Full Council	11/13/2017	referred	Select Budget Committee			
	Action Text: The Council Bill (CB) was referred. to the Select Budget Committee						
	Notes:						
1	Select Budget Committee	11/14/2017					
1	Select Budget Committee	11/15/2017	pass				Pass
	Action Text: The Committee recommends that Full Council pass the Council Bill (CB).						

Legislative Summary Continued (CB 119134)

In Favor: 9 Member Bagshaw, Member González , Member Harrell, Member Harris-Talley, Chair Herbold, Vice Chair Johnson, Member Juarez, Vice Chair O'Brien, Member Sawant

Opposed: 0

1 Full Council 11/20/2017 passed Pass

Action Text: The Council Bill (CB) was passed by the following vote, and the President signed the Bill:

Notes:

In Favor: 9 Councilmember Bagshaw, Councilmember González , Council President Harrell, Councilmember Harris-Talley, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien, Councilmember Sawant

Opposed: 0

1 City Clerk 11/22/2017 submitted for Mayor
Mayor's signature

1 Mayor 11/22/2017 Signed

1 Mayor 11/28/2017 returned City Clerk

1 City Clerk 11/28/2017 attested by City Clerk

Action Text: The Ordinance (Ord) was attested by City Clerk.

Notes:

CITY OF SEATTLE

ORDINANCE 125465

COUNCIL BILL 119134

AN ORDINANCE relating to the financing of 2018 activities evaluating effects of the Sweetened Beverage Tax, and authorizing an interfund loan from the Revenue Stabilization Fund (00166) to the General Fund (00100) in the amount of \$500,000.

WHEREAS, on June 6, 2017, the City Council passed Ordinance 125324, imposing a tax on engaging in the business of distributing sweetened beverages, the “Sweetened Beverage Tax (SBT)”;

WHEREAS, Ordinance 125324 requires that the City Auditor contract with academic researchers to complete an annual evaluation of the effects of the tax;

WHEREAS, Ordinance 125324 provides that a minimum of \$500,000 per year for at least the first five years, beginning with the date of adoption of Ordinance 125324, shall be dedicated to this evaluation;

WHEREAS, SBT revenues will not begin to accrue until after January 1, 2018;

WHEREAS, baseline assessments for the evaluation required by Ordinance 125324 are occurring during 2017;

WHEREAS, the 2017 budget was amended to advance \$480,000 from the General Fund to finance 2017 SBT evaluation activities;

WHEREAS, a portion of 2018 SBT revenues will be needed to cover 2017 evaluation costs, leaving only \$20,000 allocated for evaluation activities in 2018;

WHEREAS, Public Health – Seattle & King County has estimated the 2018 SBT evaluation costs to be \$596,562;

1 WHEREAS, the City Council has determined that this interfund loan is consistent with the Debt
2 Management Policies adopted by Resolution 31553; and

3 WHEREAS, regarding use of the proceeds of an interfund loan for operating costs, the City
4 Council has determined that there is no viable alternative to an interfund loan available
5 for accomplishing the evaluation directive of Ordinance 125324 in 2018; and

6 WHEREAS, the Revenue Stabilization Fund (00166) has sufficient cash balance through the end
7 of 2019 to accommodate this interfund loan; NOW, THEREFORE,

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

9 Section 1. The City Council finds that there is no viable alternative to meet a core City
10 objective and that consideration by the Debt Management Policy Advisory Committee is not
11 required for this loan, and therefore the Director of Finance is authorized to make a loan of up to
12 \$500,000 of principal and interest outstanding at any one time from the Revenue Stabilization
13 Fund (00166) to the General Fund (00100) from which funds may be drawn to pay for SBT
14 evaluation activities. The loan shall be repaid no later than December 31, 2019, with interest on
15 the loan at the rate of return of the City's Consolidated (Residual) Cash Pool.

16 Section 2. The entire principal and interest amount of the loan authorized in Section 1 of
17 this ordinance, and owed by the General Fund to the Revenue Stabilization Fund, is intended to
18 be repaid no later than December 31, 2019 from the revenues generated from the Sweetened
19 Beverage Tax.

20 Section 3. The Director of Finance may effectuate the loan authorized in Section 1 of this
21 ordinance by transferring cash from the Revenue Stabilization Fund to the General Fund until no
22 later than December 31, 2019. The Director of Finance is further authorized to establish, and
23 modify if necessary from time to time, a repayment plan and schedule.

1 Section 4. 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 the City Council the 20th day of NOVEMBER, 2017,
5 and signed by me in open session in authentication of its passage this 20th day of
6 NOVEMBER, 2017.

7 

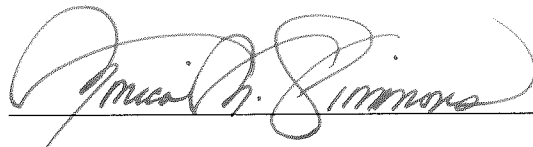
8 President _____ of the City Council

9 Approved by me this 22nd day of November, 2017.

10 

11 _____, Mayor

12 Filed by me this 28th day of NOVEMBER, 2017.

13 

14 Monica Martinez Simmons, City Clerk

15 (Seal)