

FISCAL NOTE FOR NON-CAPITAL PROJECTS

| Department: | Contact Person/Phone: | CBO Analyst/Phone: |
|--------------------|-------------------------------|---------------------------|
| City Budget Office | Jeanette Blankenship 615-0087 | Lisa Mueller 684-5339 |

Legislation Title:

AN ORDINANCE related to the Office of Housing; lifting a budget proviso imposed on the Office of Housing Operating Fund Budget Control Level to allow spending for a predevelopment study that would evaluate the feasibility of expanding Legacy House and an International Community Health Services clinic as provided in Ordinance 124349, which adopted the 2014 Budget.

Summary of the Legislation:

This ordinance lifts a budget proviso imposed on \$295,000 in the Office of Housing Operating Fund Budget Control Level for a predevelopment study that would evaluate the feasibility of expanding Legacy House and an International Community Health Services (ICHS) clinic as provided in Ordinance 124349, which adopted the 2014 Budget.

Background:

The 2014 Adopted City Budget includes \$295,000 GSF in 2014 for a pre-development study that would evaluate the feasibility of expanding Legacy House, a low-income senior housing facility.

The City Council placed a budget proviso on funds such that the Office of Housing cannot expend funds on a predevelopment study for Legacy House and International Community Health Services clinic until the City Council has reviewed a detailed budget for the predevelopment study that includes non-City funding to the extent that such resources are available.

Please check one of the following:

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

 This legislation has financial implications.

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
Yes. This legislation removes a proviso and allows the Office of Housing to spend funds appropriated in the 2014 Adopted Budget for a predevelopment study to expand Legacy House and add a new International Community Health Services clinic.
- b) **What is the financial cost of not implementing the legislation?**
If this legislation is not implemented, the Office of Housing will not be able to spend funds appropriated for a predevelopment study for Legacy House.
- c) **Does this legislation affect any departments besides the originating department?**
Office of Housing.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
N/A
- 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:**

List attachments to the fiscal note below:

Attachment A: Budget for SCIDpda/ICHS Predevelopment Study

Budget for SCIDpda/ICHS Predevelopment Study

6/20/2014

6/20/2014

| | | Sources | | | | |
|---------------|---|--------------------------------------|---------------------------------------|-------------------|----------------|------------------|
| | | City Funds 2014 Adopted Budget | SCIDpda and Partners In Kind | KC Brownfields | Other Funds | Total Sources |
| Phase 1 | FEASIBILITY STUDY | | | | | |
| | market demand analysis | | | | | |
| | <i>PACE</i> | 30,000 | | | | 30,000 |
| | <i>Assisted living/senior housing</i> | 8,000 | | | | 8,000 |
| | project management | 3,800 | | | | 3,800 |
| | Subtotal Phase 1 | 41,800 | - | - | - | 41,800 |
| Phase 2 | SITE SELECTION ANALYSIS ³ | | | | | |
| | space program analysis | | | | | |
| | <i>PACE</i> | 10,000 | | | | 10,000 |
| | <i>Assisted living/senior housing</i> | 5,000 | | | | 5,000 |
| | site suitability analysis | | | | | |
| | <i>environmental analysis¹</i> | - | | 30,000 | | 30,000 |
| | <i>geotech analysis</i> | 20,000 | | | | 20,000 |
| | <i>legal/title search</i> | 4,000 | | | | 4,000 |
| | <i>other impacts</i> | 13,000 | | | | 13,000 |
| | conceptual design | 35,000 | | | | 35,000 |
| | capital cost analysis | 10,000 | | | | 10,000 |
| | project management | 12,700 | | | | 12,700 |
| | Subtotal Phase 2 | 109,700 | - | 30,000 | - | 139,700 |
| Phase 3 | SITE IMPLEMENTATION ANALYSIS ⁴ | | | | | |
| | operational proforma | | | | | |
| | <i>PACE</i> | 15,000 | | | | 15,000 |
| | <i>Assisted living/senior housing</i> | 5,000 | | | | 5,000 |
| | ownership options | 6,000 | | | | 6,000 |
| | financing options | 11,000 | | | | 11,000 |
| | financial feasibility | 14,000 | | | | 14,000 |
| | final report/presentations | 7,000 | | | | 7,000 |
| | project management | 5,800 | | | | 5,800 |
| | Subtotal Phase 3 | 63,800 | - | - | - | 63,800 |
| Devt Reserves | SOFT COST RESERVES FOR DEVT ⁵ | 79,700 | | | | 79,700 |
| PACE Program | PACE Demand Analysis ⁶ | | 35,000 | | 45,000 | 80,000 |
| PACE Program | PACE Program implementation ⁷ | | | | 295,000 | 295,000 |
| | Total Cost/Contribution | 295,000 | 35,000 | 30,000 | 340,000 | 700,000 |

Notes

¹ King County Brownfields grant will be pursued for this item. If it is not able to be secured, the City would use 2014 Adopted Budget funds, which will reduce the Soft Costs reserves by approximately \$30,000.

² City funds from 2014 will be provided to SCIDpda on reimbursable basis for actual costs. Soft cost reserves will increase or decrease based on budgeted-to-actual expenditures.

³ Phase 2 costs will only be incurred if the market demand analysis performed in Phase 1 concludes that sufficient demand exists, SCIDpda provides a report to the City on the findings.

⁴ Phase 3 costs would not be incurred until SCIDpda provides a report to the City on the findings from Phase 2.

⁵ Reserves for soft costs associated with development, if the project moves forward to construction.

⁶ All costs reflected in this row were incurred over past year in preparation for potential PACE program. Future In Kind is not reflected.

⁷ Funds pledged from the Coulter Foundation.