



SEATTLE CITY COUNCIL

Legislative Summary

CB 119035

Record No.: CB 119035

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125373

In Control: City Clerk

File Created: 05/23/2017

Final Action: 08/02/2017

Title: AN ORDINANCE relating to the financing of King Street Station third-floor tenant improvements; authorizing the loan of funds in the amount of \$2.8 million from the Municipal Arts Fund to the 2018 Multipurpose LTGO Bond Fund for bridge financing for design and construction of improvements.

Notes:	Filed with City Clerk: 8/2/2017
	Mayor's Signature: 8/2/2017
Sponsors: Herbold	Vetoed by Mayor:
	Veto Overridden:
	Veto Sustained:

Attachments:

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published: Yes No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	05/30/2017	Mayor's leg transmitted to Council	City Clerk			
	Action Text: The Council Bill (CB) was Mayor's leg transmitted to Council. to the City Clerk						
	Notes:						
1	City Clerk	05/30/2017	sent for review	Council President's Office			
	Action Text: The Council Bill (CB) was sent for review. to the Council President's Office						
	Notes:						
1	Council President's Office	06/08/2017	sent for review	Civil Rights, Utilities, Economic Development, and Arts Committee			
	Action Text: The Council Bill (CB) was sent for review. to the Civil Rights, Utilities, Economic Development, and Arts Committee						
	Notes:						

Legislative Summary Continued (CB 119035)

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|---|---|---|------------------------------------|--|------|
| 1 | Full Council | 07/24/2017 | referred | Civil Rights,
Utilities, Economic
Development, and
Arts Committee | |
| 1 | Civil Rights, Utilities,
Economic Development,
and Arts Committee | 07/25/2017 | pass | | Pass |
| | Action Text: | The Committee recommends that Full Council pass the Council Bill (CB). | | | |
| | | In Favor: 2 Chair Herbold, Vice Chair Sawant | | | |
| | | Opposed: 0 | | | |
| 1 | Full Council | 07/31/2017 | passed | | Pass |
| | Action Text: | The Council Bill (CB) was passed by the following vote, and the President signed the Bill: | | | |
| | Notes: | | | | |
| | | In Favor: 8 Councilmember Bagshaw, Councilmember Burgess, Councilmember
González , Council President Harrell, Councilmember Herbold,
Councilmember Johnson, Councilmember Juarez, Councilmember
Sawant | | | |
| | | Opposed: 0 | | | |
| 1 | City Clerk | 08/01/2017 | submitted for
Mayor's signature | Mayor | |
| 1 | Mayor | 08/02/2017 | Signed | | |
| 1 | Mayor | 08/02/2017 | returned | City Clerk | |
| 1 | City Clerk | 08/02/2017 | attested by City
Clerk | | |
| | Action Text: | The Ordinance (Ord) was attested by City Clerk. | | | |
| | Notes: | | | | |
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CITY OF SEATTLE

ORDINANCE 125373

COUNCIL BILL 119035

AN ORDINANCE relating to the financing of King Street Station third-floor tenant improvements; authorizing the loan of funds in the amount of \$2.8 million from the Municipal Arts Fund to the 2018 Multipurpose LTGO Bond Fund for bridge financing for design and construction of improvements.

WHEREAS, through Ordinance 125197, adopted November 21, 2016, the Council authorized \$1.8 million of limited tax general obligation (LTGO) bond financing in 2017 for tenant improvements at King Street Station, owned by the Seattle Department of Transportation (SDOT), on behalf of the Office of Arts and Culture (“Arts”); and

WHEREAS, the City Council provided \$1.8 million of appropriation authority in the 2017 Adopted Budget for the Seattle Department of Transportation Operating Fund for these tenant improvements financed by the authorized 2017 LTGO bond proceeds; and

WHEREAS, during the pre-design phase of the tenant improvements project (“Project”), it was revealed that the Project timeline would extend into mid-2018 and costs would be greater than anticipated in the 2017 Adopted Budget; and

WHEREAS, due to the timing of finalizing a revised Project budget and schedule, it was determined that 2017 LTGO bond proceeds would not be used for this Project, and that it would be more suitable to consider debt financing for this Project in 2018; and

WHEREAS, SDOT will require bridge financing to fund approved tenant improvement design and construction on behalf of Arts in advance of the LTGO bond issuance in 2018; and

WHEREAS, the Executive will submit requests for revised appropriations for expenditures in 2017 through the 2nd Quarter Supplemental Ordinance; and

1 WHEREAS, the Executive will submit requests for additional SDOT appropriations for
2 expenditures in 2018, and additional LTGO bond authorization to support this project in
3 the 2018 Proposed Budget and the 2018 LTGO bond ordinance submitted with the 2018
4 Proposed Budget, respectively; and

5 WHEREAS, Seattle Municipal Code subsection 5.06.030.C requires City Council approval by
6 ordinance of any interfund loan for a duration of more than 90 days; and

7 WHEREAS, in the normal course of business the City may temporarily lend cash between funds
8 to maintain required balances; and

9 WHEREAS, the Director of Finance and the City Budget Director have determined that this
10 interfund loan request is consistent with the Debt Management Policies adopted by
11 Resolution 31553; and

12 WHEREAS, there is sufficient cash in the Municipal Arts Fund to support an interfund loan of
13 up to \$2.8 million through the end of 2018 and still meet regular budgeted operating
14 needs; and

15 WHEREAS, funds loaned by the Municipal Arts Fund to the 2018 Multipurpose LTGO Bond
16 Fund for the purpose of bridge financing of King Street Station third-floor tenant
17 improvements are anticipated to be repaid from the proceeds of the sale of LTGO bonds
18 in 2018; NOW, THEREFORE,

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

20 Section 1. The Director of Finance is authorized to make a non-revolving loan of up to
21 \$2.8 million principal and interest outstanding from the Municipal Arts Fund to the 2018
22 Multipurpose LTGO Bond Fund, created by Ordinance 125264, to provide bridge financing for
23 tenant improvements at King Street Station that will be financed by limited tax general

1 obligation (LTGO) bond proceeds, \$1.8 million of which were authorized by Ordinance 125197
2 and \$1 million of which will be requested in the 2018 LTGO bond ordinance. The loan is to be
3 repaid no later than December 31, 2018, with interest on the loan at the rate of return of the
4 City's Consolidated (Cash) Pool. The entire principal and interest amount of the loan drawn shall
5 be repaid with proceeds from the sale of LTGO bonds issued in 2018.

6 Section 2. The Director of Finance may effectuate the loan authorized in Section 1 of this
7 ordinance by transferring cash from the Municipal Arts Fund to the 2018 Multipurpose LTGO
8 Bond Fund, or by carrying the 2018 Multipurpose LTGO Bond Fund in a negative cash position,
9 in an amount not to exceed \$2.8 million until no later than December 31, 2018, or until
10 repayment with proceeds from the sale of LTGO bonds in 2018, whichever is earlier.

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 31st day of July, 2017,
5 and signed by me in open session in authentication of its passage this 31st day of
6 July, 2017.

7 

8 President _____ of the City Council

9 Approved by me this 7th day of August, 2017.

10 

11 Edward B. Murray, Mayor

12 Filed by me this 2nd day of August, 2017.

13 

14 Monica Martinez Simmons, City Clerk

15 (Seal)