



Legislation Details (With Text)

File #: CB 120223 **Version:** 1 **Name:** CB 120223
Type: Ordinance (Ord) **Status:** Passed
In control: City Clerk

On agenda: 11/22/2021
Final Action: 12/2/2021 **Ord. No.** Ord 126487

Title: AN ORDINANCE relating to the financing of the Transportation Fund; authorizing interfund loans up to a total amount of \$15,000,000 from multiple City funds as bridge financing to be repaid by the proceeds of a future surplus property sale.

Sponsors: Teresa Mosqueda

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Signed Ordinance 126487, 3. Affidavit of Publication

Date	Ver.	Action By	Action	Result
12/2/2021	1	City Clerk	attested by City Clerk	
12/2/2021	1	Mayor	returned	
12/2/2021	1	Mayor	Signed	
11/23/2021	1	City Clerk	submitted for Mayor's signature	
11/22/2021	1	City Council	passed	Pass
11/18/2021	1	Select Budget Committee	pass	Pass
11/15/2021	1	City Council	referred	
11/10/2021	1	Council President's Office	sent for review	
11/10/2021	1	City Clerk	sent for review	
11/10/2021	1	Mayor	Mayor's leg transmitted to Council	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the financing of the Transportation Fund; authorizing interfund loans up to a total amount of \$15,000,000 from multiple City funds as bridge financing to be repaid by the proceeds of a future surplus property sale.

WHEREAS, under Ordinance 125916, the City Council authorized the sale of properties in South Lake Union, collectively known as the “Mercer Megablock” properties, for \$138.5 million; and

WHEREAS, Ordinance 125916 anticipated approximately \$50 million of sale proceeds being appropriated to the Transportation Fund upon completion of the sale (later adjusted to \$54.7 million); and

WHEREAS, completion of the Mercer Megablock property sale was originally anticipated to be completed in 2021, and is currently expected to close on or before March 31, 2022; and

WHEREAS, several 2021 Seattle Department of Transportation programs and projects are reliant on proceeds from the Mercer Megablock sale; and

WHEREAS, the Transportation Fund currently has an interfund loan authorization pursuant to Ordinance 126227 of up to \$25 million principal and interest outstanding from the Information Technology Fund; and

WHEREAS, Seattle Municipal Code subsection 5.06.030.C requires City Council approval by ordinance of any interfund loan for a duration of 90 days or more; 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 several City Funds to support additional interfund loans to the Transportation Fund up to \$15 million and still meet regular budgeted operating needs; and

WHEREAS, funds loaned to the Transportation Fund pursuant to this ordinance are intended to be repaid from proceeds from the property sale of the Mercer Megablock in 2022; 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 Director of Finance is authorized to make one or more revolving loans of up to \$15,000,000 total principal and interest outstanding from one or more of the City Funds identified in Section 2 of this ordinance to the Transportation Fund to provide bridge financing for essential transportation programs. Each loan is to be repaid no later than December 31, 2022, with interest on the loan at the rate of return of the City's Consolidated Cash Pool. The entire principal and interest amount of the loan drawn is intended to be repaid with anticipated

proceeds from the sale of the Mercer Megablock property.

Section 2. To implement the loans authorized in Section 1 of this ordinance, the following City Funds may be used as the source of cash loaned to the Transportation Fund pursuant to Section 1:

- A. Unrestricted Cumulative Reserve Fund (00164),
- B. Municipal Arts Fund (12010), and
- C. Coronavirus Local Fiscal Recovery Fund (14000).

Section 3. The Director of Finance may effectuate the loans authorized in this ordinance by transferring cash to the Transportation Fund from one or more of the City Funds identified in Section 2 of this ordinance, or by carrying the Transportation Fund in a negative cash position, in a total amount not to exceed \$15,000,000 until no later than December 31, 2022, or until repayment with proceeds from the sale of the Mercer Megablock, whichever is earlier. The Director of Finance is further authorized to establish, and modify if necessary, from time to time, a repayment plan and schedule.

Section 4. 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 _____, 2021, and signed by me in open session in authentication of its passage this ____ day of _____, 2021.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2021.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2021.

Monica Martinez Simmons, City Clerk

(Seal)