



Legislation Text

File #: CB 118401, Version: 1

CITY OF SEATTLE
ORDINANCE _____
COUNCIL BILL _____

AN ORDINANCE relating to the financing of the Mercer West project; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Transportation Master Fund; and providing for the repayment thereof.

WHEREAS, the Mayor has proposed and the City Council has approved a 2015 Budget and 2015-2020 Capital Improvement Program that includes construction activities for the Mercer West project; and

WHEREAS, construction of the project was planned to be partially funded with sale proceeds from surplus property at 800/816 Mercer Street; and

WHEREAS, while a vacation of the Broad Street right-of-way in advance of the sale of the surplus property on either side of it will deviate from the Street Vacation Policies as established in Clerk File 310078, the deviation is necessary in order to achieve the highest sale price of the property; and

WHEREAS, the anticipated sale price of the property was determined assuming no restrictions on the sale; and

WHEREAS, use of the property for anything other than its highest and best use could lower the sales price and possibly generate insufficient funding to repay the loan; and

WHEREAS, this process is estimated to be completed by December 31, 2017; and

WHEREAS, there is sufficient cash in the City's Consolidated (Residual) Cash Pool or its participating funds to continue to support a loan of up to \$30.3 million through the end of 2017; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A loan of up to \$30,300,000 of principal and interest outstanding at any one time is hereby authorized to be made from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the

Transportation Master Fund from which may be paid capital costs related to the Mercer West project and related debt service costs. This loan is to be repaid no later than December 31, 2017, with interest on the loan at the rate of return of the City's Consolidated (Residual) Cash Pool.

Section 2. The entire principal and interest amount of the loan authorized in Section 1, and owed by the Transportation Master Fund to the City's Consolidated (Residual) Cash Pool, shall be repaid from the sale of surplus property at 800/816 Mercer Street. Except as authorized by Seattle Municipal Code subsection 5.06.030.C, any extension of this loan must be approved by ordinance.

Section 3. The Director of Finance may effectuate the loan authorized in Section 1 by transferring cash from one or more of the funds participating in the City's Consolidated (Residual) Cash Pool to the Transportation Master Fund, or by carrying the Transportation Master Fund in a negative cash position in an amount not to exceed \$30,300,000 beyond the negative balance authorized by Ordinance 120016, until no later than December 31, 2017.

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 _____, 2015, and signed by me in open session in authentication of its passage this ____ day of _____, 2015.

President _____ of the City Council

Approved by me this ____ day of _____, 2015.

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2015.

Monica Martinez Simmons, City Clerk

(Seal)