

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>Executive Contact/Phone:</b>
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**

**a. Legislation Title:**

AN ORDINANCE relating to the Revenue Stabilization Account of the Cumulative Reserve Subfund; transferring money from the Revenue Stabilization Account to the General Subfund for one-time expenditures related to homelessness.

**b. Summary and background of the Legislation:**

This ordinance (1) makes a transfer of \$8,851,000 from the Revenue Stabilization Account (RSA) of the Cumulative Reserve Subfund for one-time expenditures related to the homelessness civil emergency and (2) requests that the City Budget Office report to the Council by January 31, 2018 on a plan to replenish the Revenue Stabilization Account over a four year period. The requirement to, at least partially, replenish the account is established in Seattle Municipal Code Section 5.80.020.B.1.

**2. CAPITAL IMPROVEMENT PROGRAM**

**a. Does this legislation create, fund, or amend a CIP Project? \_\_\_ Yes X No**

If yes, please fill out the table below and attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page. If no, please delete the table.

**3. SUMMARY OF FINANCIAL IMPLICATIONS**

**a. Does this legislation amend the Adopted Budget? X Yes \_\_\_ No**

This legislation amends the 2018 Proposed Budget by transferring RSA reserves in the amount shown below to the General Subfund. Appropriations for homelessness investments from the General Subfund are made through the Budget Adoption Ordinance, which is introduced as Council Bill 119116.

Item	Fund	Amount	Transferred (In / Out)
1.1	General Subfund (00100)	\$8,851,000	Transferred In
	Cumulative Reserve Subfund – Revenue Stabilization Account (00166)	(\$8,851,000)	Transferred Out

- b. 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 reduces the unexpended unreserved fund balance of the Revenue Stabilization Account (RSA) by \$8,851,000, which is equal to the proposed 2018 contribution plus \$5,000,000. Reducing the RSA increases the probability that the City will have fewer reserves to address unanticipated revenue shortfalls due to a recession.

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

Not implementing the legislation will maintain funding available for homelessness services at proposed levels, which may not be sufficient to address the homelessness emergency. This could result in increased long term costs for emergency and public health services.

#### **4. OTHER IMPLICATIONS**

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

Yes, the City Budget Office, the Human Services Department, and other departments involved in the emergency response to the homelessness crisis.

- 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?**

This legislation increases funding available for homelessness investments. Among those

experiencing homelessness people-of-color are disproportionately represented.

- 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).**

NA

- h. Other Issues:**

**List attachments/exhibits below:**