

SEATTLE CITY COUNCIL

Legislation Details (With Text)

File #: CB 119135 Version: 1 Name: CB 119135

Type: Ordinance (Ord) Status: Passed

In control: City Clerk

On agenda: 11/20/2017

Final Action: 11/28/2017 **Ord. No.** Ord 125462

Title: AN ORDINANCE amending Ordinance 125212, relating to the financing of Equitable Development

Implementation Plan projects; changing the source of the interfund loan from the Finance and Administrative Services Fund to the Revenue Stabilization Fund; increasing the loan of funds from \$6,500,000 to \$16,000,000; and amending Ordinance 125207 to change appropriations to various

departments and budget control levels and from various funds in the 2017 Budget.

Sponsors: Lisa Herbold

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Summary Att A - Interfund Loan Request Form, 3. Signed

Ord_125462.pdf, 4. Affidavit of Publication

| Date | Ver. | Action By | Action | Result |
|------------|------|----------------------------|---------------------------------|--------|
| 11/28/2017 | 1 | City Clerk | attested by City Clerk | |
| 11/28/2017 | 1 | Mayor | returned | |
| 11/22/2017 | 1 | Mayor | Signed | |
| 11/22/2017 | 1 | City Clerk | submitted for Mayor's signature | |
| 11/20/2017 | 1 | City Council | passed | Pass |
| 11/15/2017 | 1 | Select Budget Committee | pass | Pass |
| 11/13/2017 | 1 | City Council | referred | |
| 11/8/2017 | 1 | Council President's Office | sent for review | |
| 11/7/2017 | 1 | City Clerk | sent for review | |
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CITY OF SEATTLE

| ORDINANCE | |
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| COUNCIL BILL | |

AN ORDINANCE amending Ordinance 125212, relating to the financing of Equitable Development Implementation Plan projects; changing the source of the interfund loan from the Finance and Administrative Services Fund to the Revenue Stabilization Fund; increasing the loan of funds from \$6,500,000 to \$16,000,000; and amending Ordinance 125207 to change appropriations to various departments and budget control levels and from various funds in the 2017 Budget.

WHEREAS, on September 26, 2016, the City Council adopted Resolution 31711 in support of community-

initiated projects for mitigating displacement and increasing access to opportunity in the Central Area,

the Chinatown/International District, and South Seattle; and

- WHEREAS, on November 21, 2016, the Council adopted Ordinance 125212, authorizing an interfund loan of up to \$6,500,000 to be made from the Finance and Administrative Services Fund to the General Subfund to support the Equitable Development Implementation (EDI) program; and
- WHEREAS, the interfund loan was to be used to support the first five identified equitable development projects: the Rainier Beach Food Innovation District, the Multicultural Community Center, the Southeast Economic Opportunity Center, the William Grose Cultural Innovation Hub, and the Little Saigon Landmark Project, through a first round of funding opportunities; and
- WHEREAS, the loan was to be repaid from the sale of surplus property known as the Civic Square Block; and
- WHEREAS, in July 2017 the Executive transmitted legislation related to the sale and redevelopment of the Civic Square Block for the construction of a residential project with public parking, public open space, and associated retail space for cash consideration in the amount of \$16,000,000; and
- WHEREAS, closing will occur when the Master Use Permit is issued by the Seattle Department of Construction and Inspections, approximately 14 to 18 months from application; and
- WHEREAS, EDI staff may require access to additional funds to complete Round 1 or begin Round 2 of the EDI program before the final closing of the sale of the Civic Square Block; and
- WHEREAS, the Finance and Budget Directors have determined that the extension of the interfund loan is consistent with the Debt Management Policies adopted by Resolution 31553; and
- WHEREAS, regarding use of the proceeds of this interfund loan for operating costs, the Finance and Budget

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

 objective; and
- WHEREAS, there is sufficient cash in the Revenue Stabilization Fund to support a loan of up to \$16,000,000 through the end of 2019; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council finds that there is no viable alternative to meet a core City objective, and therefore the loan of up to \$6,500,000 authorized in Ordinance 125212 is hereby increased to a limit of \$16,000,000 of principal and interest outstanding at any one time, from which may be paid capital and operating costs related to implementation of the Equitable Development Implementation Plan. The loan shall be repaid no later than December 31, 2019, with interest on the loan at the rate of return of the City's Consolidated (Residual) Cash Pool.

Section 2. The loan of up to \$16,000,000 is authorized to be made from the Revenue Stabilization Fund to the General Fund.

Section 3. The entire principal and interest amount of the loan authorized in Section 1 of this ordinance, and owed by the General Fund to the Revenue Stabilization Fund, shall be repaid from the sale of the surplus property known as the Civic Square Block. Except as authorized by Seattle Municipal Code subsection 5.06.030.C, any extension of this loan must be approved by ordinance.

Section 4. The Director of Finance may effectuate the loan authorized in Section 1 of this ordinance by transferring cash from the Revenue Stabilization Fund to the General Fund, or by carrying the General Fund in a negative cash position in an amount not to exceed \$16,000,000, until no later than December 31, 2019, or until completion of the Civic Square Block property sale referenced in Section 3 of this ordinance, whichever occurs first. The Director of Finance is further authorized to establish, and modify if necessary from time to time, a repayment plan and schedule.

Section 5. To pay for necessary costs and expenses incurred or to be incurred, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time of making the 2017 Budget, appropriations for the following items in the 2017 Budget are increased from the funds shown, as follows:

| Item | Fund | Department | Budget Control Level | Amount |
|-------|----------------------|----------------------|------------------------|-------------|
| 5.1 | General Fund (00100) | Finance General (FG) | Reserves (00100-2QD00) | \$9,500,000 |
| Total | | | | \$9,500,000 |

| Unspent funds so appropriated shall carry fo | rward to subse | quent fiscal years until they a | are exhausted or |
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| abandoned by ordinance. | | | |
| Section 6. This ordinance shall take 6 | effect and be in | force 30 days after its appro | val by the Mayor, but if |
| not approved and returned by the Mayor wit | hin ten days af | ter presentation, it shall take | effect as provided by |
| Seattle Municipal Code Section 1.04.020. | | | |
| Passed by the City Council the | day of | | , 2017, and signed by |
| me in open session in authentication of its pa | assage this | day of | , 2017. |
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| | President | of the City Counc | eil |
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| Approved by me this day | of | , 2017. | |
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| | | , Mayor | |
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| Filed by me this day of | | , 2017. | |
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| | Monica Marti | nez Simmons, City Clerk | |
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| (Seal) | | | |

File #: CB 119135, Version: 1