

Ordinance No. 123579

Council Bill No. 117134

AN ORDINANCE amending Ordinance 123442, which adopted the 2011 Budget; changing appropriations to various departments and budget control levels, and from various funds in the Budget; making cash transfers between funds; authorizing an agreement with the Seattle Indian Services Commission; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: Nick Rodden
Councilmember
Rodden

Committee Action:

PASS Y-JL, ML, M'OB 4/13/11 Finance and Budget

CF No. _____

Date Introduced:	<u>3-21-11</u>	
Date 1st Referred:	<u>3-21-11</u>	To: (committee) <u>Housing, Human Services</u>
Date Re - Referred:	<u>4-4-11</u>	To: (committee) <u>Health + Culture</u> <u>Finance + Budget</u>
Date Re - Referred:		To: (committee)
Date of Final Passage:	<u>4/11/11</u>	Full Council Vote: <u>9-0</u>
Date Presented to Mayor:	<u>4/12/11</u>	Date Approved: <u>4-18-11</u>
Date Returned to City Clerk:	<u>4-19-11</u>	Date Published: T.O. <input checked="" type="checkbox"/> F.T. <input type="checkbox"/>
Date Vetoed by Mayor:		Date Veto Published:
Date Passed Over Veto:		Veto Sustained:

~~APR 11 2011~~

APR 11, 2011 Full Council PASSED 9-0

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

ORDINANCE 123579

1
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13
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AN ORDINANCE amending Ordinance 123442, which adopted the 2011 Budget; changing appropriations to various departments and budget control levels, and from various funds in the Budget; making cash transfers between funds; authorizing an agreement with the Seattle Indian Services Commission; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

WHEREAS, the Seattle Indian Services Commission, a public corporation chartered by the City under Ordinance 103387, owns and operates the Pearl Warren Building, located at 606 12th Avenue South; and

WHEREAS, the City, in Ordinance 117014 guaranteed up to \$6.0 million in tax-exempt bonds for the acquisition and construction of the building in 1994 (later refinanced by Ordinance 121559 in 2004); and

WHEREAS, the building's façade is currently damaged and allows rainwater to enter the interior, making habitation difficult for its tenant organization, the Seattle Indian Health Board; and

WHEREAS, despite extensive efforts at mediation, the Seattle Indian Services Commission and the Seattle Indian Health Board and have been unable to agree on a proposal to transfer ownership of the building; and

WHEREAS, the City may be liable for debt service payments on the bonds should the Seattle Indian Health Board terminate its lease; and

WHEREAS, all parties desire to erect a protective covering on the building's façade to prevent further damage and improve habitability while a damage assessment and repair plan are developed; and

WHEREAS, the Seattle Indian Services Commission voted unanimously (SISC Resolution 2011-02) to accept a \$100,000 loan from the City of Seattle to finance protection and damage assessment work at the Pearl Warren Building on March 8, 2011; and

WHEREAS, the City expects to reduce its Emergency Subfund reserves in 2012 in accordance with state law due to continued declines in assessed value on properties in Seattle; NOW, THEREFORE,



BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. In order to pay for necessary costs and expenses incurred or to be incurred in 2011, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time the 2011 Budget was adopted, appropriations for the following items in the 2011 Budget are increased from the funds shown, as follows:

Item	Fund	Department	Budget Control Level	Amount
1.1	General Subfund (00100)	Finance General	Reserves (2QD00)	\$100,000
Total				\$100,000

Section 2. To support the appropriation made above, cash is hereby transferred as shown in the following table:

Item	Fund	Department	Amount	Transferred (In / Out)
2.1	General Subfund (00100)	Finance General	\$100,000	Transferred In
	Emergency Subfund (00185)	Finance and Administrative Services	\$100,000	Transferred Out
Total			\$0	

Section 3. The Mayor is authorized to execute, on behalf of the City, an agreement with the Seattle Indian Services Commission that utilizes the above funds for repair and protection work at the Pearl Warren Building, and provides for repayment of these funds to the City within two years, or upon sale or transfer of the building.

Section 4. The several provisions of this ordinance are declared to be separate and severable and the invalidity of any clause, sentence, paragraph, subdivision, section, or portion



1 of this ordinance, or the invalidity of the application thereof to any person or circumstance,
2 shall not affect the validity of the remainder of this ordinance or the validity of its application
3 to other persons or circumstances.

4
5 Section 5. Any acts consistent with the authority of this ordinance taken prior to the
6 effective date of this ordinance are hereby ratified and confirmed.

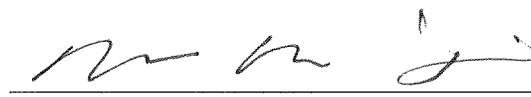
7
8 Section 6. This ordinance shall take effect and be in force 30 days after its approval by the
9 Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall
10 take effect as provided by Seattle Municipal Code Section 1.04.020.

11 Passed by a 3/4 vote of all of the members of the City Council the 11th day of
12 April, 2011, and signed by me in open session in authentication of its
13 passage this

14
15 11th day of April, 2011.

16
17 
18 President _____ of the City Council

19 Approved by me this 18 day of April, 2011.

20
21
22 
23 Michael McGinn, Mayor

John McCoy
CS Protect Pearl Warren Building Loan ORD
March 11, 2011
Version #3

Filed by me this ^{19th} ~~18~~ day of April, 2011.

Phouca B. Simmons
City Clerk

(Seal)

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FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Legislative	John McCoy – 615-0768	Thomas L. Taylor 233-5032

Legislation Title: AN ORDINANCE amending Ordinance 123442, which adopted the 2011 Budget; changing appropriations to various departments and budget control levels, and from various funds in the Budget; making cash transfers between funds; authorizing an agreement with the Seattle Indian Services Commission; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Summary of the Legislation: This Council Bill proposes two adjustments to the 2011 Adopted Budget to support a \$100,000 loan to the Seattle Indian Services Commission. The loan will finance protection and damage assessment work at the Pearl Warren Building, located at 606 12th Avenue South.

Background: The City guaranteed bonds on the Pearl Warren building and nearby Leschi Center building, which are owned and managed by the Seattle Indian Services Commission, a public corporation chartered under Ordinance 103387. In recent months, the Pearl Warren building has developed leaks that allow rainwater to enter the structure, which may have caused damage. The \$100,000 loan is to finance the construction of scaffolding and a temporary cover to protect the building, as well as further damage assessment work. The work will be financed and contracted out by the City. It is expected that the loan will be repaid within two years, possibly out of the proceeds of a building sale. Fund balance is being transferred from the Emergency Subfund in support of this appropriation. It is expected that reductions to the Emergency Subfund will be required by state law in 2012, due to continued drops in the assessed value of property in Seattle.

X This legislation has financial implications.

Information on the following pages provide descriptions of the financial and program implications of this ordinance.

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2011 Appropriation	2012 Anticipated Appropriation
General Subfund (00100)	Finance General	Reserves (2QD00)	\$100,000	\$0
TOTAL			\$100,000	\$0

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

Notes:



Anticipated Revenue/Reimbursement: Resulting From This Legislation: The City and the Seattle Indian Services Commission are expected to sign a loan agreement, paying back the cost of the loan within two years, possibly out of the proceeds of a building sale.

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

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

Spending/Cash Flow: N/A

What is the financial cost of not implementing the legislation? If this legislation is not approved and the Seattle Indian Services Commission is not otherwise able to protect the building, the tenants have indicated their intention to break the lease. The City would potentially be responsible for \$435,000 per year of debt service on the outstanding bonds if rent revenue was not available.

Does this legislation affect any departments besides the originating department? No.

What are the possible alternatives to the legislation that could achieve the same or similar objectives? None. The parties have participated in extensive mediation efforts over the past year and have been unable to reach an agreement on the repair and ownership of the building.

Is the legislation subject to public hearing requirements: No

Other Issues: None.

List attachments to the fiscal note below: None.





City of Seattle
Office of the Mayor

March 22, 2011

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

Dear Council President Conlin:

I am transmitting the attached proposed Council Bill that makes an adjustment to the adopted 2011 Budget to support a \$100,000 loan to the Seattle Indian Services Commission. The loan will support protection and damage assessment work to the Pearl Warren Building, located at 606 12th Avenue South.

The Pearl Warren Building is owned and managed by the Seattle Indian Services Commission, a city-chartered Public Development Authority. In 1994, the City guaranteed the issuance of bonds for the construction of the Pearl Warren Building. In recent months a leak assessment identified water leaks around the window and wall structure along the southern portion of the building, which may have caused damage. The study recommended immediate steps to provide necessary protection against further water leaks and an assessment to check for the extent, if any, of mold in the wall structure. The \$100,000 loan would allow the City to take steps necessary to stop water leaks, conduct an assessment on the extent of mold and help develop a long-term plan to address repairs to the building. On March 8, 2011, the Seattle Indian Services Commission voted unanimously (SISC Resolution 2011-02) to accept this loan. The Office of Intergovernmental Relations, working through Finance and Administrative Services, will administer the contracts necessary to accomplish the protection and damage assessment work.

Thank you for your consideration of this legislation. Should you have questions, please contact Kenny Pittman, Office of Intergovernmental Relations, at 684-8364.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council



STATE OF WASHINGTON – KING COUNTY

--SS.

270167
CITY OF SEATTLE, CLERKS OFFICE

No.

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.

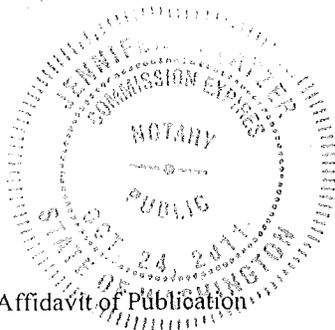
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:123575-123582 TITLE

was published on

04/22/11

The amount of the fee charged for the foregoing publication is the sum of \$ 129.68, which amount has been paid in full.



Affidavit of Publication

Subscribed and sworn to before me on

04/22/11

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 April 11, 2011, and published here by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For further information, contact the Seattle City Clerk at 684-8344.

ORDINANCE NO. 123575

AN ORDINANCE amending the Seattle Comprehensive Plan to incorporate changes proposed as part of the 2010-2011 Comprehensive Plan annual amendment process.

ORDINANCE NO. 123576

AN ORDINANCE relating to financing the solid waste system of The City of Seattle, Washington; adopting a system or plan of additions and betterments to and extensions of the solid waste system; authorizing the issuance and sale of solid waste revenue bonds, in one or more series, for the purposes of paying all or 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; authorizing the execution of certain agreements relating thereto; providing for the terms, conditions, covenants and manner of sale of the bonds; describing the lien of the bonds; creating certain accounts of the City relating to the bonds; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123577

AN ORDINANCE relating to acceptance of energy efficiency funds for the Office of Housing; authorizing acceptance of grant funds from the State of Washington allocated by the U.S. Department of Energy through the American Recovery and Reinvestment Act of 2009, accepting funds from Puget Sound Energy, authorizing the Mayor and Director of Housing or their designees to execute related agreements, increasing an appropriation in the 2011 Adopted Budget for the Office of Housing, and ratifying and confirming prior acts; all by a three fourths vote of the City Council.

ORDINANCE NO. 123578

AN ORDINANCE relating to the City Light Department; amending Seattle Municipal Code, Chapter 21.49.130.B to clarify certain aspects of the Department's authority and extend the Department's authority to enter into contracts for periods of up to 24 months for the acquisition, exchange or sale of short-term capacity or energy, or integration, transmission or ancillary services; and ratifying and confirming prior acts.

ORDINANCE NO. 123579

AN ORDINANCE amending Ordinance 123442, which adopted the 2011 Budget; changing appropriations to various departments and budget control levels, and from various funds in the Budget; making cash transfers between funds; authorizing an agreement with the Seattle Indian Services Commission; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

ORDINANCE NO. 123580

AN ORDINANCE amending the 2010 Adopted Budget, including the 2010-2015 Capital Improvement Program (CIP); changing appropriations to various departments and from various funds in the Budget; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123581

AN ORDINANCE relating to the 2008 Parks and Green Spaces Levy; accepting the recommendations of the 2008 Parks and Green Spaces Levy Oversight Committee concerning the Opportunity Fund and the Playfields subcategory; amending the 2011 Adopted Budget and 2011-2016 Capital Improvement Program; increasing appropriations in connection thereto; and ratifying and confirming certain prior acts, all by a three-fourths vote of the City Council.

ORDINANCE NO. 123582

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

Publication ordered by the City Clerk

Date of publication in the Seattle Daily Journal of Commerce, April 22, 2011.

4/22(270167)