

**2014 BUDGET LEGISLATION FISCAL NOTE**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
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**Legislation Title:**

AN ORDINANCE relating to the financing of the Waterfront Improvement Program; amending Ordinance 123761 to increase the amount of an interfund loan to be used for this capital program.

**Summary of the Legislation:**

This ordinance amends Ordinance 123761, last amended by Ordinance 124033, to increase the Central Waterfront Improvement Fund Loan from \$13.7 million to \$31.225 million, to support appropriations to be made in the 2014 fiscal year.

**Background:**

This loan is an increase of prior loans authorized by Council for the 2012 and 2013 budget for capital and interest costs associated with the Waterfront Improvement Program (TC367330). The history of the loan is summarized below.

Ordinance	Fiscal Year	Loan Maximum	Capital Costs	Interest Costs
123761	2012	\$2.4	\$2.0	\$0.4
124033	2013	\$13.7	\$11.5	\$2.2
TBD	2014	\$31.2	\$27.0	\$4.2

\*Dollars in millions.

The loan is from the Consolidated (Residual) Cash Pool to the Central Waterfront Improvement Fund and will pay for improvements that may be funded by a local improvement district currently under discussion. The City intends to form and confirm a local improvement district in 2014.

Please check one of the following:

**This legislation does not have any financial implications.**

**This legislation has financial implications.**

**Summary of Changes to Revenue Generated Specifically from this Legislation:**

Revenue Change Notes:

This legislation does not authorize new revenues. Through its passage, the authority to borrow from the City's Consolidated (Residual) Cash Pool loan will be increased to \$31,225,000.

**Anticipated Total Revenue from Entire Program, Including Changes Resulting from this Legislation:**

Total Revenue Notes:

None.

**Other Implications:**

- a) **Does the legislation have indirect financial implications, or long-term implications?**  
If a local improvement district is not formed for the purposes of this project, the City will need to repay the loan with other sources.
- b) **What is the financial cost of not implementing this legislation?**  
The City would likely incur higher borrowing costs if bond funding were used as opposed to an interfund loan.
- c) **Does this legislation affect any departments besides the originating department?**  
This project will have direct and indirect effects on City Budget Office, Department of Finance and Administrative Services, Seattle City Light, Seattle Public Utilities, and Department of Parks and Recreation.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**  
The City could issue bonds for these expenditures. However, bonds will have higher finance costs and would have less flexibility than an interfund loan.
- e) **Is a public hearing required for this legislation?**  
No.
- f) **Is publication of notice with The Daily Journal of Commerce and/or The Seattle Times required for this legislation?**  
No.
- g) **Does this legislation affect a piece of property?**  
No.
- h) **Other Issues:**  
None.

**Please list attachments to the fiscal note below:** None.