

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 Sweetened Beverage Tax revenues; creating a cash balance reserve in the Sweetened Beverage Tax Fund to offset future revenue shortfalls and maintain program expenditures; and amending Section 5.53.055 of the Seattle Municipal Code.

Summary and background of the Legislation:

This legislation amends the Seattle Municipal Code Section 5.53.055 governing the use of the Sweetened Beverage Tax, making the following changes:

1. adds an exemption for the use of Sweetened Beverage Tax to support existing program expenditures that were previously supported by non-city revenues such as grants, gifts and loans; and
2. adds optional use of revenues to be held in fund balance, up to \$2,000,000 for the sole purpose of supporting existing program expenditures when revenues decline below base program expenditure authority.

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?

This legislation would allow the use of Sweetened Beverage Tax revenue to be used to support expenditures previously funded through non-city revenues, like grants, loans, and gifts. This legislation also allows for the segregation of Sweetened Beverage Tax funds to be used only to support existing program expenditures if revenues in a given year are anticipated to be below base program expenditures.

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

There are no additional costs or financial impacts.

4. OTHER IMPLICATIONS

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

This legislation affects all departments receiving Sweetened Beverage Tax revenue to support program expenditures. At this time, this includes Seattle Department of Parks and Recreation, Seattle Human Services Department, Seattle Department of Education and Early Learning, Seattle Office of Sustainability and Environment, and Seattle Office of City Auditor.

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? What is the Language Access plan for any communications to the public?

This legislation allows the City to continue funding critical programs that support the outcomes and objectives of the Race and Social Justice Initiative.

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:

None.