



SEATTLE CITY COUNCIL

Legislative Summary

CB 118718

Record No.: CB 118718

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125076

In Control: City Clerk

File Created: 06/10/2016

Final Action: 07/15/2016

Title: AN ORDINANCE amending Ordinance 124927, which adopted the 2016 Budget; creating new appropriations; changing appropriations to various departments and budget control levels, and from various funds in the Budget; making cash transfers between various City funds; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Burgess

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	06/28/2016	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	06/28/2016	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	06/29/2016	sent for review	Affordable Housing, Neighborhoods, and Finance Committee			
	Action Text: The Council Bill (CB) was sent for review. to the Affordable Housing, Neighborhoods, and Finance Committee						

Notes:

1 Full Council 07/05/2016 referred Affordable Housing, Neighborhoods, and Finance Committee

1 Affordable Housing, Neighborhoods, and Finance Committee 07/06/2016 pass Pass

Action Text: The Committee recommends that Full Council pass the Council Bill (CB).
In Favor: 3 Chair Burgess, Vice Chair Herbold, Member Johnson
Opposed: 0

1 Full Council 07/11/2016 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, Councilmember Burgess, Councilmember González , Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien, Councilmember Sawant
Opposed: 0

1 City Clerk 07/12/2016 submitted for Mayor's signature Mayor

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

1 Mayor 07/15/2016 Signed

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

1 Mayor 07/15/2016 returned City Clerk

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

1 City Clerk 07/15/2016 attested by City Clerk

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

CITY OF SEATTLE

ORDINANCE 125076

COUNCIL BILL 118718

AN ORDINANCE amending Ordinance 124927, which adopted the 2016 Budget; creating new appropriations; changing appropriations to various departments and budget control levels, and from various funds in the Budget; making cash transfers between various City funds; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

WHEREAS, Council Bill 118713, which will be presented to the City Council for approval on or about the date of this ordinance, authorizes the sale of the Pacific Place Garage ("the Garage") to the identified purchaser; and

WHEREAS, the City financed the purchase of the Garage with tax exempt bonds and the City previously covenanted not to take any action that would affect the tax exempt status of those bonds; and

WHEREAS, in order to preserve the tax exempt status of such tax exempt bonds, as required by the applicable provisions of the Internal Revenue Code, a new Garage Disposition Proceeds Fund (37000) is created under Council Bill 118717, which will be presented to the City Council for approval on or about the date of this ordinance, for the sole purpose of tracking the expenditure of the remaining Disposition Proceeds after carrying out the bond defeasance; and

WHEREAS, disposition proceeds are only eligible for qualified capital expenditures; and

WHEREAS, part of the net sale proceeds is intended to be used for qualified vehicle purchases; and

WHEREAS, Ordinance 125003, which authorized a \$10,000,000 interfund loan to the Parking Garage Operations Fund (46010), expiring December 31, 2016, states that repayment of the interfund loan is to be made from disposition proceeds; and

WHEREAS, repayment of the aforementioned interfund loan represents an operating expenditure and is therefore not eligible for disposition proceeds directly; and

WHEREAS, the City will use other General Fund resources to repay the interfund loan and both fulfill the obligations of the interfund loan authorized by Ordinance 125003 and meet the restrictions on the disposition proceeds; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The 2016 Adopted Budget is amended with the creation of the Capital Fleet Purchases Budget Control Level, which is added to Attachment A of Ordinance 124927 as follows:

Item	Fund	Department	BCL Code	BCL Name	BCL Purpose
1.1	Garage Disposition Proceeds Fund (37000)	Department of Finance & Administrative Services (FAS)	37000-A2002	Capital Purchases	The purpose of the Capital Purchases Budget Control Level is to ensure that the proceeds from the sale of the Pacific Place Garage are used in accordance with federal regulations regarding the disposition of assets originally financed with tax exempt bonds.

The Garage Disposition Proceeds Fund (37000) is created under Council Bill 118717, which will be presented to the City Council for approval on or about the date of this ordinance.

Section 2. In order to pay for necessary costs and expenses incurred or to be incurred, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time of making the 2016 Budget, appropriations for the following items in the 2016 Budget are increased from the funds shown, as follows:

Item	Fund	Department	Budget Control Level	Amount
2.1	General Subfund (00100)	Finance General (FG)	Reserves (00100-2QD00)	\$10,000,000
2.2	Garage Disposition Proceeds Fund (37000)	Department of Finance & Administrative	Capital Purchases (37000-A2002)	\$10,000,000

Item	Fund	Department	Budget Control Level	Amount
		Services (FAS)		
Total				\$20,000,000

Unspent funds so appropriated shall carry forward to subsequent fiscal years until they are exhausted or abandoned by ordinance.

Section 3. To refund resources contributed by the General Fund to the Finance and Administrative Services Fund for the purchase of vehicles for which those resources are no longer necessary, cash, up to the amount shown below, will be hereby transferred back to the General Fund as shown in the following table:

Item	Fund	Amount	Transferred (In / Out)
3.1	General Subfund (00100)	\$10,000,000	Transferred In
	Finance and Administrative Services Fund (50300)	(\$10,000,000)	Transferred Out
Total		\$0	

Section 4. In accordance with RCW 35.32A.060, by reason of the facts above stated, some of the foregoing appropriations are made to meet actual necessary expenditures of the City for which insufficient appropriations have been made, due to causes which could not reasonably have been foreseen at the time of the making of the 2016 Budget.

Section 5. Any act consistent with the authority of this ordinance taken prior to its effective date is hereby ratified and confirmed.

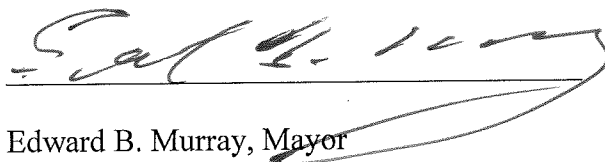
Section 6. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by a 3/4 vote of all the members of the City Council the 11th day of JULY, 2016, and signed by me in open session in authentication of its passage this 11th day of JULY, 2016.



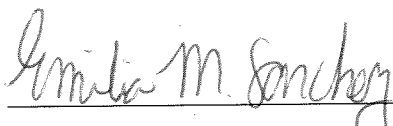
President _____ of the City Council

Approved by me this 15th day of JULY, 2016.



Edward B. Murray, Mayor

Filed by me this 15th day of JULY, 2016.


for Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
City Budget Office	Thomas L Taylor / 233-5032	Katherine Tassery / 615-0703

** 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 amending Ordinance 124927, which adopted the 2016 Budget; creating new appropriations; changing appropriations to various departments and budget control levels, and from various funds in the Budget; making cash transfers between various City funds; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Summary and background of the Legislation: This Council Bill proposes several adjustments to the 2016 Adopted Budget related to the sale of Pacific Place Parking Garage and the repayment of an interfund loan to the Parking Garage Operations Fund (46010). A portion of the net sale proceeds will be used to support the Fleet Management program administered by the Department of Finance and Administrative Services. As such a new budget control level is being created within the Garage Disposition Proceeds Fund (37000) and \$10 million of appropriation authority is added to purchase fleet vehicles utilizing the garage disposition funds resources.

Furthermore, the Finance and Administrative Services Operating (50300) Fund will refund the General Fund for resources previously collected for vehicle purchases via the Fleet Capital Program which are no longer needed. In addition, \$10 million of General Fund budget authority is being added for the repayment of an interfund loan extended to the Parking Garage Operations Fund.

2. CAPITAL IMPROVEMENT PROGRAM

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

3. SUMMARY OF FINANCIAL IMPLICATIONS

☒ This legislation has direct financial implications.

Budget program(s) affected:				
Estimated \$ Appropriation change:	General Fund \$		Other \$	
	2016	2017	2016	2017
	\$10,000,000		\$10,000,000	
Estimated \$ Revenue change:	Revenue to General Fund		Revenue to Other Funds	
	2016	2017	2016	2017
Positions affected:	No. of Positions		Total FTE Change	

	2016	2017	2016	2017
Other departments affected:				

3.a. Appropriations

☒ This legislation adds, changes, or deletes appropriations.

Appropriations Notes: See Attachment A to this SUM document: Summary Att A – Pacific Place Parking Garage Supplemental Ordinance Summary Detail Table

3.b. Revenues/Reimbursements

☐ This legislation adds, changes, or deletes revenues or reimbursements.

Revenue/Reimbursement Notes:

While this legislation itself does not include revenue, companion legislation in Council Bill _____ includes the receipt of proceeds from the sale of the Pacific Place Garage, which will be used in part to purchase vehicles and provide resources for the North Precinct capital project.

3.c. Positions

☐ This legislation adds, changes, or deletes positions.

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, some items in this ordinance represent appropriation changes to departments in order for them to accomplish the desired objectives as stated in Attachment A to this SUM document.
- b) **Is there financial cost or other impacts of not implementing the legislation?**
The same objectives could not be achieved without this legislation.
- c) **Does this legislation affect any departments besides the originating department?**
Yes, this legislation affects multiple departments, including the City Budget Office and the Department of Finance of Administrative Services.
- d) **Is a public hearing required for this legislation?**
No
- e) **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
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) 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.

i) 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.

j) Other Issues:

List attachments/exhibits below:

Summary Attachment A – Pacific Place Parking Garage Supplemental Ordinance Summary
Detail Table

2016 Pacific Place Parking Garage Supplemental Ordinance Summary Detail Table

Item	Title/Description	Amount/FTE
	<i>Section 1 – Creating a new Budget Control Level</i>	
1.1	To create a Capital Purchases BCL A2002 (Department of Finance & Administrative Services, Finance and Administrative Services Fund (37000))	
	The purpose of the Capital Purchases Budget Control Level is to ensure that the proceeds from the sale of the Pacific Place Garage are used in accordance with federal regulations regarding the disposition of assets originally financed with tax exempt bonds.	
	<i>Section 2 - Appropriation Increases with automatic carry forward</i>	
2.1	Parking Garage Operations Fund Interfund Loan Repayment (Finance General, General Fund (00100))	\$10,000,000
	This item increases appropriation authority by \$10,000,000 in the Reserve BCL. This authority will be used to pay off the interfund loan extended to the Parking Garage Operations Fund.	
2.2	Appropriation increase for fleet purchases for the Fleet Program Management, (Department of Finance & Administrative Services, Parking Garage Disposition Proceeds Fund (37000))	\$10,000,000
	This item increases appropriation authority of \$10,000,000 to the Department of Finance & Administrative Services' Capital Purchases BCL. The appropriation authority will use part of the net proceeds from the sale of the Pacific Place Parking Garage for the purchase of vehicles for Seattle Fleet Replacement program managed by the Department of Finance and Administrative Services (FAS).	
	<i>Section 3 – Cash Transfer from the Finance and Administrative Services Fund to the General Fund</i> (Finance & Administrative Services (50300) / (General Fund (00100))	
3.1	Refund to the General Fund for Unused Resources ((Finance & Administrative Services Fund (50300) / (General Fund (00100))	\$10,000,000
	This item transfers cash up to the amount of \$10,000,000 from the Finance and Administrative Services Fund to the General Fund. This transfer refunds the General Fund for money contributed to the Fleet Management Program that will no longer be needed. The actual cash transferred will correspond to the cost of vehicles purchased in 2016 and 2017 from the Garage Disposition Proceeds Fund.	

2016 Pacific Place Parking Garage Supplemental Ordinance Summary Detail Table

Item	Title/Description	Amount/FTE
	<i>Section 1 – Creating a new Budget Control Level</i>	
1.1	To create a Capital Purchases BCL A2002 (Department of Finance & Administrative Services, Finance and Administrative Services Fund (37000))	
	The purpose of the Capital Purchases Budget Control Level is to ensure that the proceeds from the sale of the Pacific Place Garage are used in accordance with federal regulations regarding the disposition of assets originally financed with tax exempt bonds.	
	<i>Section 2 - Appropriation Increases with automatic carry forward</i>	
2.1	Parking Garage Operations Fund Interfund Loan Repayment (Finance General, General Fund (00100))	\$10,000,000
	This item increases appropriation authority by \$10,000,000 in the Reserve BCL. This authority will be used to pay off the interfund loan extended to the Parking Garage Operations Fund.	
2.2	Appropriation increase for fleet purchases for the Fleet Program Management, (Department of Finance & Administrative Services, Parking Garage Disposition Proceeds Fund (37000))	\$10,000,000
	This item increases appropriation authority of \$10,000,000 to the Department of Finance & Administrative Services' Capital Purchases BCL. The appropriation authority will use part of the net proceeds from the sale of the Pacific Place Parking Garage for the purchase of vehicles for Seattle Fleet Replacement program managed by the Department of Finance and Administrative Services (FAS).	
	<i>Section 3 – Cash Transfer from the Finance and Administrative Services Fund to the General Fund</i> (Finance & Administrative Services (50300) / (General Fund (00100))	
3.1	Refund to the General Fund for Unused Resources ((Finance & Administrative Services Fund (50300) / (General Fund (00100))	\$10,000,000
	This item transfers cash up to the amount of \$10,000,000 from the Finance and Administrative Services Fund to the General Fund. This transfer refunds the General Fund for money contributed to the Fleet Management Program that will no longer needed. The actual cash transferred will correspond to the cost of vehicles purchased in 2016 and 2017 from the Garage Disposition Proceeds Fund.	