

CITY OF SEATTLE
ORDINANCE 126227
COUNCIL BILL 119947

AN ORDINANCE relating to the financing of the Seattle Department of Transportation; authorizing the loan of funds in the amount of \$25,000,000 from the Information Technology Fund to the Transportation Fund to support essential transportation programs.

WHEREAS, the COVID-19 pandemic and associated decline in revenues has resulted in the need for significant cuts to programs across the Seattle Department of Transportation budgets; and

WHEREAS, the Seattle Department of Transportation is expected to continue to provide essential services and programs while taking significant reductions in 2021; 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

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 Information Technology Fund to support a primary interfund loan of up to \$25 million through December 31, 2024 and still meet regular budgeted operating needs; and

WHEREAS, funds loaned by the Information Technology Fund to the Transportation Fund are to be repaid from future fund balances in the Transportation Fund beginning in 2022; NOW, THEREFORE,

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

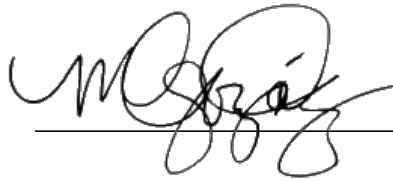
2 Section 1. The City Council finds that there is no viable alternative to meet a core City
3 objective, and therefore the Director of Finance is authorized to make a revolving loan of up to
4 \$25,000,000 principal and interest outstanding from the Information Technology Fund to the
5 Transportation Fund, to provide financing for expenditures related to essential transportation
6 programs. The loan is to be repaid no later than December 31, 2024, with interest on the loan at
7 the rate of return of the City’s Consolidated Cash Pool. The entire principal and interest amount
8 of the loan drawn is intended to be repaid with fund balances from the Transportation Fund.

9 Section 2. The Director of Finance may effectuate the loan authorized in Section 1 of this
10 ordinance by transferring cash from the Information Technology Fund to the Transportation
11 Fund, or by carrying the Transportation Fund in a negative cash position, in an amount not to
12 exceed \$25,000,000 until no later than December 31, 2024 or until repayment with fund balances
13 from the Transportation Fund, whichever is earlier. The Director of Finance is further authorized
14 to establish, and modify if necessary, from time to time, a repayment plan and schedule.

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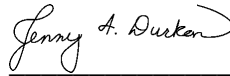
1 Section 3. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 23rd day of November, 2020,
5 and signed by me in open session in authentication of its passage this 23rd day of
6 November, 2020.

7 

8 President _____ of the City Council

9 Approved by me this 1st day of December, 2020.

10 

11 Jenny A. Durkan, Mayor

12 Filed by me this 1st day of December, 2020.

13 

14 Monica Martinez Simmons, City Clerk

15 (Seal)