

CITY OF SEATTLE
ORDINANCE 126218
COUNCIL BILL 119918

AN ORDINANCE relating to the financing of Seattle Center’s operations; amending Ordinance 125717, which authorized an interfund loan; authorizing the loan of funds in the amount of \$18,000,000 from the REET II Capital Projects Fund to the Seattle Center Fund to support the operations of Seattle Center during the COVID-19 crisis; 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, 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 REET II Capital Projects Fund to support an interfund loan of up to \$18,000,000 through December 31, 2033, and still meet regular budgeted operating needs; and

WHEREAS, funds loaned by the REET II Capital Projects Fund to the Seattle Center Fund to support Seattle Center operations are anticipated to be repaid from revenues associated with the new Seattle Center arena upon its completion and opening and the return of public events and commerce at the Seattle Center campus after society recovers from the COVID-19 pandemic; and

WHEREAS, in 2018, Ordinance 125717 authorized the Director of Finance to make a revolving loan of up to \$5,000,000 principal and interest from the Unrestricted Cumulative Reserve

1 Fund to the Seattle Center Fund to support Seattle Center operations during the
2 temporary closure of KeyArena; and

3 WHEREAS, the City did not anticipate a global pandemic striking public health and the
4 economy, requiring a prohibition of large events and gatherings for public health's sake;
5 and

6 WHEREAS, events and gatherings at the Seattle Center campus are essential to Seattle Center
7 operations and finances; and

8 WHEREAS, Seattle Center's financial challenge is now much larger than at the time Ordinance
9 125717 was passed; NOW, THEREFORE,

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

11 Section 1. Ordinance 125717 is hereby amended as follows:

12 Section 1. The City Council finds that there is no viable alternative to meet a core
13 City objective, and therefore the Director of Finance is authorized to make a revolving
14 loan of up to ~~(((\$5,000,000))~~ \$18,000,000 principal and interest outstanding from the
15 ~~((Unrestricted Cumulative Reserve Fund))~~ REET II Capital Projects Fund to the Seattle
16 Center Fund to ~~((support))~~ provide financing for Seattle Center operations during the
17 ~~((temporary closure of KeyArena))~~ COVID-19 crisis. The loan is to be repaid no later
18 than December 31, ~~((2026))~~ 2033, with interest on the loan at the rate of return of the
19 City's Consolidated ~~((Cash))~~ Cash Pool. The entire principal and interest amount of the
20 loan drawn is intended to be repaid with revenues associated with ~~((the new))~~ Seattle
21 Center ~~((arena upon its completion and opening))~~ operations.

22 Section 2. The Director of Finance may effectuate the loan authorized in Section 1
23 of this ordinance by transferring cash from the ~~((Unrestricted Cumulative Reserve Fund))~~

1 REET II Capital Projects Fund to the Seattle Center Fund, or by carrying the Seattle
2 Center Fund in a negative cash position, in an amount not to exceed (~~(\$5,000,000)~~)
3 \$18,000,000 until no later than December 31, (~~(2026)~~) 2033. The Director of Finance is
4 further authorized to establish, and modify if necessary from time to time, a repayment
5 plan and schedule.

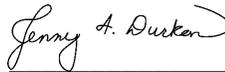
1 Section 2. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

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)