



Legislation Details (With Text)

File #: CB 119918 **Version:** 1 **Name:** CB 119918
Type: Ordinance (Ord) **Status:** Passed
In control: City Clerk

On agenda: 11/23/2020
Final Action: 12/1/2020 **Ord. No.** Ord 126218

Title: 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.

Sponsors: Teresa Mosqueda

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Summary Att A - Interfund Loan Calculations, 3. Signed Ordinance 126218, 4. Affidavit of Publication

Date	Ver.	Action By	Action	Result
12/1/2020	1	City Clerk	attested by City Clerk	
12/1/2020	1	Mayor	returned	
12/1/2020	1	Mayor	Signed	
11/24/2020	1	City Clerk	submitted for Mayor's signature	
11/23/2020	1	City Council	passed	Pass
11/18/2020	1	Select Budget Committee	pass	Pass
10/19/2020	1	City Council	referred	
10/14/2020	1	City Clerk	sent for review	
10/14/2020	1	Council President's Office	sent for review	
9/29/2020	1	Mayor	Mayor's leg transmitted to Council	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

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

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

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

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

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Ordinance 125717 is hereby amended as follows:

Section 1. The City Council finds that there is no viable alternative to meet a core City objective, and therefore the Director of Finance is authorized to make a revolving loan of up to ~~(((\$5,000,000))~~ \$18,000,000 principal and interest outstanding from the ~~((Unrestricted Cumulative Reserve Fund))~~ REET II Capital Projects Fund to the Seattle Center Fund to ~~((support))~~ provide financing for Seattle

Center operations during the (~~temporary closure of KeyArena~~) COVID-19 crisis. The loan is to be repaid no later than December 31, (~~2026~~) 2033, with interest on the loan at the rate of return of the City's Consolidated (~~Cash~~) Cash Pool. The entire principal and interest amount of the loan drawn is intended to be repaid with revenues associated with (~~the new~~) Seattle Center (~~arena upon its completion and opening~~) operations.

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

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

Passed by the City Council the _____ day of _____, 2020, and signed by me in open session in authentication of its passage this ____ day of _____, 2020.

President _____ of the City Council

Approved by me this _____ day of _____, 2020.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2020.

Monica Martinez Simmons, City Clerk

(Seal)