

Ordinance No. 124639

Council Bill No. 110243

AN ORDINANCE relating to the financing of the South Lake Union Streetcar project; amending Ordinance 122603, last amended by Ordinance 123748, to extend the term of an interfund loan.

Related Legislation File: \_\_\_\_\_

Date Introduced and Referred: <u>10.27.14</u> <del>10.20.14</del>	To: (committee): <u>Budget</u>
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <u>11/24/14</u>	Date Presented to Mayor: <u>11/26/14</u>
Date Signed by Mayor: <u>12/2/14</u>	Date Returned to City Clerk: <u>12/2/14</u>
Published by Title Only <u>X</u>	Date Vetoed by Mayor:
Published in Full Text _____	
Date Veto Published:	Date Passed Over Veto:
Date Veto Sustained:	Date Returned Without Signature:

# The City of Seattle – Legislative Department

Council Bill/Ordinance sponsored by: Licata

## Committee Action:

Date	Recommendation	Vote
<u>11/14/14</u>	<u>Pass as amended</u>	<u>9-0</u>

This file is complete and ready for presentation to Full Council. \_\_\_\_\_

## Full Council Action:

Date	Decision	Vote
<u>Nov. 24, 2014</u>	<u>Passed</u>	<u>9-0</u>

*Law Department*

**CITY OF SEATTLE**

**ORDINANCE** 124639

**COUNCIL BILL** 118243

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4 AN ORDINANCE relating to the financing of the South Lake Union Streetcar project; amending  
5 Ordinance 122603, last amended by Ordinance 123748, to extend the term of an  
6 interfund loan.

7 WHEREAS, upon the passage of Ordinance 122603, which authorized a loan of up to \$5.945  
8 million, \$5.945 million was loaned from the Consolidated (Residual) Cash Pool to the  
9 Transportation Master Fund, with repayment scheduled for no later than December 31,  
2009; and

10 WHEREAS Ordinance 123164 extended the term of the interfund loan with repayment  
scheduled for no later than December 31, 2012; and

11 WHEREAS, as described in Ordinance 122603, the loan was to be repaid, in part, with proceeds  
12 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; and

14 WHEREAS, the Seattle Department of Transportation (SDOT) is in the design phase of the  
15 Center City Streetcar Connector project and may need to use the surplus property at 318  
Fairview Avenue North for additional streetcar maintenance and storage capacity; and

16 WHEREAS, Ordinance 123748 extended the term of the interfund loan with repayment  
17 scheduled for no later than December 31, 2014; and

18 WHEREAS, there is sufficient cash in the City's Consolidated (Residual) Cash Pool or its  
19 participating funds to continue to support a loan of up to \$5.945 million through the end  
20 of 2016; NOW, THEREFORE,

21 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

22 Section 1. Section 1 of Ordinance 122603, as amended by Ordinance 123164 and  
23 Ordinance 123748, is further amended as follows:  
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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, 2014)) December 31, 2016, with interest))~~ Interest on the loan shall be at the rate  
7 of return of the City's Consolidated (Residual) Cash Pool. If the loan plus accrued interest is not  
8 repaid by December 31, 2016, the Transportation Master Fund will begin repaying the City's  
9 Consolidated (Residual) Cash Pool a minimum of \$300,000 per year thereafter until the loan plus  
10 accrued interest has been repaid.

11 Section 2. Section 3 of Ordinance 122603, as amended by Ordinance 123164 and  
12 Ordinance 123748, is further amended as follows:

13  
14 Section 3. The Director of Finance may effectuate the loan authorized in Section 1 by  
15 transferring cash from one or more of the funds participating in the City's Consolidated  
16 (Residual) Cash Pool to the Transportation Master Fund, or by carrying the Transportation  
17 Master Fund in a negative cash position in an amount not to exceed Five Million Nine Hundred  
18 Forty-Five Thousand Dollars (\$5,945,000) beyond the negative balance authorized by Ordinance  
19 120016 ~~((, until no later than ((December 31, 2014)) December 31, 2016)).~~



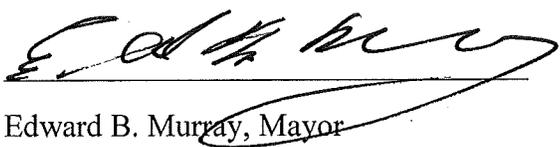
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Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

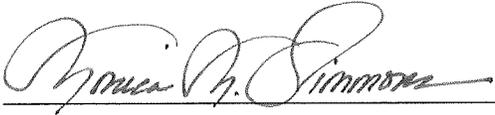
Passed by the City Council the 24<sup>th</sup> day of Nov., 2014, and signed by me in open session in authentication of its passage this 24<sup>th</sup> day of Nov., 2014.

  
\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this 2 day of December, 2014.

  
Edward B. Murray, Mayor

Filed by me this 2<sup>nd</sup> day of December, 2014.

  
\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)



**2015 BUDGET LEGISLATION FISCAL NOTE**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
SDOT	Christine Patterson/3-7806	Christie Parker/4-5211

**Legislation Title:**

AN ORDINANCE relating to the financing of the South Lake Union Streetcar project; amending Ordinance 122603, last amended by Ordinance 123748, to extend the term of an interfund loan.

**Summary of the Legislation:**

This legislation extends the end date of the \$5.945M Interfund Loan for the South Lake Union Streetcar capital project from December 31, 2014 to December 31, 2016.

**Background:**

Ordinance 122603 authorized a loan of up to \$5.945M from the Consolidated (Residual) Cash Pool to the Transportation Master Fund with a repayment date of December 31, 2009. Ordinance 123164 extended the loan until December 31, 2012, and was subsequently extended by Ordinance 123748 to December 31, 2014. The loan is to be repaid by proceeds from the sale of surplus property adjacent to the Streetcar Maintenance Facility and Yard at 318 Fairview Avenue North. SDOT is in the design phase of the Center City Connector streetcar project and may have an increased need for streetcar maintenance and storage capacity. The sale of the property is on hold until the issue is resolved. For this reason, the length of the Interfund loan needs to be extended.

Though not expressly addressed in the legislation, the loan extension will result in additional interest expense; however, some of the expenses are offset by revenue from leasing the property to the construction management team on Mercer East and, more recently, from leasing the property to Seattle City Light. The actual and forecast interest expenses for each year of the loan are shown in the table on the following page.



**Summary Accrued and Estimated Interest on \$5.1 million South Lake Union Streetcar Capital Loan**  
 Estimated rates provided by Treasury for Consolidated Cash Pool

Year	Rate Basis	Annual Rate	Accrued Interest
2008	CAFR	0.03905	\$180,553
2009	CAFR	0.0165	\$94,335
2010	CAFR	0.01027	\$51,048
2011	CAFR	0.00824	\$40,671
2012	CAFR	0.00784	\$38,919
2013	CAFR	0.00675	\$37,937
2014	Estimate	0.0089	\$45,212
2015	Estimate	0.0132	\$67,056
2016	Estimate	0.03	\$152,400

**Estimated Total Interest Liability: \$708,132**

This legislation does not have any financial implications.

This legislation has financial implications.

**Summary of Changes to Revenue Generated Specifically from this Legislation:**

	Revenue Source	2015 Proposed	2016 Proposed
<b>Total Fees and Charges Resulting From Passage of This Ordinance</b>		\$67,056	\$152,400

Revenue Change Notes: N/A

**Anticipated Total Revenue from Entire Program, Including Changes Resulting from this Legislation:**

Fund Name and Number	Revenue Source	Total 2015 Revenue	Total 2016 Revenue
<b>TOTAL</b>			

Total Revenue Notes: N/A

**Other Implications:**

- a) **Does the legislation have indirect financial implications, or long-term implications?**  
 The South Lake Union property is being leased to Seattle City Light (SCL) to house their construction management team that is working on a construction project in the area. The revenues from their lease payments will be deposited into the Streetcar Subfund to partially offset the interest accrued.
- b) **What is the financial cost of not implementing the legislation?**  
 We would have to sell the property now and risk having to re-purchase it in the future if the additional streetcar facility is needed.
- c) **Does this legislation affect any departments besides the originating department?**  
 Department of Finance and Administrative Services will administer the loan.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**  
 Sell the property now and risk having to re-purchase it in the future if the additional streetcar facility is needed.
- e) **Is a public hearing required for this legislation?**  
 No.
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
 No.
- g) **Does this legislation affect a piece of property?**  
 Yes, surplus property adjacent to the Streetcar Maintenance Facility and Yard at 318 Fairview Avenue North.
- h) **Other Issues:**

List attachments to the fiscal note below:







**City of Seattle**  
**Edward B. Murray**  
**Mayor**

September 22, 2014

Honorable Tim Burgess, President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Burgess:

I am transmitting the attached proposed Council Bill for consideration with the 2015 Proposed Budget. This legislation extends the end date of the South Lake Union Streetcar project Interfund Loan from December 31, 2014 until December 31, 2016.

The Interfund loan was to be repaid with proceeds from the sale of surplus property adjacent to the South Lake Streetcar Maintenance Facility and Yard at 318 Fairview Avenue North. SDOT is in the design phase of the Center City Connector streetcar project and is evaluating whether the property will be needed for additional streetcar maintenance and storage capacity. The sale of the property is on hold until the issue is resolved; therefore, the loan date needs to be extended. In the meantime, the property was leased to the construction contractor through the duration of construction of the Mercer East project and subsequently Seattle City Light will lease the building for the duration of their improvements in the area. The lease payments are helping to defray the interest payment on the loan.

Thank you for your consideration of this legislation. Should you have questions, please contact Christine Patterson at 233-7806.

Sincerely,

Edward B. Murray  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

COUNCIL BILL 118243

AN ORDINANCE relating to the financing of the South Lake Union Streetcar project; amending Ordinance 122603, last amended by Ordinance 123748, to extend the term of an interfund loan.

WHEREAS, upon the passage of Ordinance 122603, which authorized a loan of up to \$5.945 million, \$5.945 million was loaned from the Consolidated (Residual) Cash Pool to the Transportation Master Fund, with repayment scheduled for no later than December 31, 2009; and

WHEREAS Ordinance 123164 extended the term of the interfund loan with repayment scheduled for no later than December 31, 2012; and

WHEREAS, as described in Ordinance 122603, the loan was to be repaid, in part, with 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; and

WHEREAS, the Seattle Department of Transportation (SDOT) is in the design phase of the Center City Streetcar Connector project and may need to use the surplus property at 318 Fairview Avenue North for additional streetcar maintenance and storage capacity; and

WHEREAS, Ordinance 123748 extended the term of the interfund loan with repayment scheduled for no later than December 31, 2014; and

WHEREAS, there is sufficient cash in the City's Consolidated (Residual) Cash Pool or its participating funds to continue to support a loan of up to \$5.945 million through the end of 2016; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. Section 1 of Ordinance 122603, as amended by Ordinance 123164 and Ordinance 123748, is further amended 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, 2014))~~ December 31, 2016, with interest on the loan at the rate of return of the  
7 City's Consolidated (Residual) Cash Pool.

8 Section 2. Section 3 of Ordinance 122603, as amended by Ordinance 123164 and  
9 Ordinance 123748, is further amended as follows:

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11 Section 3. The Director of Finance may effectuate the loan authorized in Section 1 by  
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13 (Residual) Cash Pool to the Transportation Master Fund, or by carrying the Transportation  
14 Master Fund in a negative cash position in an amount not to exceed Five Million Nine Hundred  
15 Forty-Five Thousand Dollars (\$5,945,000) beyond the negative balance authorized by Ordinance  
16 120016, until no later than ~~((December 31, 2014))~~ December 31, 2016.

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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 \_\_\_\_\_, 2014, and signed by me in open session in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_

President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_

Edward B. Murray, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_

Monica Martinez Simmons, City Clerk

(Seal)



STATE OF WASHINGTON -- KING COUNTY

--SS.

318499

No. 124638,639,640,641,642,43

CITY OF SEATTLE, CLERKS OFFICE

**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 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

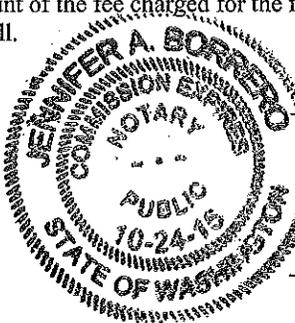
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT: TITLE ONLY ORDINANCES

was published on

12/17/14

The amount of the fee charged for the foregoing publication is the sum of \$89.70 which amount has been paid in full.



Subscribed and sworn to before me on

12/17/2014

Notary public for the State of Washington,  
residing in Seattle

Affidavit of Publication

# State of Washington, King County

## City of Seattle

### Title Only Ordinances

The full text of the following legislation, passed by the City Council on November 24, 2014, and published below by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Contact: Office of the City Clerk at (206) 684-8344.

#### ORDINANCE NO. 124638

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 124038, to extend the term of an interfund loan.

#### ORDINANCE NO. 124639

AN ORDINANCE relating to the financing of the South Lake Union Streetcar project; amending Ordinance 122603, last amended by Ordinance 123748, to extend the term of an interfund loan.

#### ORDINANCE NO. 124640

AN ORDINANCE relating to the Firefighters' Pension Fund established under RCW 41.16; amending Ordinance 117216 as last amended by Ordinance 124057 to continue the suspension of contributions to the Actuarial Account for an additional two years through 2018.

#### ORDINANCE NO. 124641

AN ORDINANCE relating to City employment; amending Ordinance 124035 to remove a sunset date and revise reporting requirements.

#### ORDINANCE NO. 124642

AN ORDINANCE relating to the Department of Parks and Recreation; establishing the 2015-2016 fee schedule for the use of park properties and other park and recreation facilities and services; superseding previous park and recreation fee schedules; and amending Section 18.28.010 of the Seattle Municipal Code.

#### ORDINANCE NO. 124643

AN ORDINANCE relating to the organization of City government; creating an Office of Labor Standards; establishing the mission and functions of the Office of Labor Standards; describing the responsibilities and membership of a Labor Standards Advisory Commission; and adding new sections 3.14.934 and 3.14.945 to the Seattle Municipal Code.

Date of publication in the Seattle Daily Journal of Commerce, December 17, 2014.

12/17(318499)