

SUMMARY and FISCAL NOTE

Department:	Contact Person/Phone:	Executive Contact/Phone:
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1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to the Haller Lake Improvements project in the Department of Finance and Administrative Services; establishing the 2017 Multipurpose LTGO Bond Fund; authorizing the loan of funds from the City’s Consolidated (Residual) Cash Pool, or its participating funds, in the amount of \$1,500,000, to the 2017 Multipurpose LTGO Bond Fund for bridge financing of the Haller Lake Improvements project; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Summary and background of the Legislation: As part of the 2015-2020 Adopted Capital Improvement Program, the Executive proposed and the Council adopted the Haller Lake Stormwater Drainage Improvements Project, to complete the design of stormwater drainage improvements at the City’s Haller Lake complex. The 2016-2021 Proposed CIP includes proposed funding to complete construction of those improvements. This multiyear project is estimated to cost \$5.5 million and is funded from multiple fund sources through 2017, including Real Estate Excise Tax I and general obligation bonds.

The construction will be phased to reflect the complexities of negotiating the scopes and completing this work under and around active tenant operations and structures. Tenant operations are currently not in compliance with stormwater code, and proposed improvements will erect structures and provide stormwater detention to bring these operations into compliance.

This ordinance seeks Council authorization to establish a revolving interfund loan for the Haller Lake Improvements project in the amount of \$1,500,000 to meet cash flow requirements as bridge financing in advance of the 2017 LTGO bond issuance. The entire principal and interest amount of the loan authorized by this ordinance will be repaid by proceeds of the 2017 LTGO bonds issued for this project, subject to future authorization by ordinance for the 2017 bond.

Work for this project is scheduled to begin in January 2016. The City Finance Director has authority to leave a fund in a negative cash position for up to 90 days, but because work is scheduled to begin in early 2016, and to relieve administrative complexities, Council authorization for the interfund loan is being requested in the 2016 Budget.

The Haller Lake Improvements project is scheduled to be completed in 2017. The Executive will seek Council approval to issue LTGO bonds for the project in 2017. FAS will be working with Haller Lake tenant departments (including Seattle Department of Transportation and Seattle Public Utilities) to determine the allocation of the cost of servicing that debt in 2017 and beyond.

2. CAPITAL IMPROVEMENT PROGRAM

This legislation creates, funds, or amends a CIP Project.

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:	Total Cost:
Haller Lake Improvements	A1MSY 03	12600 Stone AVE N	Q1/2015	Q4/2017	\$5.5 million

3. SUMMARY OF FINANCIAL IMPLICATIONS

This legislation has direct financial implications.

Budget program(s) affected:				
Estimated \$ Appropriation change:	General Fund \$		Other \$	
	2015	2016	2015	2016
				\$500,000
Estimated \$ Revenue change:	Revenue to General Fund		Revenue to Other Funds	
	2015	2016	2015	2016
Positions affected:	No. of Positions		Total FTE Change	
	2015	2016	2015	2016
Other departments affected:	Haller Lake tenant departments (including SDOT and SPU).			

Note: The 2016 appropriation change will be requested in the 2016 budget process, not in this legislation.

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

Fund Name and number	Dept	Budget Control Level Name/##*	2015 Appropriation Change	2016 Estimated Appropriation Change
2017 Multipurpose LTGO Bond Fund (36400)	FAS	A1MSY Maintenance Shops and Yards	0	\$500,000

	TOTAL			\$500,000

*See budget book to obtain the appropriate Budget Control Level for your department.

Appropriations Notes: This legislation does not increase appropriation in the 2017 Multipurpose LTGO Bond Fund in order to pay for 2016 capital costs to be incurred. The 2016 appropriation change will be requested in the 2016 budget.

3.b. Revenues/Reimbursements

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

Anticipated Revenue/Reimbursement Resulting from this Legislation: None.

Fund Name and Number	Dept	Revenue Source	2015 Revenue	2016 Estimated Revenue
TOTAL				

Revenue/Reimbursement Notes: This legislation does not authorize new revenues. Through its passage, the authority to borrow from the City's Consolidated (Residual) Cash Pool will be authorized in the amount of \$1.5 million, including \$1 million to cover the project costs January through May 2017.

3.c. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**

This legislation authorizes FAS to borrow funds from the City's Consolidated (Residual) Cash Pool to meet cash flow requirements for the Haller Lake Improvements project. The entire principal and interest amount of the loan authorized by this ordinance will be repaid by 2017 LTGO bond proceeds. This legislation does not authorize new revenues.

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

The interfund loan provides interim bridge financing in advance of the 2017 LTGO bond issuances to support the Haller Lake Improvements project costs. Without interim financing, the project will not be able to fulfill the requirements for implementation.

c) **Does this legislation affect any departments besides the originating department?**

Yes. Tenant departments, including SDOT and SPU.

d) Is a public hearing required for this legislation?

No.

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

No.

f) Does this legislation affect a piece of property?

No.

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

No.

h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.

None.

i) Other Issues: None.

List attachments below: None.