

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 the financing of the Seattle Department of Transportation; authorizing the loan of funds in the amount of \$25,000,000 from the Information Technology Fund to the Transportation Fund to support essential transportation programs.

Summary and background of the Legislation:

This legislation authorizes a total of \$25 million in an interfund loan to allow SDOT to continue to provide essential programs. The loan will come from the Information Technology Fund (\$20m) and the Transportation Benefit District Fund (\$5m).

The loan assures SDOT’s Transportation Fund remains balanced in 2021 and allows SDOT to continue to deliver essential services and programs. The Transportation Fund is anticipated to have positive fund balances beginning in 2022 and will therefore be able to begin paying back the loan at that time. The repayment of the loan will be complete no later than the end of 2024. The loan is a multi-year bridge financing mechanism meant to mitigate the programmatic impacts from the revenue shortfalls caused by the COVID-19 pandemic and associated economic downturn.

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?

Loan interest costs will be incurred and paid back from future balances in the Transportation Fund.

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

Yes. If this loan were not authorized, SDOT would need to further cut services and programs. As part of the 2021 Budget Process, SDOT made significant program reductions, including to voter-approved commitments such as the Move Seattle Portfolio. This loan allows SDOT to continue basic programs in the Move Seattle Levy and other programs.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
Yes, FAS-Finance.
- 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?**
N/A
- 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).**
N/A

Attachments:

Summary Attachment A – Interfund Loan Request