

Ordinance No. 122803

Council Bill No. 116333

AN ORDINANCE related to the City of Seattle's 2007 LTGO bonds; amending the 2008 Adopted Budget by changing appropriations to various funds, departments, and budget control levels; and ratifying and confirming certain prior acts.

CF No. _____

Date Introduced:	<u>9.15.08</u>	
Date 1st Referred:	To: (<u>Finance and Budget (FAB)</u>)	
Date Re - Referred:	To: (committee)	
Date Re - Referred:	To: (committee)	
Date of Final Passage:	Full Council Vote: <u>8-6</u>	
Date Presented to Mayor:	Date Approved: <u>9.29.08</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: Jean Jordan
Councilmember

Committee Action:

9-18-08 Pass JG, SC

9-22-08 Passed BOC (Absent: Rasmussen)

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

Law Department

Law Dept. Review

OMP Review

City Clerk Review

Electronic Copy Loaded

Indexed



City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

August 26, 2008

Honorable Richard Conlin
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Conlin:

I am transmitting the attached proposed Council Bill, which adjusts budgets in several departments to reflect changes made in the use of proceeds of the 2007 LTGO multi-purpose bonds.

In October 2004, the City Council passed Ordinance 121620, which included financing up to \$16.2 million adjusted for inflation to reimburse the Woodland Park Zoological Society (Society) for costs associated with building a parking garage at the Woodland Park Zoo. In April 2007, the City issued Limited Term General Obligation Bonds, which included \$18.3 million for the garage. Subsequent to the issuance, the City's Hearing Examiner reversed the Master Use Permit for the garage issued by the Department of Planning and Development, causing the Society to suspend work on the project. In May 2008, the City redirected to the Mercer Corridor Project \$16.3 million of \$18.3 million of bond proceeds originally allocated to the zoo garage project.

Among other things, this proposed Council Bill realigns the debt service payments in various funds to reflect this change in allocation. In addition, it abandons the remaining capital budget authority for the zoo garage in the Department of Parks and Recreation's 2008 budget.

Thank you for your consideration of this legislation. Should you have any questions, please contact Jan Oscherwitz at 684-8510.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Nickels", written over a large, faint circular stamp or watermark.

GREG NICKELS
Mayor of Seattle

A:\DOF - 2007 LTGO Bond Budget Reallocation ORD Ltr.doc

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BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1 The appropriations for the following items in the 2008 Adopted Budget are reduced from the funds shown, as follows:

Item	Fund	Department	Budget Control Level	Amount
1.1	Cumulative Reserve Subfund REET 1 Subaccount (00163)	Department of Parks and Recreation	Debt Service and Contract Obligation (K72440)	(\$86,429.69)
1.2	Cumulative Reserve Subfund REET 1 Subaccount (00163)	Cumulative Reserve Subfund	2007 LTGO Bond - Woodland Park Zoo Garage - REET I	(872,000.00)
1.3	2007 LTGO Bond Fund	Department of Parks and Recreation	Building Component Renovations (K72444)	(\$16,427,914.00)
Total				(\$17,386,343.69)

Section 2. The appropriations for the following items in the 2008 Budget are increased from the funds shown, as follows:

Item	Fund	Department	Budget Control Level	Amount
2.1	Bond Interest and Redemption Fund	Debt Service	Bond Interest and Redemption Budget Control Level	267,000.00
2.2	Bond Interest and Redemption Fund	Debt Service	Bond Interest and Redemption Budget Control Level	26,806.75
2.3	Transportation Operating Fund	Seattle Department of Transportation	General Expense (18002)	844,943.75
Total				\$1,138,750.50

Section 3. Cash associated with item 2.1 above is hereby transferred into the Cumulative Reserve Subfund, REET 1 Subaccount to repay that fund for prior expenditures associated with debt service on the 2007 LTGO bonds.



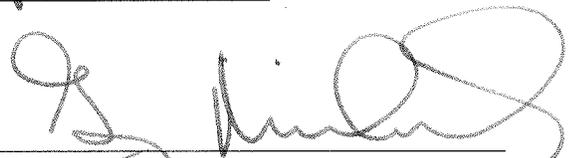
1 Section 4. This ordinance shall take effect and be in force thirty (30) days from and after
2 its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days
3 after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.
4

5 Section 5. Any act pursuant to the authority of this ordinance taken after the passage of
6 this ordinance is hereby ratified and confirmed. If any provision of this ordinance is determined
7 to be invalid or unenforceable the remainder shall nonetheless remain in full force and effect.
8

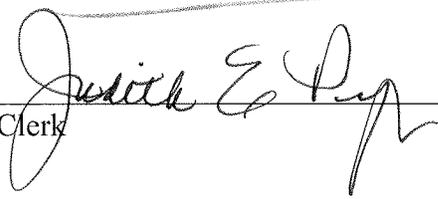
9
10 Passed by the City Council the 22nd day of September, 2008, and
11 signed by me in open session in authentication of its passage this
12 22nd day of September, 2008.
13

14
15 
16 President _____ of the City Council

17 Approved by me this 29th day of September, 2008.
18

19 
20 Gregory J. Nickels, Mayor
21

22 Filed by me this 2nd day of October, 2008.
23

24 
25 City Clerk
26

27 (Seal)



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Department of Finance		Jan Oscherwitz 684-8510

Legislation Title: AN ORDINANCE related to the City of Seattle's 2007 LTGO bonds; amending the 2008 Adopted Budget by changing appropriations to various funds, departments, and budget control levels; and ratifying and confirming certain prior acts.

• **Summary of the Legislation:**

This legislation revises fund sources for debt service related to the 2007 LTGO bonds in the 2008 Adopted Budget. This legislation also abandons capital budget authority for the Woodland Park Zoo Garage associated with the 2007 LTGO bonds.

Background:

Through the Operations and Management Agreement (Agreement) between the City of Seattle and the Woodland Park Zoological Society (Society), amended by Ordinance 121620 in October 2004, the City agreed to finance up to \$16.2 million adjusted for inflation to reimburse the Society for the construction of a parking garage at the Woodland Park Zoo, no sooner than March 1, 2007.

In April 2007, the City issued the 2007 Multi-Purpose LTGO bonds which included \$18.3 million for a parking garage at the zoo. Subsequent to that issuance, the City's Hearing Examiner reversed the Master Use Permit issued by the Department of Planning and Development for the garage and, as a result, the Society suspended work on that project. In May 2008, through Ordinance 122696, the City Council revised the list of projects to be funded from the 2007 Multi-purpose LTGO bonds and allocated \$16.3 million of remaining proceeds originally designated for the parking garage at Woodland Park Zoo to the Mercer Corridor Project in the Seattle Department of Transportation.

The City has expended approximately \$1.9 million to reimburse the Society for its expenses incurred in planning, design, and permitting of the garage and to pay for bond issuance costs. Under the existing Agreement, the City is required to pay 75% of the debt service and the Society is required to pay 25% of debt service on financing related to the garage. The City originally budgeted REET funds to pay for the garage. The City will use interest earnings on the 2007 LTGO bonds to reimburse the REET subaccount for funds used to pay the City's share of debt service in 2007. Interest earnings will also be used to pay both the City's and Society's share of the 2008 debt service related to the zoo garage. Bridging the Gap levy revenues will be used to fund debt service related to the Mercer Corridor project.

- *Please check one of the following:*



This legislation does not have any financial implications.

 ✓ **This legislation has financial implications.**

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2008 Appropriation	2009 Anticipated Appropriation
Cumulative Reserve Subfund REET 1 Subaccount (00163)	DPR	Debt Service and Contract Obligation (K72440)	(\$86,429.69)	
Cumulative Reserve Subfund REET 1 Subaccount (00163)	CRS	2007 LTGO Bond - Woodland Park Zoo Garage - REET I	(872,000)	
2007 LTGO Bond Fund	DPR	Building Component Renovations (K72444)	(\$16,427,914)	
Bond Interest and Redemption Fund	Debt Service	Bond Interest and Redemption Budget Control Level	267,000	
Bond Interest and Redemption Fund	Debt Service	Bond Interest and Redemption Budget Control Level	26,806.75	
Transportation Operating Fund	SDOT	General Expense (18002)	844,943.75	

Notes: Debt service payments for the 2007 Multi-purpose bonds in the Mayor's proposed 2009 - 2010 budget will reflect current spending plans and fund sources.

Anticipated Revenue/Reimbursement: Resulting From This Legislation:

Fund Name and Number	Department	Revenue Source	2008 Revenue	2009 Revenue
TOTAL				

Notes: Under the terms of the existing agreement between the City and the Woodland Park Zoological Society, the Society will continue to pay 25% of the debt service on the \$1.9M spent on planning and designing the zoo parking garage until that debt is paid off. For 2008, debt service will be funded from interest earned on the 2007 LTGO bonds.

Total Regular Positions Created, Modified, Or Abrogated Through This Legislation, Including FTE Impact: N/A

Position Title and Department	Position # for Existing Positions	Fund Name & #	PT/FT	2008 Positions	2008 FTE	2009 Positions*	2009 FTE*
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TOTAL							

Notes:

- **Do positions sunset in the future?** : *N/A*

Spending/Cash Flow: *N/A*

Fund Name & #	Department	Budget Control Level*	2008 Expenditures	2009 Anticipated Expenditures
TOTAL				

Notes:

- **What is the financial cost of not implementing the legislation?** A debt service payment on the 2007 Multi-purpose bond is due October 1, 2008. If this legislation is not passed, debt service cannot be charged to appropriate funds.
-
- **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** None
-
- **Is the legislation subject to public hearing requirements:** No
-
- **Other Issues**

Please list attachments to the fiscal note below:



STATE OF WASHINGTON – KING COUNTY

--ss.

229958
CITY OF SEATTLE, CLERKS OFFICE

No. 122788-122812

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.

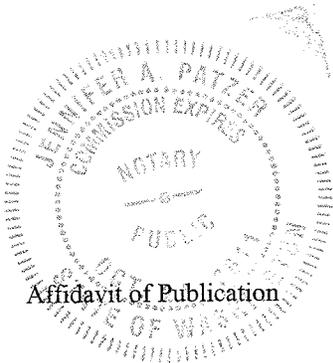
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:TITLEDONLY ORDINANCE

was published on

10/07/08

The amount of the fee charged for the foregoing publication is the sum of \$ 196.70, which amount has been paid in full.



Affidavit of Publication

[Signature]

Subscribed and sworn to before me on
10/07/08 *[Signature]*

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 September 22, 2008, and published here by title only, will be

mailed, at no cost, on request for two months after this publication.

For further information, contact the Seattle City Clerk at 684-8344.

ORDINANCE NO. 122788

AN ORDINANCE approving and confirming the plat of "Bitterlake Townhomes Addition to the City of Seattle" in a portion of Section 19, Township 26 North, Range 4 East, W.M. in King County, Washington.

ORDINANCE NO. 122797

AN ORDINANCE relating to the municipal water system of The City of Seattle; adopting a system or plan of additions or betterments to or extensions of the existing municipal water system; authorizing the issuance and sale of water system revenue bonds, in one or more series, for the purposes of paying part of the cost of carrying out that system or plan, providing a bond reserve and paying the costs of issuing and selling the bonds; providing for the terms, conditions, covenants and manner of sale of those bonds; describing the lien of the bonds; and creating certain accounts of the City relating to those bonds.

ORDINANCE NO. 122799

AN ORDINANCE relating to reviewing the status of Neighborhood Plans and updating Neighborhood Plans where transit stations are or will be located and removing a budget proviso that restricted spending of a 2008 budget appropriation.

ORDINANCE NO. 122801

AN ORDINANCE relating to the City Light Department; authorizing an amendment to the Power Purchase and Sale Contract for the Lucky Peak Power Plant Project, which simplifies the calculation of the Royalty Payment made by City Light.

ORDINANCE NO. 122803

AN ORDINANCE related to the City of Seattle's 2007 LTGO bonds; amending the 2008 Adopted Budget by changing appropriations to various funds, departments, and budget control levels; and ratifying and confirming certain prior acts.

ORDINANCE NO. 122804

AN ORDINANCE relating to the City Light Department; authorizing the acquisition of real property located in the North Downtown area of Seattle and legally described as Lots 17, 18 and 19, all in Block 13, Pontius Fourth Addition to the City of Seattle, according to the plat thereof recorded in Volume 7 of Plats, Page 8, Records of King County, Washington, for electric system purposes.

ORDINANCE NO. 122805

AN ORDINANCE relating to the City Light Department; authorizing the Superintendent or his designee to enter into a seventeen-year power purchase agreement with the Bonneville Power Administration and related agreements.

ORDINANCE NO. 122806

AN ORDINANCE relating to the City Light Department, accepting various easements for overhead and underground electrical rights in King County, Washington; and placing said easements under the jurisdiction of the City Light Department.

ORDINANCE NO. 122807

AN ORDINANCE relating to the electric system of The City of Seattle; authorizing the issuance and sale of municipal light and power revenue bonds for the purposes of providing funds for certain additions and betterments to and extensions of the existing municipal light and power plant and system of the City, paying the costs of issuing and selling those bonds and providing for the reserve fund requirement; providing for the terms, conditions, covenants and manner of sale of those bonds; and describing the lien of those bonds.

ORDINANCE NO. 122808

AN ORDINANCE relating to the City Light Department; authorizing execution of a 15-year agreement with Redding Electric Utility for the exchange of renewable energy and environmental attributes.

ORDINANCE NO. 122810

AN ORDINANCE relating to economic and community development; authorizing a loan of federal Section 108 loan proceeds to finance acquisition and development of 9800 40th Avenue South and refinance existing debt; appropriating and authorizing the disbursement of Brownfields Economic Development Initiative grant ("BEDI Grant") funds to provide loan loss reserves on the loan and to finance project costs; authorizing loan documents, amendments, replacements and related documents and actions; appropriating and authorizing the collection of loan origination fees associated with the loan; and authorizing amendments to the City's 2005-2008 Consolidated Plan to reflect the transactions contemplated by this ordinance; all by a three-fourths vote of the City Council.

ORDINANCE NO. 122811

AN ORDINANCE relating to economic and community development; authorizing a loan of federal Section 108 loan proceeds to finance a portion of the costs of a community economic development project at 3333 Rainier Avenue South; appropriating and authorizing the disbursement of Brownfields Economic Development Initiative grant ("BEDI Grant") funds to provide loan loss reserves on the loan and to finance project costs; authorizing loan documents, amendments, replacements and related documents and actions; and authorizing amendments to the City's 2005-2008 Consolidated Plan to reflect the transactions contemplated by this ordinance.

ORDINANCE NO. 122812

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

Date of publication in the Seattle Daily Journal of Commerce, October 7, 2008.

10/7(229958)