

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	Executive Contact/Phone:
Legislative	Traci Ratzliff/ 684-8153	Melissa Lawrie/684-5805

1. BILL SUMMARY

- a. Legislation Title:** AN ORDINANCE relating to the financing of affordable housing; authorizing the loan of funds in the amount of \$29,000,000 from the Low-Income Housing Fund to the 2018 Multipurpose LTGO Bond Fund for bridge financing of affordable housing.
- b. Summary and background of the Legislation:** In adopting the 2017 Budget, the Council approved \$29 million of support to affordable housing projects with limited tax general obligation (LTGO) bonds to be issued in 2017, and provided the Low-Income Housing Fund with \$29 million of additional appropriations to expend the funds. Due to uncertainty about the timing of actual spending needs, the Executive intends to issue the LTGO bonds in 2018 rather than 2017 to fund the \$29 million of eligible affordable housing projects. This proposed council bill would provide the Office of Housing with the capacity for bridge financing for the eligible affordable housing projects by temporarily lending cash reserves in the Low-Income Housing Fund to the 2018 Multipurpose LTGO Bond Fund until the 2018 LTGO bonds are issued in the first half of 2018. All cash loaned from the Low-Income Housing Fund to the 2018 Multipurpose LTGO Bond Fund will earn interest at the rate of return of the City's Consolidated (Cash) Pool. The Office of Housing currently has \$29 million of appropriation authority to expend funds on eligible bond-funded affordable housing projects; unexpended appropriation authority is authorized by ordinance to carry forward into subsequent years until expended or abandoned. The Low-Income Housing Fund currently has sufficient cash reserves to provide up to \$29 million of bridge financing while still meeting its normal operating needs. To accommodate bridge financing of the project(s), the 2018 Multipurpose LTGO Bond Fund is being created in advance of the 2018 budget adoption process.

2. CAPITAL IMPROVEMENT PROGRAM

- a. Does this legislation create, fund, or amend a CIP Project?** No.

3. SUMMARY OF FINANCIAL IMPLICATIONS

- a. Does this legislation amend the Adopted Budget?** No.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
Department of Finance and Administrative Services, which financially administers all

LTGO bond funds.

- 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?** No.
- 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.
- 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).** No.
- h. Other Issues:** Not applicable.

List attachments/exhibits below: None.