

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Legislative Department	Dan Eder x4-8147	N/A

** 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 authorizing the loan of funds from the Construction and Inspections Fund to the General Fund.

Summary and background of the Legislation: This legislation authorizes the General Fund to borrow \$13.1 million from the Construction and Inspections Fund. The proceeds of the loan are assumed in CB 119825, as amended by Council, and would pay for all of a \$4M investment in community-led organizations such as Seattle’s Community Safety Initiative (as described in Amendment 33) plus \$9.114 million of the total \$10 million investment in community-led organizations (as described more fully in Amendment 34).

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

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?

None anticipated. Based on information from the City Budget Office, the Construction and Inspections Fund is expected to have a \$118 million ending fund balance as of December 31, 2020. Of this amount, the Executive is proposing a \$50 million interfund loan to pay for costs related to replacing or repairing the West Seattle Bridge. Assuming Council approves transmitted legislation to authorize that separate interfund loan, there would still be \$68 million of remaining year-end fund balance in the Construction and Inspections Fund as of December 31, 2020.

The legislation indicates that the City intends to repay the \$13.1 million interfund loan no later than December 31, 2021. The legislation indicates that the source for repaying the principal plus interest is budget savings flowing from anticipated cuts to the Seattle Police Department’s 2021 budget. If for any reason such anticipated savings are not sufficient, the legislation indicates that the principal and interest would be repaid using revenue generated from the tax on corporate payroll imposed in Seattle Municipal Code Chapter 5.38.

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

No.

3.a. Appropriations

_____ This legislation adds, changes, or deletes appropriations.

Is this change one-time or ongoing?

One-time.

3.b. Revenues/Reimbursements

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

3.c. Positions

_____ This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

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

None anticipated.

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 would authorize an interfund loan that would support investments in community-led organizations who would in turn assist the City in formulating public safety alternatives to the current policing paradigm.

- 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.

List attachments/exhibits below: