



Legislation Text

File #: CB 119680, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the financing of the Seattle Streetcar operations; amending Ordinance 125716 to extend an interfund loan from the Move Seattle Levy Fund to the Seattle Streetcar Operations Fund. WHEREAS, Ordinance 121951 authorized the construction of a streetcar line serving downtown

Seattle, the Denny Triangle, and South Lake Union (SLU); and

WHEREAS, Ordinance 121850 requires that funding by The City of Seattle ("City") for operation and maintenance of the SLU streetcar be provided exclusively from the sale of City surplus property in SLU and from revenues derived from new revenue sources specifically devised to pay for SLU streetcar operations and maintenance costs; and

WHEREAS, Ordinance 122424 authorized an agreement with King County for operation and maintenance of the Seattle Streetcar and an interfund loan of up to \$2.2 million to the Seattle Streetcar Operations Fund, to be repaid no later than December 31, 2018; and

WHEREAS, Ordinance 123102 authorized an increase in the interfund loan amount from \$2.2 million to \$3.65 million; and

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 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 City's Move Seattle Levy Fund to support a loan of up to \$3.65 million and still meet regular budgeted operating needs; and

WHEREAS, funds lent from the Move Seattle Levy Fund to the Seattle Streetcar Operations Fund are anticipated to be repaid from the sale of surplus properties in SLU, which is expected to be finalized in 2020; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 5 of Ordinance 122424, last amended by Ordinance 125716, is amended as follows:

Section 5. 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 \$3,650,000 principal and interest outstanding ~~((at any one time is hereby authorized to be made))~~ from the Move Seattle Levy Fund to the Seattle Streetcar Operations Fund. ~~((Said))~~ The loan is to be repaid no later than December 31, ((2019)) 2020, with interest on the loan at the rate of return of the City's Consolidated (((Residual))) Cash Pool. The entire principal and interest amount of the loan is intended to be repaid from the sale of surplus properties in South Lake Union.

Section 2. Section 7 of Ordinance 122424, last amended by Ordinance 125716, is amended as follows:

Section 7. The Director of Finance may effectuate the loan authorized in Section 5 of this ordinance by transferring cash from the Move Seattle Levy Fund to the Seattle Streetcar

Operations Fund, or by carrying the Seattle Streetcar Operations Fund in a negative cash position in an amount not to exceed \$3,650,000, until no later than December 31, ((2019)) 2020. 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)