SEATTLE CITY COUNCIL

Legislative Summary

CB 118844

Record No.: CB 118844 **Type:** Ordinance (Ord) **Status:** Passed

Version: 1 **Ord. no:** Ord 125202 **In Control:** City Clerk

File Created: 09/23/2016

Final Action: 11/28/2016

Title: AN ORDINANCE relating to the Smith Cove project and the Capital Fund in the Department of Parks and Recreation; amending Ordinance 124909 to extend the duration of loan, increasing the loan amount to $4 million and establishing the City's 2008 Parks and Green Spaces Levy as the lending fund for the Smith Cove interfund loan; and authorizing the loan of funds from the City's 2008 Parks and Green Spaces Levy fund, or its participating funds, in the amount of $4,000,000 to the Parks Capital Fund for bridge financing of other Seattle Parks District approved capital projects.

	Date
Filed with City Clerk:	11/22/2016
Mayor's Signature:	11/22/2016
Vetoed by Mayor:	
Veto Overridden:	
Veto Sustained:	

Notes:

Sponsors: Burgess

Attachments:

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published: ☐ Yes ☐ No

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	09/26/2016	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	10/07/2016	sent for review	Council President's Office			
	Action Text: The Council Bill (CB) was sent for review. to the Council President's Office **Notes:**						
1	Council President's Office	10/20/2016	sent for review	Select Budget Committee			
	Action Text: The Council Bill (CB) was sent for review. to the Select Budget Committee **Notes:**						

1	Full Council	11/07/2016	referred	Select Budget Committee	
1	Select Budget Committee	11/16/2016	pass		Pass

Action Text: The Committee recommends that Full Council pass the Council Bill (CB).
Notes:

In Favor: 9 Chair Burgess, Member Bagshaw, Member Harrell, Member Herbold, Member Juarez, Member Johnson, Member González , Member O'Brien, Member Sawant

Opposed: 0

1	Full Council	11/21/2016	passed		Pass

Action Text: The Council Bill (CB) was passed by the following vote, and the President signed the Bill:

In Favor: 9 Councilmember Bagshaw, Councilmember Burgess, Councilmember González , Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien, Councilmember Sawant

Opposed: 0

1	City Clerk	11/22/2016	submitted for Mayor's signature	Mayor
1	Mayor	11/28/2016	Signed	
1	Mayor	11/28/2016	returned	City Clerk

Action Text: The Council Bill (CB) was returned. to the City Clerk
Notes:

1	City Clerk	11/28/2016	attested by City Clerk

Action Text: The Ordinance (Ord) was attested by City Clerk.
Notes:

CITY OF SEATTLE

ORDINANCE 125202

COUNCIL BILL 118844

AN ORDINANCE relating to the Smith Cove project and the Capital Fund in the Department of Parks and Recreation; amending Ordinance 124909 to extend the duration of loan, increasing the loan amount to $4 million and establishing the City's 2008 Parks and Green Spaces Levy as the lending fund for the Smith Cove interfund loan; and authorizing the loan of funds from the City's 2008 Parks and Green Spaces Levy fund, or its participating funds, in the amount of $4,000,000 to the Parks Capital Fund for bridge financing of other Seattle Parks District approved capital projects.

WHEREAS, in accordance with RCW 35.61.040, formation of the Seattle Park District became effective and its boundaries established as of August 19, 2014, upon certification of results of the August 5, 2014 election; and

WHEREAS, The City of Seattle entered into an interlocal agreement with the Seattle Park District through Ordinance 124468 which included Initiative 4.6 Develop Smith Cove Park financed by debt service payments starting in 2017 and ending in 2026; and

WHEREAS, in the normal course of business the City may temporarily lend cash between funds to maintain required balances; and

WHEREAS, the City established the Park Capital Fund in 2015 to account for capital expenses associated with completing Park District funded capital projects; and

WHEREAS, the Park Capital Fund expenses are reimbursed by the Park District Fund based on three annual invoices; and

WHEREAS, the timing of payment on the reimbursement invoices regularly puts the Parks Capital Fund in a negative cash balance position due to the need to provide funds for capital projects; and

WHEREAS, the City wishes to leverage internal resources and not issue debt prematurely through the prudent use of interfund loans; 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 2015 the City adopted Ordinance 124909 authorizing the loan of $560,000 to the Park Capital Fund for bridge financing of the Smith Cove Project to be repaid in 2017; and

WHEREAS, there is sufficient cash in the City's 2008 Parks and Green Spaces Levy fund or its participating funds to support a revolving loan of up to $4,000,000 and to support increasing the Smith Cove Project interfund loan to $4,000,000 through the end of 2026; and

WHEREAS, funds loaned by the City's 2008 Parks and Green Spaces Levy fund to the Parks Capital Fund for the purpose of bridge financing Smith Cove and for the purpose of a cash reserve to maintain a positive cash position to provide financing for other capital projects is anticipated to be repaid from the Parks Capital Fund upon collection of revenues from the Seattle Park District;

WHEREAS, the Finance and Budget Directors have determined that this request is consistent with the Debt Management Policies adopted by Resolution 31553; NOW THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Director of Finance is authorized to make a revolving loan of up to $8,000,000 principal and interest outstanding at any one time from the City's 2008 Parks and Green Spaces Levy fund or its participating funds to the Parks Capital Fund, to increase the existing Smith Cove project interfund loan, that provides bridge financing, to $4,000,000 and to

provide $4,000,0000 to act as a cash reserve to keep the Park Capital Fund in a positive cash flow position (approximately ten percent of the Park District's annual capital appropriation) and provide bridge financing for other, Park District approved capital projects. The loan is to be repaid no later than December 31, 2026, with interest on the loan at the rate of return of the City's 2008 Parks and Green Spaces Levy fund. The entire principal and interest amount will be repaid from the Park Capital Fund as revenues are collected from the Seattle Park District in accordance with the park district's financial plan.

Section 2. The Director of Finance may effectuate the loan authorized in Section 1 by transferring cash from one or more funds participating in the City's 2008 Parks and Green Spaces Levy fund to the Parks Capital Fund, or by carrying the Park Capital Fund in a negative cash position in an amount not to exceed $8,000,000 until no later than December 31, 2026. 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 it is approved by the Mayor, but if not approved and returned by the Mayor within 10 days after presentation, it shall take effect as provided by the Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 21ST day of NOVEMBER, 2016, and signed by me in open session in authentication of its passage this 21st day of NOVEMBER, 2016.

President _____ of the City Council

Approved by me this 28th day of November, 2016.

Edward B. Murray, Mayor

Filed by me this 28th day of NOVEMBER, 2016.

Monica Martinez Simmons, City Clerk

(Seal)