

2018 Seattle City Council Green Sheet

Ready for Notebook

Tab	Action	Option	Version
367	1	A	1

Budget Action Title: Pass C.B. 119109 authorizing refunding to lower interest costs of issued LTGO bonds.

Ongoing: No

Has CIP Amendment: No Has Budget Proviso: No

Primary Sponsor: Budget Committee

Councilmembers:

Staff Analyst: Erik Sund

Council Bill or Resolution: C.B. 119109

Date		Total	SB	KH	LG	BH	LH	RJ	DJ	MO	KS
	Yes										
	No										
	Abstain										
	Absent										

Budget Action description:

This green sheet recommends passage of Council Bill 119109 authorizing refinancing Limited Tax General Obligation (LTGO) bonds that were previously issued by the City to finance capital projects.

When market interest rates fall, substantial savings may be realized if the City can act quickly to refund (refinance) its outstanding bonds. When a refunding opportunity emerges, there may not be sufficient time for the City to follow its normal process of drafting, reviewing, and adopting an authorizing ordinance. This legislation authorizes the Director of Finance and Administrative Service to enter into agreements for refunding any of the City's LTGO bonds when interest rate savings can be captured. The bill would amend language in the original bond legislation ([Ordinance 121651](#)) to take advantage of changes in market interest rates. The City's Debt Management Policy Advisory Committee must approve all bond issues.