



Legislation Details (With Text)

File #: CB 119863 **Version:** 1 **Name:** CB 119863
Type: Ordinance (Ord) **Status:** Passed
In control: City Clerk

On agenda: 9/22/2020
Final Action: 9/22/2020 **Ord. No.** Ord 126152

Title: AN ORDINANCE authorizing the loan of funds from the Construction and Inspections Fund to the General Fund.

Sponsors: Teresa Mosqueda

Indexes:

Attachments: 1. Mayor's Veto Letter, 2. CB 119863 Filed with Mayor's Veto, 3. Affidavit of Publication - Veto Notice, 4. Summary and Fiscal Note, 5. Signed Ordinance 126152

Date	Ver.	Action By	Action	Result
9/22/2020	1	City Clerk	attested by City Clerk	
9/22/2020	1	City Council	overridden	Pass
8/23/2020	1	Mayor	returned	
8/23/2020	1	Mayor	vetoed	
8/14/2020	1	City Clerk	submitted for Mayor's signature	
8/12/2020	1	City Council	passed	Pass
8/10/2020	1	City Council	referred	
8/7/2020	1	Council President's Office	sent for review	
8/7/2020	1	City Clerk	sent for review	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE authorizing the loan of funds from the Construction and Inspections Fund to the General Fund.

WHEREAS, on November 2, 2015, the Mayor proclaimed a civil emergency to address the homelessness crisis in the City of Seattle; and

WHEREAS, on November 3, 2015, the City Council adopted Resolution 31630, ratifying and confirming the Mayoral Proclamation of Civil Emergency; and

WHEREAS, the civil emergency to address the homelessness crisis is still in effect today; and

WHEREAS, the City imposed a new payroll expense tax through Council Bill 119810 on the largest businesses that will provide new revenues to allow the City to make immediate cash assistance available to those households most impacted by the COVID-19 civil emergency; and

WHEREAS, the City intends to make \$14 million of community and research investments through Amendments 33 and 34 to Council Bill 119825; and

WHEREAS, the City is contemplating a series of cuts and provisos are intended to require the City to lay off 100 sworn officers in 2020; and

WHEREAS, the City intends to maintain a hiring freeze in 2021 and beyond, leading to significant budget savings in 2021 and beyond; and

WHEREAS, the City anticipates repaying the interfund loan principal and interest using 2021 General Fund revenues that are expected to be available from a reduction to the Seattle Police Department's (SPD) budget attributable to laying off 100 sworn officers in 2020 and then continuing a hiring freeze through at least the end of 2021; and

WHEREAS, in the unlikely event that there are not sufficient 2021 savings from SPD's budget, the City intends to allocate an additional amount from the 2021 City Payroll Tax revenues to fully repay the interfund loan principal and interest; and

WHEREAS, regarding use of the proceeds of these interfund loans for an emergency response to the COVID-19 civil emergency, the City Council has determined that there is no viable alternative available for advancing a core City objective during a time of civil emergency; and

WHEREAS, there is sufficient cash in the Construction and Inspections Fund to support a loan of up to \$13,114,000 through the end of 2021; and

WHEREAS, the City's 2020 Adopted Budget fully appropriates all available municipal revenues to address the many and varied needs of the community; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council finds and declares that there is no viable alternative to meet a core City objective. The extraordinary circumstances discussed in this section call for an exception to the Debt Management Policies approved by Resolution 31553 as contemplated by the Introduction to the Policies, and therefore the Director of Finance is authorized to make loans as provided for in this ordinance.

Section 2. 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 loan of not more than \$13,114,000 of principal and interest outstanding at any one time from the Construction and Inspections Fund (48100) to the General Fund (00100) from which funds may be drawn to pay for the immediate needs resulting from the investments that are authorized by Council Bill 119825. This loan is to be repaid no later than December 31, 2021, with interest on the loan at the rate of return of the City's Consolidated (Residual) Cash Pool.

Section 3. The entire principal and interest amount of the loan authorized in Section 2 of this ordinance, and owed by the General Fund to the Construction and Inspections Fund, is intended to be repaid no later than December 31, 2021 from the savings in the Seattle Police Department as outlined in Resolution [REDACTED] and (only if for any reason such anticipated savings are not sufficient) from revenue generated from the tax on corporate payroll in Seattle Municipal Code Chapter 5.38.

Section 4. The Director of Finance may effectuate the loans authorized in this ordinance by transferring cash to the General Fund until no later than December 31, 2020. The Director of Finance is further authorized to establish, and modify if necessary from time to time, a repayment plan and schedule.

Section 5. 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)