

**2012 Seattle City Council Green Sheet**

**Ready for Notebook**

Tab	Action	Option	Version
100	1	B	1

**Budget Action Title:** Reduce total funding and increase secured funding for SDOT’s Mercer Corridor Project West Phase (TC367110), amend the 2012-2017 SDOT CIP accordingly, and impose a proviso.

**Councilmembers:** Burgess; Godden; Rasmussen

**Staff Analyst:** Dan Eder

**Council Bill or Resolution:**

Date		Total	SB	BH	SC	TR	JG	NL	RC	TB	MO
	Yes										
	No										
	Abstain										
	Absent										

***Budget Action description:***

This green sheet reduces total funding and increases secured funding for the Seattle Department of Transportation’s (SDOT’s) Mercer Corridor Project West Phase (TC367110). It amends SDOT’s Proposed 2012-2017 Capital Improvement Program (CIP) to reflect those project changes. It also imposes a budget proviso.

The Proposed 2012-2017 CIP is based on a 30% design cost estimate. While the proposal includes \$64M of secured funding, it also includes \$35M of “to be determined” revenues. This is a placeholder for actual revenues that must be secured in order to begin construction. Recently, SDOT has advanced its project to 60% design, and the updated project cost estimate is now \$90M (\$9M lower than \$99M in the proposed CIP). This green sheet incorporates the new project cost estimates and adds secure funding in 2013 and 2014 from interfund loans to be repaid by future property sales. This green sheet does not change 2012 project appropriation or revenue sources.

This green sheet also imposes the following budget proviso:

“None of the money appropriated in the 2012 budget for SDOT’s Major Projects BCL may be spent for physical construction of Mercer Corridor Project West Phase (TC367110) until authorized by future ordinance.”

**Background**

**Timing Considerations:**

---

\* *CIP Amendment, Has Proviso*

Tab	Action	Option	Version
100	1	B	1

- a) The Mercer Corridor Project West Phase project is expected to begin construction in spring 2012.
- b) Timing is important in light of schedule coordination between multiple construction activities in the project vicinity: new Mercer Street undercrossing and SR99 bridge work; North Portal construction; construction of 6<sup>th</sup> Avenue extension; vacating a portion of Broad Street.

**Table 1: Mercer West Funding for 2012-17 CIP**

		<b><u>This Action</u></b>	
	Proposed CIP	Amended CIP	
Project Cost Estimate	\$ 99.4	\$ 90.5	
<b><u>Revenues:</u></b>			
<i>Secured Revenues:</i>			
Interfund Loan / Property	\$ 25.6	\$ 25.6	
Add'l Interfund Loan / Prope	\$ -	\$ 5.0	
Rubble Yard	\$ 2.0	\$ 2.0	
Other Secured	\$ 36.5	\$ 36.5	
<b>Total Secured</b>	<b>\$ 64.1</b>	<b>\$ 69.1</b>	
<i>Unsecured Revenues:</i>			
"To be determined"	\$ 35.3	\$ 21.4	
<b>Total Unsecured</b>	<b>\$ 35.3</b>	<b>\$ 21.4</b>	

As shown in Table 1, this green sheet reduces but does not eliminate the amount of unsecured or “to be determined” project funding. SDOT indicates that prior to spring 2012 it expects to have additional information to support a proposal for Council’s consideration that would fully fund the project (i.e., some combination of potential grant funding, potential partner agreements, potential savings from other projects, etc.).

This green sheet makes the following changes to the Mercer Corridor Project West Phase project:

- i. Decrease the CIP project budget by \$8.9M to reflect a more current project cost estimate than the proposed CIP.
- ii. Increase the Inter-fund loan by \$5M to be repaid with an expanded list of future surplus properties.

By spring 2012, SDOT expects to have new cost estimates and also to have additional information about project funding (including potential grants, potential partnership agreements, and potential savings from other projects).

SDOT expects to be able to present a revised funding plan for Council’s consideration by March 2012. At that time, Council could choose to lift the budget proviso imposed by this green sheet and may also wish to consider adopting an amendment to the Mercer Corridor Project West Phase project.

**Seattle Department of Transportation**

**Mercer Corridor Project West Phase**

<b>BCL/Program Name:</b>	Major Projects	<b>BCL/Program Code:</b>	19002
<b>Project Type:</b>	New Facility	<b>Start Date:</b>	Q1/2010
<b>Project ID:</b>	TC367110	<b>End Date:</b>	Q4/2015
<b>Location:</b>	Mercer ST/Elliott AVE W/Dexter AVE N		
<b>Neighborhood Plan:</b>	In more than one Plan	<b>Neighborhood Plan Matrix:</b>	Multiple
<b>Neighborhood District:</b>	In more than one District	<b>Urban Village:</b>	In more than one Urban Village

This project will convert Mercer Street to a two-way street between Dexter Ave and Elliott Ave West. The Mercer underpass at Aurora Ave will be widened to allow for six travel lanes and a bicycle/pedestrian shared use path between Dexter Ave and 5th Ave North. Roy Street, between Aurora and Queen Anne Ave., will also be converted to a two-way street with on-road bicycle lanes.

	<b>LTD Actuals</b>	<b>2011 Rev</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
<b>Revenue Sources</b>									
Federal Grant Funds	535	655	0	7,000	0	0	0	0	8,190
Surplus Property Sales	0	0	0	<del>27,600</del> <u>29,900</u>	<del>0</del> <u>2,700</u>	0	0	0	<del>27,600</del> <u>32,600</u>
2008 Multipurpose LTGO Bond Fund	1,957	7,043	0	0	0	0	0	0	9,000
To be determined	0	0	0	<del>2,300</del> <u>0</u>	<del>25,000</del> <u>13,400</u>	8,000	0	0	<del>35,300</del> <u>21,400</u>
2011 Multipurpose LTGO bond Fund	0	8,137	0	0	0	0	0	0	8,137
2012 Multipurpose LTGO Bond Fund	0	0	11,173	0	0	0	0	0	11,173
<b>Total:</b>	2,492	15,835	11,173	36,900	<del>25,000</del> <u>16,100</u>	8,000	0	0	<del>99,400</del> <u>90,500</u>
<b>Fund Appropriations/Allocations</b>									
Transportation Operating Fund	535	655	0	<del>34,600</del> <u>36,900</u>	<del>0</del> <u>2,700</u>	0	0	0	<del>35,790</del> <u>40,790</u>
2008 Multipurpose LTGO Bond Fund	1,957	7,043	0	0	0	0	0	0	9,000
2011 Multipurpose LTGO Bond Fund	0	8,137	0	0	0	0	0	0	8,137
2012 Multipurpose LTGO Bond Fund	0	0	11,173	0	0	0	0	0	11,173
<b>Total*:</b>	2,492	15,835	11,173	<del>34,600</del> <u>36,900</u>	<del>0</del> <u>2,700</u>	0	0	0	<del>64,100</del> <u>69,100</u>
<b>O &amp; M Costs (Savings)</b>			0	0	0	0	0	0	0

*\*This detail is for information only. Funds are appropriated in the budget at the Budget Control Level. Amounts are in thousands of dollars.*

**2012 - 2017 Proposed Capital Improvement Program**

## Seattle Department of Transportation

### Spending Plan by Fund

Transportation Operating Fund	655	0	<del>32,600</del>	<del>0</del>	0	0	0	<del>33,255</del>
			<u>36,900</u>	<u>2,700</u>				<u>40,255</u>
2008 Multipurpose LTGO Bond Fund	0	0	0	0	0	0	0	0
2010 Multipurpose LTGO Bond Fund	7,043	0	0	0	0	0	0	7,043
To Be Determined	0	0	<del>4,300</del>	<del>25,000</del>	8,000	0	0	<del>37,300</del>
			<u>0</u>	<u>13,400</u>				<u>21,400</u>
2011 Multipurpose LTGO Bond Fund	1,303	6,835	0	0	0	0	0	8,137
2012 Multipurpose LTGO Bond Fund	0	11,173	0	0	0	0	0	11,173
<b>Total:</b>	<b>9,000</b>	<b>18,008</b>	<b>36,900</b>	<del><b>25,000</b></del>	<b>8,000</b>	<b>0</b>	<b>0</b>	<del><b>96,908</b></del>
			<u><b>16,100</b></u>					<u><b>88,009</b></u>

*\*This detail is for information only. Funds are appropriated in the budget at the Budget Control Level. Amounts are in thousands of dollars.*

### 2012 - 2017 Proposed Capital Improvement Program