SEATTLE CITY COUNCIL

Legislative Summary

CB 118864

Record No.:	CB 118864	**Type:**	Ordinance (Ord)	**Status:**	Passed
Version:	1	**Ord. no:**	Ord 125212	**In Control:**	City Clerk
				File Created:	11/08/2016
				Final Action:	11/28/2016

Title: AN ORDINANCE relating to the financing of Equitable Development Implementation Plan projects; authorizing the loan of funds from the Finance and Administrative Services Fund in the amount of $6,500,000 to the General Subfund.

	Date
Filed with City Clerk:	11/28/2016
Mayor's Signature:	11/28/2016
Vetoed by Mayor:	
Veto Overridden:	
Veto Sustained:	

Notes:

Sponsors: Burgess

Attachments:

Drafter: Emilia.Sanchez@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	City Clerk	11/09/2016	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	11/10/2016	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	11/14/2016	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 125212

COUNCIL BILL 118864

AN ORDINANCE relating to the financing of Equitable Development Implementation Plan projects; authorizing the loan of funds from the Finance and Administrative Services Fund in the amount of $6,500,000 to the General Subfund.

WHEREAS, on September 26, 2016, the Council adopted Resolution 31711 in support of six community-initiated projects for mitigating further displacement and increasing access to opportunity in the Central Area, the Chinatown/International District, and South Seattle; and

WHEREAS, in early 2017, the Council will consider sale of the Civic Square Block, bounded by Third Avenue, Fourth Avenue, James Street, and Columbia Street, for at least $16,000,000; and

WHEREAS, the Council desires to accelerate expenditures to advance Equitable Development Implementation Plan projects; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A loan of up to $6,500,000 of principal and interest outstanding at any one time is hereby authorized to be made from the Finance and Administrative Services Fund to the General Subfund, from which may be paid capital and operating costs related to implementation of the six projects identified in the Equitable Development Implementation Plan adopted by Resolution 31711. This loan is to be repaid no later than December 31, 2019, with interest on the loan at the rate of return of the City's Consolidated (Residual) Cash Pool.

Section 2. The entire principal and interest amount of the loan authorized in Section 1 of this ordinance, and owed by the General Subfund to the Finance and Administrative Services

Fund, shall be repaid from the sale of the surplus property known as the Civic Square Block. Except as authorized by Seattle Municipal Code subsection 5.06.030.C, any extension of this loan must be approved by ordinance.

Section 3. The Director of Finance may effectuate the loan authorized in Section 1 of this ordinance by transferring cash from the Finance and Administrative Services Fund to the General Subfund, or by carrying the General Subfund in a negative cash position in an amount not to exceed $6,500,000, until no later than December 31, 2019, or until completion of the Civic Square Block property sale referenced in Section 2 of this ordinance, whichever occurs first. The Director of Finance is further authorized to establish, and modify if necessary from time to time, a repayment plan and schedule.

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 21st day of November, 2016, and signed by me in open session in authentication of its passage this 21st day of November, 2016.

Bruce A Harrell

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 M. Simmons

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
LEG	Freeman / 48178	NA

** 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 Equitable Development Implementation Plan projects; authorizing the loan of funds from the Finance and Administrative Services Fund in the amount of $6,500,000 to the General Subfund.

Summary and background of the Legislation:

This legislation authorizes an interfund loan of up to $6,500,000 to implement equitable development projects identified in Resolution 31711. The loan will be repaid with proceeds from the sale of the Civic Square Block, also known as the Public Safety Block, no later than December 31, 2019.

In September 2016, Council passed Resolution 31711 in support of six community-initiated projects contained in the Equitable Development Implementation Plan (EDIP) that are identified as priorities for mitigating further displacement and increasing access to opportunity in the Central Area, the Chinatown/International District and South Seattle, including five community-sponsored capital projects: (1) the Rainier Beach Food Innovation District; (2) the Multicultural Community Center; (3) the South East Economic Opportunity Center; (4) the William Grose Center for Cultural Innovation; and (5) the Little Saigon Landmark Project.

These projects may need funding for land acquisition and other predevelopment activities before the sale of the Civic Square Block is complete. In the 2017 Adopted Budget the Council will create a reserve in Finance General and appropriation authority to implement (EDIP) projects.

2. CAPITAL IMPROVEMENT PROGRAM

____ **This legislation creates, funds, or amends a CIP Project.**

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:	Total Cost:

3. SUMMARY OF FINANCIAL IMPLICATIONS

Please check one:

____ This legislation has direct financial implications.

__X_ 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 legislation authorizes an interfund loan with attendant interest costs. Total interest costs are uncertain at this point because it is unknown when the draw would occur and how soon the loan could be repaid through a property sale.

b) **Is there financial cost or other impacts of not implementing the legislation?**
If the loan is not authorized, equitable development projects that may receive loan funds could miss project development milestones, such as site acquisition.

c) **Does this legislation affect any departments besides the originating department?**
Yes, the Department of Finance and 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?**
Yes, proceeds from the sale of the City-owned Public Safety Block, which is bounded by Third Avenue, Cherry Street, Fourth Avenue, and James Street, in downtown Seattle.

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?**
The legislation has the potential for positive Race and Social Justice Initiative outcomes because it authorizes a loan to help fund community-generated, anti-displacement projects.

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.
Not applicable.

j) Other Issues:
Not applicable.