

2014 Seattle City Council Green Sheet

Ready for Notebook

| Tab | Action | Option | Version |
|-----|--------|--------|---------|
| 54  | 1      | A      | 1       |

**Budget Action Title:** Cut \$750,000 REET I for the Innovation Lab from Seattle Center's Northwest Rooms Redevelopment project and add \$750,000 REET I to Seattle Center's Public Gathering Space Improvements project

Has CIP Amendment: Yes Has Budget Proviso: No

Councilmembers: Budget Committee

Staff Analyst: Sara Belz

Council Bill or Resolution:

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

**Summary of Dollar Effect**

See the following pages for detailed technical information

|   | 2013 Increase (Decrease) | 2014 Increase (Decrease) |
|---|--------------------------|--------------------------|
| <b>General Subfund</b>  |                          |                          |
| <b>General Subfund Revenues</b>                               | \$0                      | \$0                      |
| <b>General Subfund Expenditures</b>                           | \$0                      | \$0                      |
| <b>Net Balance Effect</b>                                     | \$0                      | \$0                      |
| <b>Other Funds</b>  |                          |                          |
| <b>Cumulative Reserve Subfund - REET I Subaccount (00163)</b> |                          |                          |
| <b>Revenues</b>   | \$0                      | \$0                      |
| <b>Expenditures</b>   | \$0                      | \$0                      |
| <b>Net Balance Effect</b>                                     | \$0                      | \$0                      |
|   |                          |                          |
|   |                          |                          |
| <b>Total Budget Balance Effect</b>                            | \$0                      | \$0                      |

**Budget Action description:**

This green sheet would cut \$750,000 in REET I revenues for the Innovation Lab from Seattle Center’s Northwest Rooms Redevelopment Capital Improvement Program (CIP) project, Project ID S1401, and add \$750,000 in REET I revenues to Seattle Center’s Public Gathering Space Improvements CIP project, Project ID S9902, resulting in no net change to the overall level of Seattle Center funding in the Proposed Budget and 2014-2019 CIP.

| <i>Tab</i> | <i>Action</i> | <i>Option</i> | <i>Version</i> |
|------------|---------------|---------------|----------------|
| 54         | 1             | A             | 1              |

This green sheet would also revise Seattle Center’s 2014-2019 CIP in the Campuswide Improvements and Repairs Budget Control Level (BCL) for the Northwest Rooms Redevelopment project, Project ID S1401, as follows:

Decrease the 2014 amount from revenue source Real Estate Excise Tax I by \$750,000, and revise totals accordingly; and

Decrease the 2014 fund appropriation/allocation amount for the Cumulative Reserve Subfund – Real Estate Excise Tax I Subaccount by \$750,000, and revise totals accordingly; and

Decrease the 2014 spending plan amount for the Cumulative Reserve Subfund – Real Estate Excise Tax I Subaccount by \$750,000, and revise totals accordingly.

This green sheet would also revise Seattle Center’s 2014-2019 CIP in the Public Gathering Space Improvements BCL for the Public Gathering Space Improvements project, Project ID S9902, as follows:

Increase the 2014 amount from revenue source Real Estate Excise Tax I by \$750,000, and revise totals accordingly; and

Increase the 2014 fund appropriation/allocation amount for the Cumulative Reserve Subfund – Real Estate Excise Tax I Subaccount by \$750,000, and revise totals accordingly; and

Increase the 2014 spending plan amount for the Cumulative Reserve Subfund – Real Estate Excise Tax I Subaccount by \$750,000, and revise totals accordingly.

This green sheet would also adopt the following purpose statement for the Public Gathering Space Improvements BCL:

The purpose of the Public Gathering Space Improvements BCL is to provide for major maintenance and improvements to meeting rooms, exhibition spaces, and public gathering spaces at Seattle Center. This BCL is funded by CRS REET I (Fund 00163).

This green sheet would also revise Seattle Center’s 2014-2019 CIP by amending the description for the Northwest Rooms Redevelopment project, Project ID S1401, as follows:

This project provides for the privately funded redevelopment of the upper Northwest Rooms at Seattle Center to be the new home of public radio station KEXP. City funding provides for emergency power and fiber connections to ensure that KEXP is able to fulfill its emergency broadcast role in the event of an emergency. ~~City funding also provides, as part of a public private partnership, for the development of an Innovation Lab in the former Northwest Rooms which would train high school students in digital media technologies, with the goal of connecting students’ passions with career opportunities.~~

Background:

| <i>Tab</i> | <i>Action</i> | <i>Option</i> | <i>Version</i> |
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The 2014-2019 CIP for Seattle Center includes \$750,000 in 2014 REET I revenues to support the creation of digital media learning lab (Innovation Lab) in the Northwest Rooms. The Innovation Lab would be co-located with KEXP, which is expected to begin an extensive renovation of the Northwest Rooms in early 2014. This green sheet would cut the REET I allocation for the Innovation Lab and redirect the funding to Seattle Center's Public Gathering Space Improvements CIP project, where it would be used to support open space restoration projects, technology upgrades in various campus buildings, and the second phase of the Armory conference room renovations, which would allow Seattle Center to maintain an income stream from conference room rentals after KEXP takes occupancy of the Northwest Rooms.

Using the City's 2003 Asset Preservation Study as a baseline, Seattle Center estimates the current target CIP allocation for the campus at about \$9.4 million per year. In contrast, the 2014-2019 CIP provides just \$7.2 million for Seattle Center facilities in 2014. With available capital funding for Seattle Center falling below target levels and many aspects of the campus' Century 21 Master Plan (adopted by the Council in 2008) remaining unfunded, this green sheet would prioritize support for existing, unmet capital funding needs over the development of a new facility.

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**Budget Action Transactions**

**Budget Action Title:** Cut \$750,000 REET I for the Innovation Lab from Seattle Center's Northwest Rooms Redevelopment project and add \$750,000 REET I to Seattle Center's Public Gathering Space Improvements project

| # | Transaction Description  | Position Title | Number of Positions | FTE | Dept | BCL or Revenue Source                           | Summit Code | Fund  | Year | Revenue Amount | Expenditure Amount |
|---|--|----------------|---------------------|-----|------|---|-------------|-------|------|----------------|--------------------|
| 1 | Reduce REET I appropriation for the Innovation Lab               |                |                     |     | CEN  | Campuswide Improvements and Repairs (00163-CIP) | S03P01      | 00163 | 2014 |                | (\$750,000)        |
| 2 | Add REET I appropriation for Public Gathering Space Improvements |                |                     |     | CEN  | Public Gathering Space Improvements (00163-CIP) | S9902       | 00163 | 2014 |                | \$750,000          |