

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
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** 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 Transportation Fund; authorizing interfund loans up to a total amount of \$15,000,000 from multiple City funds as bridge financing to be repaid by the proceeds of a future surplus property sale.

Summary and background of the Legislation: This legislation authorizes up to \$15 million in an interfund loan to allow SDOT to continue to provide essential programs such as projects in the Bicycle and Pedestrian Master Plans, intended to be funded with proceeds from the sale of the Mercer Megablock.

The loan assures SDOT's Transportation Fund remains balanced through the end of 2021 and allows SDOT to continue to deliver essential services and programs. The Mercer Megablock sale is expected in the first half of 2022 and Transportation Fund will therefore be able to pay back the loan upon that sale. The repayment of the loan will be complete no later than the end of 2022.

The designated Lending Funds are:

- Unrestricted Cumulative Reserve Fund (00164)
- Municipal Arts Fund (12010)
- Coronavirus Local Fiscal Recovery Fund (14000)

These Funds will receive the same interest earnings on all cash loaned to the General Fund as they would have earned if the cash had not been loaned.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

Loan interest costs will be incurred and paid back from future balances in the Transportation Fund.

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

Yes. If this loan were not authorized, SDOT would need to further cut services and programs. As part of the 2021 Budget Process, SDOT made significant program reductions, including to voter-approved commitments such as the Move Seattle Portfolio. This loan allows SDOT to continue basic programs in the Move Seattle Levy and other programs.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
Yes. Office of Arts and Culture will be authorized to loan cash to the General Fund under the conditions of the interfund loan authorized by this ordinance. The interfund loan will be carefully managed so that there is no impact to the regular or emergent budget needs of the Lending Funds.
- b. Is a public hearing required for this legislation?**
No
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No
- d. Does this legislation affect a piece of property?**
No
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
N/A
- f. Climate Change Implications**
 - 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**
N/A
 - 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**
N/A
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**
N/A

List attachments/exhibits below: