

2016 Seattle City Council Green Sheet

Ready for Notebook

Tab	Action	Option	Version
72	1	A	1

Budget Action Title: Pass C.B. 118536 extending the repayment date for an interfund loan for the Joint Training Facility and recognizing a \$9.6 million reduction in the loan amount

Has CIP Amendment: No Has Budget Proviso: No

Councilmembers: Budget Committee

Staff Analyst: Tony Kilduff

Council Bill or Resolution: C.B. 118536

Date		Total	SB	BH	JO	TR	NL	TB	JG	MO	KS
	Yes										
	No										
	Abstain										
	Absent										

Budget Action description:

This green sheet would pass C.B.118536 which amends Section 3 of Ordinance 121179 to extend the deadline for repayment of principal and interest on an interfund loan for the Joint Training Facility from December 31, 2016, to December 31, 2017. It also recognizes the repayment of \$9,646,432 of principal and interest on the original loan of \$10.48 million, leaving a balance of \$4 million.

Background

In 2003, the City Council approved Ordinance 121179, authorizing an interfund loan of \$10.48 million from the Consolidated Cash Pool to the Unrestricted Subaccount of the Cumulative Reserve Subfund to facilitate the purchase of land in West Seattle as a site for a new Joint Training Facility to be used by the Fire Department, Seattle Department of Transportation, and Seattle Public Utilities. The site was larger than required and the intent was to sell a portion of the site to repay the loan and partially offset the overall cost of the project.

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Due to environmental issues (now resolved), market conditions during the recession, and a series of holds put on the sale by interested City departments, the sale of the excess land has been delayed repeatedly, leading the Department of Finance and Administrative Services (FAS), the jurisdictional department, to request seven extensions of the loan repayment date. The last extension, granted through Ordinance 124638, expires on December 31, 2016.

Following the repayment of \$9,646,432 of principal and interest (recognized through this Council Bill) the balance would now be \$4 million. FAS is confident the surplus land can be sold for more than enough to repay the loan, but has been directed once again to hold off on the sale while other City departments determine if there is a City use for it. FAS therefore requests an extension through the end of 2017.