



SEATTLE CITY COUNCIL

Legislative Summary

CB 118532

Record No.: CB 118532

Type: Ordinance (Ord)

Status: Passed

Version: 1

124904

In Control: City Clerk

File Created: 09/21/2015

Final Action: 12/01/2015

Title: AN ORDINANCE relating to the financing of the Mercer West project; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Transportation Master Fund; and providing for the repayment thereof.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Sponsors: Licata

Attachments:

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

☐ Yes

☐ No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	09/28/2015	Mayor's leg transmitted to Council	City Clerk			
	Action Text: The Council Bill (CB) was Mayor's leg transmitted to Council. to the City Clerk Notes:						
1	City Clerk	10/20/2015	sent for review	Budget Committee			
	Action Text: The Council Bill (CB) was sent for review. to the Budget Committee Notes:						
1	Full Council	10/26/2015	referred	Budget Committee			
	Action Text: The Council Bill (CB) was referred. to the Budget Committee Notes:						
1	Budget Committee	11/16/2015	pass				Pass
	Action Text: The Committee recommends that Full Council pass the Council Bill (CB). Notes:						
	In Favor: 7 Chair Licata, Member Bagshaw, Member Burgess, Member Godden, Member O'Brien, Member Rasmussen, Member Sawant						

Opposed: 0

Absent(NV): 1 Okamoto

1 Full Council 11/23/2015 passed Pass

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

Notes:

In Favor: 9 Councilmember Bagshaw, Council President Burgess, Councilmember Godden, Councilmember Harrell, Councilmember Licata, Councilmember O'Brien, Okamoto, Councilmember Rasmussen, Councilmember Sawant

Opposed: 0

1 City Clerk 11/30/2015 submitted for Mayor

Mayor's signature

Action Text: The Council Bill (CB) was submitted for Mayor's signature. to the Mayor

Notes:

1 Mayor 12/01/2015 Signed

Action Text: The Council Bill (CB) was Signed.

Notes:

1 Mayor 12/01/2015 returned City Clerk

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

Notes:

1 City Clerk 12/01/2015 attested by City Clerk

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

Notes:



SEATTLE CITY COUNCIL

Legislative Summary

CB 118534

Record No.: CB 118534

Type: Ordinance (Ord)

Status: Passed

Version: 1

In Control: City Clerk

File Created: 09/22/2015

Final Action: 12/01/2015

Title: AN ORDINANCE relating to the Smith Cove project in the Department of Parks and Recreation; and authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, in the amount of \$560,000, to the Parks Capital Fund for bridge financing of the Smith Cove project.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Licata

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

☐ Yes

☐ No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	09/28/2015	Mayor's leg transmitted to Council	City Clerk			
	Action Text: The Council Bill (CB) was Mayor's leg transmitted to Council. to the City Clerk						
	Notes:						
1	City Clerk	10/20/2015	sent for review	Budget Committee			
	Action Text: The Council Bill (CB) was sent for review. to the Budget Committee						
	Notes:						
1	Full Council	10/26/2015	referred	Budget Committee			
	Action Text: The Council Bill (CB) was referred. to the Budget Committee						
	Notes:						
1	Budget Committee	11/16/2015	pass				Pass
	Action Text: The Committee recommends that Full Council pass the Council Bill (CB).						
	In Favor: 7 Chair Licata, Member Bagshaw, Member Burgess, Member Godden, Member O'Brien, Member Rasmussen, Member Sawant						
	Opposed: 0						

Absent(NV): 1 Okamoto

1 Full Council 11/23/2015 passed Pass

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

Notes:

In Favor: 9 Councilmember Bagshaw, Council President Burgess, Councilmember
Godden, Councilmember Harrell, Councilmember Licata, Councilmember
O'Brien, Okamoto, Councilmember Rasmussen, Councilmember Sawant

Opposed: 0

1 City Clerk 11/30/2015 submitted for Mayor
Mayor's signature

Action Text: The Council Bill (CB) was submitted for Mayor's signature. to the Mayor

Notes:

1 Mayor 12/01/2015 Signed

Action Text: The Council Bill (CB) was Signed.

Notes:

1 Mayor 12/01/2015 returned City Clerk

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

Notes:

1 City Clerk 12/01/2015 attested by City
Clerk

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

Notes:

CITY OF SEATTLE
ORDINANCE 124904
COUNCIL BILL 118532

AN ORDINANCE relating to the financing of the Mercer West project; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Transportation Master Fund; and providing for the repayment thereof.

WHEREAS, the Mayor has proposed and the City Council has approved a 2015 Budget and 2015–2020 Capital Improvement Program that includes construction activities for the Mercer West project; and

WHEREAS, construction of the project was planned to be partially funded with sale proceeds from surplus property at 800/816 Mercer Street; and

WHEREAS, while a vacation of the Broad Street right-of-way in advance of the sale of the surplus property on either side of it will deviate from the Street Vacation Policies as established in Clerk File 310078, the deviation is necessary in order to achieve the highest sale price of the property; and

WHEREAS, the anticipated sale price of the property was determined assuming no restrictions on the sale; and

WHEREAS, use of the property for anything other than its highest and best use could lower the sales price and possibly generate insufficient funding to repay the loan; and

WHEREAS, this process is estimated to be completed by December 31, 2017; 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 \$26,300,000 through the end of 2017; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

1 Section 1. A loan of up to \$26,300,000 of principal and interest outstanding at any one
2 time is hereby authorized to be made from the City's Consolidated (Residual) Cash Pool, or its
3 participating funds, to the Transportation Master Fund from which may be paid capital costs
4 related to the Mercer West project and related debt service costs. This loan is to be repaid no
5 later than December 31, 2017, with interest on the loan at the rate of return of the City's
6 Consolidated (Residual) Cash Pool.

7 Section 2. The entire principal and interest amount of the loan authorized in Section 1,
8 and owed by the Transportation Master Fund to the City's Consolidated (Residual) Cash Pool,
9 shall be repaid from the sale of surplus property at 800/816 Mercer Street. Except as authorized
10 by Seattle Municipal Code subsection 5.06.030.C, any extension of this loan must be approved
11 by ordinance.

12 Section 3. The Director of Finance may effectuate the loan authorized in Section 1 by
13 transferring cash from one or more of the funds participating in the City's Consolidated
14 (Residual) Cash Pool to the Transportation Master Fund, or by carrying the Transportation
15 Master Fund in a negative cash position in an amount not to exceed \$26,300,000 beyond the
16 negative balance authorized by Ordinance 120016, until no later than December 31, 2017.

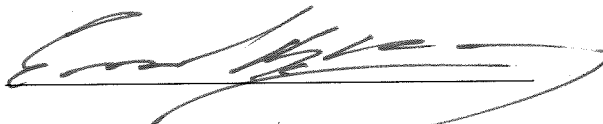
Section 4. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 23rd day of Nov., 2015, and signed by me in open session in authentication of its passage this 23rd day of Nov., 2015.



President _____ of the City Council

Approved by me this 1st day of December, 2015.



Edward B. Murray, Mayor

Filed by me this 1st day of December, 2015.



Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
City Budget Office	Christie Parker/4-5211	Adam Schaefer/4-8358

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to the financing of the Mercer West project; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Transportation Master Fund; and providing for the repayment thereof.

Summary and background of the Legislation: This legislation authorizes an Interfund Loan of up to \$26,300,000 for the construction of the Mercer West project to the Transportation Master Fund. The loan will be paid back from the sale of surplus property by no later than December 31, 2017.

The adopted funding plan for the Mercer West project includes sale proceeds from surplus property in the South Lake Union Area. In 2014, SDOT sold a parcel at 1000 Mercer Street to cover a portion of the costs. In 2014-2018, the funding plan includes \$28 million of property proceeds that will come from the property proceeds at 800/816 Mercer Street. The property was purchased with bonds supported by Commercial Parking Tax revenues, gas tax revenues, construction cost offsets/easements, and special benefit general fund. The property can be prepared for sale after Broad Street is closed. Additionally, we will propose to vacate Broad Street right of way in advance of the sale of the surplus property on either side of it. While this proposal will be a deviation from the Street Vacation Policies as established in Clerk File 310078, the deviation is necessary in order to achieve the highest sale price of the property. We are requesting that the Transportation Master Fund be granted an Interfund Loan from the City's Consolidated (Residual) Cash Pool and are estimating at this time that it will be repaid by December 31, 2017.

2. CAPITAL IMPROVEMENT PROGRAM

☐ This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

☒ This legislation does not have direct financial implications.

4. OTHER IMPLICATIONS

- a) Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?

Yes. The Transportation Operating Fund would end in a negative cash position for greater than the allowed 90 days.

b) Is there financial cost or other impacts of not implementing the legislation?

Yes. The Transportation Operating Fund would end in a negative cash position for greater than the allowed 90 days.

c) Does this legislation affect any departments besides the originating department?

Yes. FAS-Finance.

d) Is a public hearing required for this legislation?

No.

e) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

f) Does this legislation affect a piece of property?

Yes. The surplus property at 800/816 Mercer Street will be sold to pay back the Interfund Loan.

g) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

No.

h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.

No.

Other Issues: The highest anticipated value of the property is without any restrictions on the sale. The use for the site for anything other than its highest and best use could cause the property to have a lower than anticipated sales price. Any lessening of value could jeopardize the ability of the property to generate enough dollars to repay the Interfund loan.

List attachments/exhibits below:

Attachment A: Interfund Loan Calculations

Attachment B: Map of Property

**Mercer West
Interfund Loan Calculations****LOAN**

	2014	2015	2016	2017*	2018	2019	Total
Starting Balance	0	6,148,767	18,759,708	24,849,174			
Anticipated Spending	6,108,451	12,447,623	5,445,000	50,000			24,051,074
Interest	40,316	163,318	644,466	1,087,001			1,935,101
Ending Balance	6,148,767	18,769,708	24,849,174	25,986,176	W	0	

<u>Assumptions</u>	2014	2015	2016	2017
Interest Rate	1.32%	1.32%	3.00%	4.37%

Additional Notes:

\$2.09M in proceeds from sale of West Marine property was received in 2014.

Megablock property will be sold by December 31, 2017. If the property is sold earlier, the loan will be repaid earlier, i.e. when the property is sold.

*\$50K needed in 2017 and \$40K needed in 2018 for landscape establishment costs; if the parcel has been sold, these costs will be paid from property proceeds rather than the Interfund loan.

STATE OF WASHINGTON -- KING COUNTY

--SS.

331450

No. 124899,900,902,903,904,05

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 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

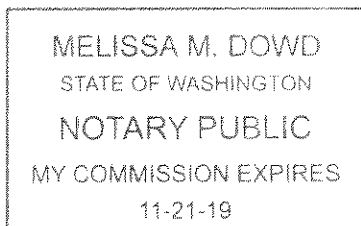
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

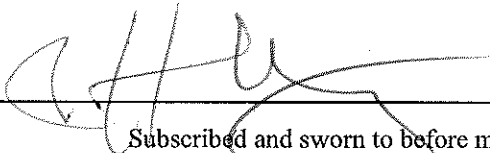
CT:TITLE ONLY ORDINANCES

was published on

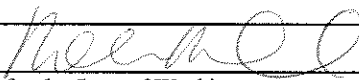
12/15/15

The amount of the fee charged for the foregoing publication is the sum of \$93.00 which amount has been paid in full.




Subscribed and sworn to before me on

12/15/2015


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 23, 2015, 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>. Document Type Contact: Office of the City Clerk at (206) 684-8344.

Ordinance 124899

AN ORDINANCE authorizing, in 2015, acceptance of funding from non-City sources; authorizing the heads of the Human Services Department, Seattle Fire Department, Seattle Police Department and the Department of Finance and Administrative

Services to accept specified grants, private funding and donations and to execute, deliver, and perform corresponding agreements; and ratifying and confirming certain prior acts.

Ordinance 124900

AN ORDINANCE relating to the 2015 Budget; amending Ordinance 124648, which adopted the 2015 Budget, including the 2015-2020 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; adding new projects; revising project allocations for certain projects in the 2015-2020 CIP; creating both exempt and nonexempt positions; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Ordinance 124902

AN ORDINANCE related to exemption from admission tax; amending Section 5.40.028 of the Seattle Municipal Code.

Ordinance 124903

AN ORDINANCE related to exemption from admission tax; amending Section 5.40.085 of the Seattle Municipal Code.

Ordinance 124904

AN ORDINANCE relating to the financing of the Mercer West project; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Transportation Master Fund; and providing for the repayment thereof.

Ordinance 124905

AN ORDINANCE relating to street and sidewalk use; amending the Street Use Permit Fee Schedule authorized by Section 15.04.074 of the Seattle Municipal Code.

Date of publication in the Seattle Daily Journal of Commerce, December 15, 2015.

12/15(331450)