Form revised: December 5, 2014

SUMMARY and FISCAL NOTE

Department:	Contact Person/Phone:	Executive Contact/Phone:
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1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to the Smith Cove project in the Department of Parks and Recreation; and authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, in the amount of $560,000, to the Parks Capital Fund for bridge financing of the Smith Cove project.

Summary and background of the Legislation: This ordinance seeks Council authorization to establish an interfund loan for the design phase of the Smith Cove project in the amount of $560,000 to meet cash flow needs. The entire principal and interest amount of the loan authorized by this ordinance will be repaid by Seattle Park District revenues, as identified in the Seattle Park District spending plan, subject to future authorization by the Seattle Park District Board.

When the Seattle Park District was created, Council entered into an interlocal agreement with the park district through Ordinance 124468. The interlocal agreement specified a six year spending plan for the park district. The plan included $697,000 a year beginning in 2017 to repay debt on $6 million to be spent on the development of Smith Cove Park. Developing Smith Cove is a multi-year project. In the first year, 2016, Parks plans to spend $550,000 on design and pre-construction. Interest charges on the loan are anticipated to be $10,000 or less. Parks and the City Budget Office determined that it was not cost effective to issue bonds at this time. The $697,000 in the spending plan will be used to repay this interfund loan and ongoing financing options for Smith Cove construction costs will be evaluated as part of the 2017 budget process.

2. CAPITAL IMPROVEMENT PROGRAM

____ **This legislation creates, funds, or amends a CIP Project.**

3. SUMMARY OF FINANCIAL IMPLICATIONS

__X__ **This legislation does not have direct financial implications.**

4. OTHER IMPLICATIONS

a) Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?

This legislation authorizes DPR to borrow funds from the City's Consolidated (Residual) Cash Pool to meet cash flow requirements for the Smith Cove project. The entire

principal and interest amount of the loan authorized by this ordinance will be repaid by park district revenues. This legislation does not authorize new revenues nor make any appropriations.

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

Without interim financing, the project will not be able to fulfill the requirements for implementation.

c) Does this legislation affect any departments besides the originating department?

This is a DPR project.

d) Is a public hearing required for this legislation?
No.

e) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

f) Does this legislation affect a piece of property?

No.

g) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?
No.

h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.

None.

i) Other Issues: None.

List attachments below: None.