



Legislation Text

File #: CB 119676, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the financing of Equitable Development Implementation Plan projects; amending Ordinance 125462 to extend the term of an interfund loan.

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 20, 2017, the Council adopted Ordinance 125462, authorizing an interfund loan of up to \$16,000,000 to be made from the Revenue Stabilization 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 intended to be repaid from the sale of surplus property known as the Civic Square Block; and

WHEREAS, in September 2017, the Council passed Ordinance 125401 relating to the sale and redevelopment of the former Public Safety Building 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 has been delayed due to an extended MUP review process, and the final closing date is still undetermined due to possible future correction and review cycles, possible future appeals, and public notice of the final decision; and

WHEREAS, the Finance and Budget Directors have determined that an extension of the interfund loan for the eventuality of a closing date that occurs after December 31, 2019 is consistent with the Debt Management Policies adopted by Resolution 31553; and

WHEREAS, there remains sufficient cash in the Revenue Stabilization Fund to support a loan of up to \$16,000,000 through the end of 2020; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 1 of Ordinance 125462 is amended 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,~~) December 31, 2020, with interest on the loan at the rate of return of the City's Consolidated Cash Pool.

Section 2. Section 4 of Ordinance 125462 is amended as follows:

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,~~) December 31, 2020, 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 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 _____, 2019, and signed by me in open session in authentication of its passage this _____ day of _____, 2019.

President _____ of the City Council

Approved by me this _____ day of _____, 2019.

Jenny A Durkan, Mayor

Filed by me this _____ day of _____, 2019.

Monica Martinez Simmons, City Clerk

(Seal)