



Legislation Text

File #: CB 119675, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the financing of Cable Television Franchise Fund programs; authorizing the loan of funds in the amount of \$2,000,000 from the Information Technology Fund to the Cable Television Franchise Fund to support Seattle Information Technology programs; and providing for the repayment thereof.

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, regarding use of the proceeds of this interfund loan for operating costs, the Finance and Budget Directors have determined that there is no viable alternative available for advancing a core City objective; 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 Information Technology Fund to support an interfund loan of up to \$2,000,000 through December 31, 2020 and still meet regular budgeted operating needs; and

WHEREAS, funds loaned by the Information Technology Fund to the Cable Television Franchise Fund to support the operations of Cable funded Seattle Information Technology programs are anticipated to be repaid from the Cable Television Franchise fee revenues; and

WHEREAS, regarding repaying the loan supporting operations with a declining revenue source, Seattle

Information Technology will work with the City Budget Office to identify reductions of Seattle

Information Technology programs to repay the interfund loan over the loan term; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council finds that there is no viable alternative to meet a core City objective, and therefore the Director of Finance is authorized to make a revolving loan of up to \$2,000,000 principal and interest outstanding from the Information Technology Fund to the Cable Television Franchise Fund, to provide financing for the operations of Cable Television Franchise funded Seattle Information Technology programs. The loan is to be repaid no later than December 31, 2020, 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 is intended to be repaid with Cable Television Franchise fee revenues.

Section 2. The Director of Finance may effectuate the loan authorized in Section 1 of this ordinance by transferring cash from the Information Technology Fund to the Cable Television Franchise Fund, or by carrying the Cable Television Franchise Fund in a negative cash position, in an amount not to exceed \$2,000,000 until no later than December 31, 2020. The Director of Finance is further authorized to establish, and modify if necessary, from time to time, a repayment plan and schedule.

Section 3. 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 _____, 2019, and signed by
me in open session in authentication of its passage this _____ day of _____, 2019.

President _____ of the City Council

Approved by me this _____ day of _____, 2019.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2019.

Monica Martinez Simmons, City Clerk

(Seal)