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CITY OF SEATTLE
ORDINANCE _____
COUNCIL BILL 117546

AN ORDINANCE related to the Street Vacation Fund; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Street Vacation Subaccount residing within the Cumulative Reserve Subfund; and providing for the repayment thereof.

WHEREAS, Ordinance 123829 accepted a grant from Washington State Department of Transportation for the restoration of King Street Station and, per the terms of the grant, the City is required to provide a match funding amount; and

WHEREAS, the Street Vacation Subaccount is the chosen source to provide the match funding amount as expenditures from the fund are dedicated to the acquisition, improvement, and development of open space or transportation capital projects; and

WHEREAS, existing resources in the Street Vacation Subaccount are currently insufficient to provide the necessary support for the before mentioned project; and

WHEREAS, current street vacation activity is expected to generate more than sufficient resources to provide the required match amount, however receipt of these revenues is not expected until after year end 2012; and

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

WHEREAS, principal and interest from this loan will be repaid from street vacation revenues anticipated from current street vacation activities; and

WHEREAS, Seattle Municipal Code Section 5.06.030 (C) requires City Council approval by ordinance of any interfund loan of duration of more than 90 days; NOW, THEREFORE

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section: 1. A loan of not more than \$2,050,000 of principal and interest outstanding at any one time is hereby authorized to be made from the City's Consolidated (Residual) Cash



1 Pool, or its participating funds, to the Street Vacation Subaccount (00169) within the
2 Cumulative Reserve Subfund (CRS). This loan is to be repaid no later than December 31,
3 2014, with interest on the loan at the rate of return of the City's Consolidated (Residual) Cash
4 Pool.

5
6 Section 2. The entire principal and interest amount of the loan authorized by Section 1
7 owed by the Street Vacation Subaccount to the City's Consolidated (Residual) Cash Pool, or
8 its participating funds, shall be repaid with cash receipts from street vacation revenues
9 deposited in the Street Vacation Subaccount or from available fund balance not otherwise
10 budgeted for in the 2012 Adopted Budget.
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12
13 Section 3. The Director of Finance may effectuate the loan authorized in Section 1 by
14 transferring cash from one or more of the funds participating in the City's Consolidated
15 (Residual) Cash Pool to the Street Vacation Subaccount, or by carrying the Street Vacation
16 Subaccount in a negative cash position in an amount not to exceed \$2,050,000 through
17 December 31, 2014.
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19 Section 4. This ordinance shall take effect and be in force 30 days after its approval by
20 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
21 shall take effect as provided by Seattle Municipal Code Section 1.04.020.
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1 Passed by the City Council the ____ day of _____, 2012, and signed by
2 me in open session in authentication of its passage this ____ day of _____,
3 2012.

4 _____
5 _____
6 President _____ of the City Council

7
8 Approved by me this ____ day of _____, 2012.

9
10 _____
11 Michael McGinn, Mayor

12
13 Filed by me this ____ day of _____, 2012.

14
15 _____
16 Monica Martinez Simmons, City Clerk

17 (Seal)



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
City Budget Office	Hall Walker/233-7065	Tom Taylor/233-5032

Legislation Title: AN ORDINANCE related to the Street Vacation Fund; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Street Vacation Subaccount residing within the Cumulative Reserve Subfund; and providing for the repayment thereof.

Summary of the Legislation:

This legislation authorizes a loan of funds from the City's Consolidated Cash Pool to the Street Vacation Subaccount of the Cumulative Reserve Subfund. This action is necessary in order to provide a required local match to grant funding for the rehabilitation of King Street Station.

Background:

The interfund loan of \$2 million will cover planned capital and future interest costs and is anticipated to be repaid with funds from future street vacation revenues. Current street vacation activity is expected to generate sufficient resources to provide the required match amount; however, receipt of these revenues is not expected until after year-end 2012. This legislation authorizes the Director of Finance 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 Street Vacation Subaccount, or by carrying the Street Vacation Subaccount of the Cumulative Reserve Subfund in a negative cash position until no later than December 31, 2014.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations: N/A

Fund Name and Number	Department	Budget Control Level*	2012 Appropriation	2013 Anticipated Appropriation
TOTAL				

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



Appropriations Notes:

This legislation makes no appropriations. Appropriations to spend the loan proceeds from this interfund loan are addressed in the 2nd quarter supplemental Ordinance. The Department of Transportation will seek any necessary appropriations to repay this loan either via the normal budget process or at such a time when revenues that will be used to fund repayment of the loan and associated accrued interest have been received.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2012 Revenue	2013 Revenue
TOTAL				

Revenue/Reimbursement Notes:

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	2012 Positions	2012 FTE	2013 Positions*	2013 FTE*
TOTAL							

* 2013 positions and FTE are total 2013 position changes resulting from this legislation, not incremental changes. Therefore, under 2013, please be sure to include any continuing positions from 2012.

Position Notes:

Do positions sunset in the future? N/A

(If yes, identify sunset date)

Spending/Cash Flow: N/A

Fund Name & #	Department	Budget Control Level*	2012 Expenditures	2013 Anticipated Expenditures
TOTAL				

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



Spending/Cash Flow Notes: N/A

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
This legislation authorizes a temporary loan in 2012 from the City's consolidated cash pool. Repayment of which is expected sometime after the end of 2012.
- b) **What is the financial cost of not implementing the legislation?**
This action is necessary in order to provide a required local match to grant funding for the rehabilitation of King Street Station.
- c) **Does this legislation affect any departments besides the originating department?**
None
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** Another funding source would need to be identified to provide the required grant matching funds. The preferred funding source is the Street Vacation subfund.
- 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?**
No
- h) **Other Issues:**

List attachments to the fiscal note below:





City of Seattle
Office of the Mayor

July 24, 2012

Honorable Sally J. Clark
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Clark:

I am pleased to transmit the attached proposed Council Bill that authorizes a loan of funds from the City's Consolidated Cash Pool to the Street Vacation Subaccount of the Cumulative Reserve Subfund. This action is necessary in order to provide a required local match to grant funding for the rehabilitation of King Street Station.

The interfund loan of \$2 million will cover planned capital and future interest costs and is anticipated to be repaid with funds from future street vacation revenues. Current street vacation activity is expected to generate sufficient resources to provide the required match amount; however, receipt of these revenues is not expected until after year-end 2012. This legislation authorizes the Director of Finance 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 Street Vacation Subaccount, or by carrying the Street Vacation Subaccount of the Cumulative Reserve Subfund in a negative cash position until no later than December 31, 2014.

This legislation will enable the Seattle Department of Transportation to move forward with the King Street Station project. Thank you for your consideration of this legislation. Should you have questions, please contact Tom Taylor at 233-5032.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor
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