



Legislation Details (With Text)

File #: CB 118916 **Version:** 1 **Name:** CB 118916
Type: Ordinance (Ord) **Status:** Passed
In control: City Clerk

On agenda: 2/21/2017
Final Action: 2/24/2017 **Ord. No.** Ord 125263

Title: AN ORDINANCE relating to the financing of affordable housing; authorizing the loan of funds in the amount of \$29,000,000 from the Low-Income Housing Fund to the 2018 Multipurpose LTGO Bond Fund for bridge financing of affordable housing.

Sponsors: Tim Burgess, Lisa Herbold

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Signed Ordinance 125263, 3. Affidavit of Publication

Date	Ver.	Action By	Action	Result
2/24/2017	1	City Clerk	attested by City Clerk	
2/24/2017	1	Mayor	Signed	
2/24/2017	1	Mayor	returned	
2/23/2017	1	City Clerk	submitted for Mayor's signature	
2/21/2017	1	City Council	passed	Pass
2/15/2017	1	Affordable Housing, Neighborhoods, and Finance Committee	pass	Pass
2/13/2017	1	City Council	referred	
2/9/2017	1	Council President's Office	sent for review	
2/7/2017	1	City Clerk	sent for review	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the financing of affordable housing; authorizing the loan of funds in the amount of \$29,000,000 from the Low-Income Housing Fund to the 2018 Multipurpose LTGO Bond Fund for bridge financing of affordable housing.

WHEREAS, through Ordinance 125197, adopted November 21, 2017, the Council authorized \$29,000,000 of limited tax general obligation (LTGO) bond financing for eligible affordable housing projects; and

WHEREAS, Council provided \$29,000,000 of appropriation authority in the 2017 Adopted Budget for the Low -Income Housing Fund for affordable housing projects financed by the authorized LTGO bond

proceeds; and

WHEREAS, Ordinance 125197 authorized the Executive to issue bonds for the stated purposes anytime within a three-year window; and

WHEREAS, the Office of Housing might require bridge financing to fund approved affordable housing projects or programs in advance of the LTGO bond issuance in 2018; and

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

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

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

WHEREAS, there is sufficient cash in the Low-Income Housing Fund to support an interfund loan of up to \$29,000,000 through the end of 2018 and still meet regular budgeted operating needs; and

WHEREAS, funds loaned by the Low-Income Housing Fund to the 2018 Multipurpose LTGO Bond Fund for the purpose of bridge financing of affordable housing project(s) are anticipated to be repaid from the proceeds of the sale of LTGO bonds in 2018; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Director of Finance is authorized to make a non-revolving loan of up to \$29,000,000 principal and interest outstanding from the Low-Income Housing Fund to the 2018 Multipurpose LTGO Bond Fund, created by the ordinance introduced as Council Bill _____, to provide bridge financing for affordable housing programs or projects that will be financed by authorized limited tax general obligation (LTGO) bond proceeds. The loan is to be repaid by no later than December 31, 2018 with interest on the loan at the rate of return of the City's Consolidated (Cash) Pool. The entire principal and interest amount of the loan drawn shall be repaid with proceeds from the sale of LTGO bonds issued in 2018.

Section 2. The Director of the Office of Housing is authorized to draw amounts up to the total loan amount, subject to prior review and approval by City officials and bond counsel, as necessary to confirm the affordable housing programs or projects are eligible to be financed by LTGO bond proceeds. The Office of Housing shall provide a report on approved projects funded by this interfund loan to the Council's Affordable Housing, Neighborhoods, and Finance Committee (or successor committee).

Section 3. The Director of Finance may effectuate the loan authorized in Section 1 by transferring cash from one or more subfunds of the Low-Income Housing Fund to the 2018 Multipurpose LTGO Bond Fund, or by carrying the 2018 Multipurpose LTGO Bond Fund in a negative cash position, in an amount not to exceed \$29,000,000 until no later than December 31, 2018 or until repayment with proceeds from the sale of LTGO bonds in 2018, whichever is earlier.

Section 4. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2017, and signed by me in open session in authentication of its passage this _____ day of _____, 2017.

President _____ of the City Council

Approved by me this _____ day of _____, 2017.

Edward B. Murray, Mayor

Filed by me this _____ day of _____, 2017.

Monica Martinez Simmons, City Clerk

(Seal)