1   **CITY OF SEATTLE**

2   **ORDINANCE** _____

3   COUNCIL BILL _____

4   ..title
5   AN ORDINANCE relating to the financing of certain general government programs; authorizing
6   an interfund loan from the Housing Incentive Subfund of the Office of Housing Fund to
7   the General Subfund Fund.
8   ..body
9

10   WHEREAS, the City Council adopted Ordinance 119130 authorizing an Employee Hours Tax to

11   be implemented and administered by the Department of Finance and Administrative

12   Services effective January 1, 2019 with the first tax payments from taxpayers due on

13   January 31, 2020; and

14   WHEREAS, there is an exigent need for general government programs to be implemented prior

15   to Employee Hours Tax revenue collection; and

16   WHEREAS, the ~~Finance and Budget Directors have~~City Council has determined that this

17   interfund loan is consistent with the Debt Management Policies adopted by Resolution

18   31553; and

19   WHEREAS, regarding use of the proceeds of this interfund loan for necessary general

20   government programs, the ~~Finance and Budget Directors have~~City Council has

21   determined that there is no viable alternative available for advancing a core City

22   objective; and

23   WHEREAS, there is sufficient cash in the Housing Incentive Subfund Fund to support a loan of

24   up to ~~$11,000,000~~$12,950,000 through the end of 2020;

25   NOW, THEREFORE,

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

1   Section 1. The City Council finds that there is no viable alternative to meet a core City

2   objective and the Debt Management Policy Advisory Committee is not required to review this

3   loan, and therefore the Director of Finance is authorized to make a loan of not more than

4   $11,000,000$12,950,000 of principal and interest outstanding at any one time from the Housing

5   Incentive Subfund Fund (16430) to the General Subfund Fund (00100) from which funds may be

6   drawn to pay for general government purposes. This loan is to be repaid no later than December

7   31, 2020, with interest on the loan at the rate of return of the City's Consolidated (Residual)

8   Cash Pool.

9   Section 2. The entire principal and interest amount of the loan authorized in Section 1 of

10   this ordinance, and owed by the General Subfund Fund to the Housing Incentive Subfund Fund,

11   is intended to be repaid from the revenue generated from the Employee Hours Tax in Seattle

12   Municipal Code Chapter 5.38 no later than December 31, 2020.

13   Section 3. The Director of Finance may effectuate the loan authorized in Section 1 of this

14   ordinance by transferring cash from the Housing Incentive Subfund Fund to the General Subfund

15   Fund until no later than December 31, 2020. The Director of Finance is further authorized to

16   establish, and modify if necessary from time to time, a repayment plan and schedule.

17   Section 4. This ordinance shall take effect and be in force 30 days after its approval by

18   the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it

19   shall take effect as provided by Seattle Municipal Code Section 1.04.020.

20

1   Passed by the City Council the _____ day of _____, 2017,

2   and signed by me in open session in authentication of its passage this _____ day of

3   _____, 2017.

4   _____

5   President _____ of the City Council

6   Approved by me this _____ day of _____, 2017.

7   _____

8   Tim Burgess, Mayor

9   Filed by me this _____ day of _____, 2017.

10   _____

11   Monica Martinez Simmons, City Clerk

12   (Seal)