

SUMMARY and FISCAL NOTE*

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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 City of Seattle’s continued use of Cascade Public Media’s Capitol Hill transmission site and tower; authorizing the Director of Finance and Administrative Services to execute a 15-year lease with Cascade Public Media governing the City’s continued use of the transmission site and tower for radio equipment and associated antennae; amending Ordinance 125724, which adopted the 2019 Budget; changing appropriations to various departments and budget control levels, and from various funds in the Budget; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Summary and background of the Legislation: For several decades, the City of Seattle has used Cascade Public Media’s (a public benefit corporation formerly known as KCTS Television) Capitol Hill transmission site and 410-foot tall tower (both located at 1729 East Madison Street) for its operation of radios and antennae. Since 1992 the City’s use of the transmission site and tower has been governed by a letter agreement by and between the City of Seattle and KCTS Television.

In 2015, voters approved a ballot measure authorizing the funding of a new, upgraded regional public safety emergency radio network, commonly referred to as the Puget Sound Emergency Radio Network (“PSERN”). The combination of PSERN’s impact on the City’s utilization of the transmission site and tower and the parties’ interest in following best practices prompted the parties to negotiate a long-term lease that reflects the existing operational reality and current market conditions.

Pursuant to Seattle Municipal Code (“SMC”) subsection 3.39.010.C.4, Finance and Administrative Services, acting on behalf of the Seattle Information Technology department, negotiated with Cascade Public Media for a lease that will govern Seattle Information Technology’s continued use of part of the transmission site and tower (“Lease”), Cascade Public Media as landlord and the City of Seattle as tenant. Pursuant to SMC subsection 3.127.020.A, City Council authorization of the Lease is required as the Lease’s fifteen-year term exceeds the five-year limit on the term for a lease executable by Finance and Administrative absent City Council authorization.

2. CAPITAL IMPROVEMENT PROGRAM

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

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes ___ No

Appropriation change (\$):	General Fund \$		Other \$	
	2019	2020	2019	2020
			\$180,000	\$290,000
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2019	2020	2019	2020
			\$90,000	\$145,000
Positions affected:	No. of Positions		Total FTE Change	
	2019	2020	2019	2020

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?
 No.

Is there financial cost or other impacts of *not* implementing the legislation?
 Absent the implementation of this legislation, the City would be without an express contractual right to continue the deployment of critical radio and associated antennae at a prime, in-city location for a transmission tower. Moreover, the City’s decades-long relationship with Cascade Public Media (formerly known as KCTS Television) would be jeopardized.

3.d. Appropriations

This legislation adds, changes, or deletes appropriations.

Fund Name and number	Dept	Budget Control Level Name/##*	2019 ¹ Appropriation Change	2020 Estimated Appropriation Change
Finance and Administrative Services Fund (50300)	FAS	Facilities Services (BO-FA-Facility)	\$90,000	\$145,000
Information Technology Fund (50410)	ITD	Engineering & Operations (BO-IT-D3000)	\$90,000	\$145,000

TOTAL			\$180,000	\$290,000
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**See budget book to obtain the appropriate Budget Control Level for your department.*

Is this change one-time or ongoing?

Ongoing for the term of the lease. Note that accompanying, proposed ordinance will establish authority for 2019 appropriation change. But authority for 2020 estimated appropriation change will be established in a separate process.

3.e. Revenues/Reimbursements

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

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2019 Revenue	2020 Estimated Revenue
Finance and Administrative Services Fund (50300)	FAS	Information Technology Fund (50410)	\$90,000	\$145,000
TOTAL			\$90,000	\$145,000

Is this change one-time or ongoing?

The change is on-going.

However, the annual reimbursement as paid by the Information Technology Fund to the Finance and Administrative Services Fund will decline over the lease term as Seattle Information Technology’s lease footprint (and the associated rent) contracts with the concomitant PSERN implementation. A preliminary estimate of the stabilized, annual rent payable by FAS to Cascade Public Media (and ultimately reimbursed by Seattle Information Technology) is \$25,000 - \$50,000 once PSERN is fully implemented, depending on the lease footprint.

Revenue/Reimbursement Notes:

The amounts set forth in the table in this section 3.e. represent reimbursements from one City fund to another. They do not represent revenue from a third-party.

3.f. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Departmental impacts of this legislation are limited to those on Finance and Administrative Services and Seattle Information Technology Department.

b. Is a public hearing required for this legislation?

No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

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

No.

e. Does this legislation affect a piece of property?

Yes. See map on Summary Attachment 1.

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

None and no.

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).

Not applicable.

List attachments/exhibits below:

Summary Attachment 1 – Location of Cascade Public Media Capitol Hill Transmission Site and Tower