



Legislation Text

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File #: CB 119379, Version: 1

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**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

AN ORDINANCE relating to the financing of Seattle Center’s operations; authorizing the loan of funds in the amount of \$5,000,000 from the Unrestricted Cumulative Reserve Fund to the Seattle Center Fund to support the operations of Seattle Center during the temporary closure of KeyArena; 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 of Seattle (“City”) may temporarily lend cash between funds to maintain required balances; 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, 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 Unrestricted Cumulative Reserve Fund to support an interfund loan of up to \$5,000,000 through December 31, 2026, and still meet regular budgeted operating needs; and

WHEREAS, funds loaned by the Unrestricted Cumulative Reserve 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; 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 a revolving loan of up to \$5,000,000 principal and interest outstanding from the Unrestricted Cumulative Reserve Fund to the Seattle Center Fund to support Seattle Center operations during the temporary closure of KeyArena. The loan is to be repaid no later than December 31, 2026, 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 revenues associated with the new Seattle Center arena upon its completion and opening.

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 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 until no later than December 31, 2026. The Director of Finance is further authorized to establish, and modify if necessary, from time to time, a repayment plan and schedule.

Section 3. 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 \_\_\_\_\_, 2018, and signed by me in open session in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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Monica Martinez Simmons, City Clerk

(Seal)