

Ordinance No. 122603

Council Bill No. 116095

AN ORDINANCE relating to the financing of the South Lake Union Streetcar Project; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Transportation Master Fund; and providing for the repayment thereof.

CF No. _____

Date Introduced:	<u>Dec. 3, 2007</u>		
Date 1st Referred:	To: (committee) <u>Transportation</u>		
Date Re - Referred:	To: (committee)		
Date Re - Referred:	To: (committee)		
Date of Final Passage:	Full Council Vote: <u>9-0</u>		
Date Presented to Mayor:	Date Approved: <u>12-20-07</u>		
Date Returned to City Clerk:	Date Published: <u>3</u>	T.O. <input checked="" type="checkbox"/>	F.T. <input type="checkbox"/>
Date Vetoed by Mayor:	Date Veto Published:		
Date Passed Over Veto:	Veto Sustained:		

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: J. Drago
Councilmember

Committee Action:

1.D. & J.6 - APPROVE, 2 votes ~~00000~~ 2-0

12-17-07 Passed 9-0

This file is complete and ready for presentation to Full Council. Committee: JV 12/11
(initial/date)

Law Department

Law Dept. Review

OMP
Review

City Clerk
Review

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City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

November 20, 2007

Honorable Nick Licata
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Licata:

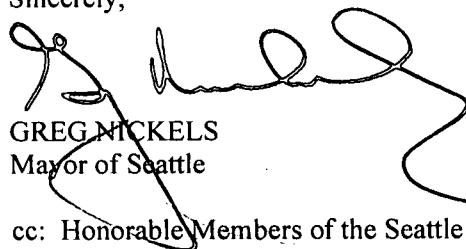
I am pleased to transmit the attached proposed Council Bill that authorizes an interfund loan from the City's Consolidated (Residual) Cash Pool to fund construction costs related to the South Lake Union Streetcar.

The project expects a funding gap due to a difference in timing between payment of project costs and receipt of revenue sources, which include property proceeds and funds from the South Lake Union Proceeds Subaccount. In addition, the project is awaiting \$3 million in a Federal Transit Administration grant that has been approved and is currently pending appropriation, and \$1.15 million from the federal government pending the outcome of the 2008 Budget Conference Report. The City Council authorized the Executive to proceed with construction of the South Lake Union Streetcar while simultaneously working to close the Streetcar's short-term funding gap.

The loan proposed in this Bill will not exceed \$5.945 million in principal and interest, and will be repaid by December 31, 2009 through the sale of the streetcar maintenance facility surplus property with its related air rights, and up to \$2 million from the South Lake Union Proceeds Subaccount. In the event proceeds from the sale of the property and funds from the South Lake Union Proceeds Subaccount do not fully repay the interfund loan, up to \$1.5 million in proceeds from Denny/South Lake Union transportation mitigation funds will be used, or the internal City loan will be extended by separate ordinance.

Thank you for your consideration of this legislation. Should you have questions, please contact Ethan Melone at 684-8066.

Sincerely,



GREG NICKELS
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

600 Fourth Avenue, 7th Floor, P.O. Box 94749, Seattle, WA 98124-4749

Tel: (206) 684-4000, TDD: (206) 615-0476 Fax: (206) 684-5360, Email: mayors.office@seattle.gov

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ORDINANCE 122603

AN ORDINANCE relating to the financing of the South Lake Union Streetcar Project; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Transportation Master Fund; and providing for the repayment thereof.

WHEREAS, the Mayor has proposed and the City Council has approved a 2007 Budget and 2007-2012 Capital Improvement Program that includes design and construction activities for the South Lake Union Streetcar Project; and

WHEREAS, Ordinance 121951 authorized the construction of a modern streetcar line serving downtown Seattle, Denny Triangle and South Lake Union, and the formation of Local Improvement District No. 6750; and

WHEREAS, as required by Ordinance 122424 the Executive has proposed a plan to pay for any remaining capital costs pertaining to the South Lake Union Streetcar using the following revenue sources: federal grants that have been requested for 2007, proceeds from the sale of surplus property adjacent to and air rights above the South Lake Union Streetcar Maintenance Facility and Yard at 318 Fairview Avenue North, up to \$2 million from the South Lake Union Property Proceeds Subaccount established by Ordinance 120411, and if needed, up to \$1.5 million from Denny/South Lake Union transportation mitigation funds; and

WHEREAS, funds necessary to complete the South Lake Union Streetcar Project have been identified but may not be received at the time project expenditures are incurred, creating a temporary funding gap, and a loan from the City's Consolidated (Residual) Cash Pool, or its participating funds, will be utilized as interim financing; and

WHEREAS, there is sufficient cash in the City's Consolidated (Residual) Cash Pool, or its participating funds, to support a loan of up to Five Million Nine Hundred Forty-Five Thousand Dollars (\$5,945,000) to the Transportation Master Fund, terminating no later than December 31, 2009; and

WHEREAS, the Seattle Streetcar, South Lake Union line is now substantially complete and the Executive projects the final cost not to exceed Fifty-Two Million One Hundred Thirty Thousand Dollars (\$52,130,000); NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:



1 Section 1. A loan of up to Five Million Nine Hundred Forty-Five Thousand Dollars
2 (\$5,945,000) of principal and interest outstanding at any one time is hereby authorized to be
3 made from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the
4 Transportation Master Fund from which may be paid capital costs related to the South Lake
5 Union Streetcar project and related debt service costs. Said loan is to be repaid no later than
6 December 31, 2009, with interest on the loan at the rate of return of the City's Consolidated
7 (Residual) Cash Pool.
8

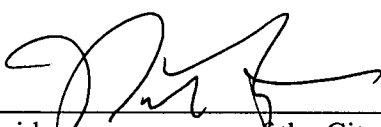
9 Section 2. The entire principal and interest amount of the loan authorized in Section 1,
10 and owed by the Transportation Master Fund to the City's Consolidated (Residual) Cash Pool,
11 shall be repaid with up to \$2 million from the South Lake Union Property Proceeds Subaccount,
12 proceeds from the sale of surplus property adjacent to and air rights above the South Lake Union
13 Streetcar Maintenance Facility and Yard at 318 Fairview Avenue North; and, if needed, up to
14 \$1.5 million from Denny/South Lake Union transportation mitigation funds or by extension of
15 this internal City loan. Except as authorized by Seattle Municipal Code Section 5.06.030 (C),
16 any extension of this loan must be approved by ordinance.
17
18

19 Section 3. The Director of Finance may effectuate the loan authorized in Section 1 by
20 transferring cash from one or more of the funds participating in the City's Consolidated
21 (Residual) Cash Pool to the Transportation Master Fund, or by carrying the Transportation
22 Master Fund in a negative cash position in an amount not to exceed Five Million Nine Hundred
23 Forty-Five Thousand Dollars (\$5,945,000) beyond the negative balance authorized by Ordinance
24 120016, until no later than December 31, 2009.
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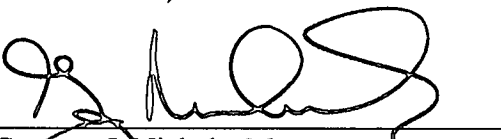
Section 4. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 17th day of December, 2007, and signed by me in open session in authentication of its passage this 17th day of December, 2007.



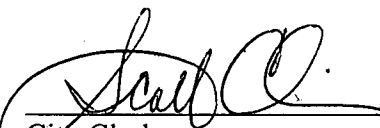
President _____ of the City Council

Approved by me this 20th day of December, 2007.



Gregory J. Nickels, Mayor

Filed by me this 20th day of December, 2007.



City Clerk

(Seal)



FISCAL NOTE FOR CAPITAL PROJECTS ONLY

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Seattle Department of Transportation	Jana Hopper 684-0344	Stephen Barham 733-9084

Legislation Title:

AN ORDINANCE relating to the financing of the South Lake Union Streetcar Project; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Transportation Master Fund; and providing for the repayment thereof.

Summary and background of the Legislation:

The City Council authorized the Executive to proceed with the construction of the South Lake Union Streetcar while simultaneously working to close the project's funding gap. The Council approved the use of \$2 million from the South Lake Union Proceeds Subaccount and future proceeds from the sale of surplus property adjacent to and air rights above the South Lake Union Streetcar Maintenance Facility and Yard at 318 Fairview Avenue North toward the total funding gap.

Additionally, in the short-term, the project is awaiting \$3.0 million in an FTA grant that has been approved and is currently pending appropriation, and \$1.15 million from the federal budget pending outcome of the 2008 Budget Conference Report.

This legislation authorizes an interfund loan, not to exceed \$5.945 million in principal and interest, to be utilized to fund South Lake Union Streetcar construction costs and related debt service costs. The legislation authorizes the Executive to effectuate the loan by transferring cash from one or more of the funds participating in the City's Consolidated (Residual) Cash Pool to the Transportation Master Fund, or by carrying the Transportation Master Fund (TMF) in a negative cash position in an amount not to exceed \$5.945 million beyond the negative balance authorized by Ordinance 120016, until no later than December 31, 2009. The Seattle Department of Transportation (SDOT), which administers the TMF, expects to establish a new subfund of the Transportation Master Fund in order to receive and track the loan.

By December 31, 2009, the City will repay the interfund loan with up to \$2 million from the South Lake Union Property Proceeds Subaccount and proceeds from the sale of surplus property adjacent to and air rights above the South Lake Union Streetcar Maintenance Facility and Yard at 318 Fairview Avenue North. In the event these proceeds do not fully repay the Interfund Loan, up to \$1.5 million in proceeds from Denny/South Lake Union transportation mitigation funds will be used, or this interfund loan will be extended.

A supplemental appropriation of \$3.735 million for the South Lake Union Streetcar project is proposed in the 4th Quarter Supplemental ordinance, adjusting the total project appropriation to \$52.13 million.

Project Name:	Project I.D.	Project Location:	Start Date:	End Date
South Lake Union Streetcar	TC366260	Westlake Ave. / 5 th Ave.	Q1 2003	Q1 2008

- Please check any of the following that apply:

 This legislation creates, funds, or anticipates a new CIP Project. (Please note whether the current CIP is being amended through this ordinance, or provide the Ordinance or Council Bill number of the separate legislation that has amended/is amending the CIP.)

 This legislation does not have any financial implications. (Stop here and delete the remainder of this document prior to saving and printing.)

 X **This legislation has financial implications.** (Please complete all relevant sections that follow.)

Appropriations: This table should reflect appropriations that are a direct result of this legislation. In the event that the projects associated with this ordinance have appropriations that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below. Finally, if this legislation does not directly change an appropriation, but results in budget authority being moved within a Budget Control Level, or to a Budget Control Level (up to 10%), please explain in the Notes section below.

Fund Name and Number	Department	Budget Control Level*	2007 Appropriation	2008 Anticipated Appropriation
N/A				
TOTAL				

*See budget book to obtain the appropriate Budget Control Level for your department.

Notes: An additional appropriation of \$3.735 million from the Transportation Operating Fund for the South Lake Union Streetcar project is included in the 4th Quarter 2007 Supplemental Budget proposed legislation.

Spending Plan and Future Appropriations for Capital Projects: Please list the timing of anticipated appropriation authority requests and expected spending plan. In addition, please identify your cost estimate methodology including inflation assumptions, the projected costs of meeting applicable LEED standards, and the percent for art and design as appropriate.

Spending Plan and Budget	2007	2008	2009	2010	2011	2012	Total
Spending Plan							
Current Year Appropriation							
Future Appropriations							

Notes:

Funding source: Identify funding sources including revenue generated from the project and the expected level of funding from each source.

Funding Source (Fund Name and Number, if applicable)	2007	2008	2009	2010	2011	2012	Total
Interfund Loan	\$5,945,000						
TOTAL							

Notes: By December 31, 2009, the City (via the TMF) will repay the interfund loan with up to \$2 million from the South Lake Union Property Proceeds Subaccount and proceeds from the sale of surplus property adjacent to and air rights above the South Lake Union Streetcar Maintenance Facility and Yard at 318 Fairview Avenue North. In the event these proceeds do not fully repay the Interfund Loan, up to \$1.5 million in proceeds from Denny/South Lake Union transportation mitigation funds will be used, or this interfund loan will be extended. The \$5.945 million includes \$5.625 million in principal and an estimated \$320,000 in interest costs.

Bond Financing Required: If the project or program requires financing, please list type of financing, amount, interest rate, term and annual debt service or payment amount. Please include issuance costs of 3% in listed amount.

Type	Amount	Assumed Interest Rate	Term	Timing	Expected Annual Debt Service/Payment
N/A					
TOTAL					

Notes: \$2 million will be included in the 2008 Limited Tax General Obligation bond issuance and deposited in the South Lake Union Property Proceeds Subaccount of the Cumulative Reserve Subfund, under separate Council action approving the 2008 Proposed Budget.

Uses and Sources for Operation and Maintenance Costs for the Project: Estimate cost of one-time startup, operating and maintaining the project over a six year period and identify each fund source available. Estimate the annual savings of implementing the LEED Silver standard. Identify key assumptions such as staffing required, assumed utility usage and rates and other potential drivers of the facility's cost.

O&M	2007	2008	2009	2010	2011	2012	Total
Uses							
Start Up							
On-going							
Sources (itemize)							

Notes:

Periodic Major Maintenance costs for the project: Estimate capital cost of performing periodic maintenance over life of facility. Please identify major work items, frequency.

Major Maintenance Item	Frequency	Cost	Likely Funding Source
N/A			
TOTAL			

Funding sources for replacement of project: Identify possible and/or recommended method of financing the project replacement costs.

N/A

Total Regular Positions Created, Modified, Or Abrogated Through This Legislation, Including FTE Impact: *This table should only reflect the actual number of positions created by this legislation. In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below the table.*

Position Title and Department*	Position Number for Existing Positions	Fund Name and Number	Part-Time/ Full Time	2007 Positions	2007 FTE	2008 Positions **	2008 FTE*
N/A							
TOTAL							

* List each position separately

** 2008 positions and FTE are total 2008 position changes resulting from this legislation, not incremental changes. Therefore, under 2008, please be sure to include any continuing positions from 2007.

Notes:

- **Do positions sunset in the future?** (If yes, identify sunset date):

N/A

- **What is the financial cost of not implementing the legislation:** (Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs if the legislation is not implemented):

Without this legislation, SDOT will not be in compliance with fund balancing requirements.

- **What are the possible alternatives to the legislation that could achieve the same or similar objectives** (Include any potential alternatives to the proposed legislation, including using an existing facility to fulfill the uses envisioned by the proposed project, adding components to or subtracting components from the total proposed project, contracting with an outside organization to provide the services the proposed project would fill, or other alternatives):

There are currently no other alternatives to achieving the same or similar objective.

- **Is the legislation subject to public hearing requirements:** *(If yes, what public hearings have been held to date, and/or what plans are in place to hold a public hearing(s) in the future?)*

No.

- **Other Issues** *(including long-term implications of the legislation):*

Please list attachments to the fiscal note below:

STATE OF WASHINGTON – KING COUNTY

--SS.

218880
CITY OF SEATTLE, CLERKS OFFICE

No. 09,10,12,13&16 TITLE

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a


CT:122599.00,02-04,06,08

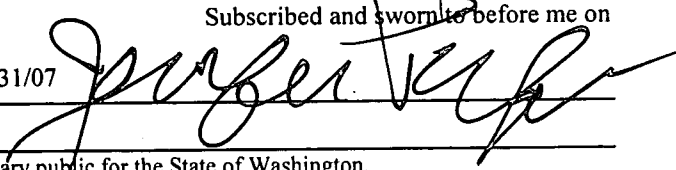
was published on

12/31/07

The amount of the fee charged for the foregoing publication is the sum of \$ 167.40, which amount has been paid in full.





Subscribed and sworn to before me on
12/31/07 

Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on December 17, 2007, and published here by title only, will be mailed upon request, or can be accessed electronically at <http://clerk.ci.seattle.wa.us>. For further information, contact the Seattle City Clerk at 684-8344.

ORDINANCE NO. 122616

AN ORDINANCE relating to the Seattle Municipal Court, authorizing execution pursuant to the Interlocal Cooperation Act of an agreement with the Washington State Department of Social and Health Services regarding the funding of a part-time State of Washington Funding Services Specialist in the Seattle Municipal Court Resource Center to provide screening services to Court defendants and the community and declaring an emergency requiring a 3/4 vote of the Seattle City Council so that the Ordinance may take effect immediately.

ORDINANCE NO. 122615

AN ORDINANCE authorizing the Mayor to sign an agreement between the City of Seattle and the King County Rural Library District for the transfer of the White Center and Boulevard Park libraries to the City of Seattle in the event of certain annexations in the unincorporated North Highline area.

ORDINANCE NO. 122612

AN ORDINANCE relating to the sale and redevelopment of the former Public Safety Building Block, authorizing the execution of a Purchase and Sale Agreement, Project Agreement and other related documents necessary to implement the sale and redevelopment of such property and exempting the sale of such property from the requirements of Resolution 29799 as amended by Resolution 30862.

ORDINANCE NO. 122610

AN ORDINANCE amending the Seattle Comprehensive Plan to incorporate changes proposed as part of the 2007 Comprehensive Plan annual amendment process.

ORDINANCE NO. 122609

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

ORDINANCE NO. 122608

AN ORDINANCE authorizing the Mayor to sign and/or execute a collective bargaining agreement by and between the City of Seattle and the Public Service & Industrial Employees, Local 1239 Recreation Unit to be effective through December 31, 2010.

ORDINANCE NO. 122606

AN ORDINANCE relating to the Seattle Center Department authorizing the execution of a revocable, non-exclusive license agreement with Teatro ZinZanni to construct certain improvements on City property for the purpose of public ingress and egress to the circus dinner theater on an adjacent property.

ORDINANCE NO. 122604

AN ORDINANCE relating to the Filipino Community Center, removing a budget provision restricting expenditure of an appropriation in the 2007 Budget, and authorizing the expenditure of the funds for purchase and acceptance of an easement with restrictive covenants from Filipino Community of Seattle to provide for City and public access uses and the provision of social services on the property at 6740 M.L. King Jr. Way South, Seattle, Washington.

ORDINANCE NO. 122603

AN ORDINANCE relating to the financing of the South Lake Union Streetcar Project, authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Transportation Master Fund and providing for the repayment thereof.

ORDINANCE NO. 122602

AN ORDINANCE concerning indigent public defense services; establishing a process for selecting providers of those services; creating a proposal review panel; setting out standards for those services; establishing contractual requirements for agreements between the City and public defense service providers; requesting the Seattle City Auditor to audit compliance; repealing Ordinance 122493 and Ordinance 121501; and ratifying and confirming certain prior acts.

ORDINANCE NO. 122600

AN ORDINANCE amending the Seattle Comprehensive Plan to incorporate a change proposed as part of the 2007 Comprehensive Plan annual amendment process for a new policy governing expansion of major employers located in manufacturing/industrial centers.

ORDINANCE NO. 122599

AN ORDINANCE authorizing the Director of Seattle Public Utilities to execute a contract with the City of North Bend to provide North Bend with a supply of mitigation water.

Publication ordered by JUDITH PIPPIN, City Clerk.
Date of publication in the Seattle Daily Journal of Commerce, December 31, 2007.
12/31/218880