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Lisa Mueller  
CBO Feasibility Study Proviso ORD  
June 20, 2014  
Version #2

**CITY OF SEATTLE**  
**ORDINANCE \_\_\_\_\_**  
**COUNCIL BILL 118152**

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.

WHEREAS, the 2014 Adopted City Budget includes \$295,000 GSF in 2014 for a predevelopment study that would evaluate the feasibility of expanding Legacy House, a low-income housing facility located at 8th Avenue South and South Lane Street, and adding a new International Community Health Services clinic; and

WHEREAS, the City Council placed a budget proviso on funds such that the Office of Housing cannot expend funds on this predevelopment study 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; and

WHEREAS, the City Budget Office has reviewed the proposed detailed budget for the predevelopment study and the proposed budget includes significant non-City funding;  
NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The restrictions imposed by the following budget proviso, which limit spending on the following item, are removed because the conditions set forth in the proviso have been satisfied and they are no longer restrictions for any purpose, including those set forth in Subsection 1 of Ordinance 124349.



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Item	Department	2014 Green Sheet	Proviso	Budget Control Level
1	Executive	#103-1-A-1	<p>“None of the money appropriated in the 2014 budget for the Office of Housing Operating Fund BCL may be spent on a predevelopment study for Legacy House and International Community Health Services clinic until authorized by future ordinance. Council anticipates that such authority will not be granted until the Council’s Housing, Human Services, Health, and Culture Committee has reviewed and approved a detailed budget for the predevelopment study that includes non-City funding resources, to the extent such resources are available.”</p>	Office of Housing Operating Fund BCL

Section 2. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.



1 Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2014, and  
2 signed by me in open session in authentication of its passage this  
3 \_\_\_\_ day of \_\_\_\_\_, 2014.

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6 President \_\_\_\_\_ of the City Council

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8 Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

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11 Edward B. Murray, Mayor

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13 Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

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15 \_\_\_\_\_  
16 Monica Martinez Simmons, City Clerk

17 (Seal)



**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
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:

**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

		Sources				
		City Funds 2014 Adopted Budget	SCIDpda and Partners In Kind	KC Brownfields	Other Funds	Total Sources
Phase 1	<b>FEASIBILITY STUDY</b>					
	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
	<b>Subtotal Phase 1</b>	<b>41,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,800</b>
Phase 2	<b>SITE SELECTION ANALYSIS<sup>3</sup></b>					
	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 analysis<sup>1</sup></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
	<b>Subtotal Phase 2</b>	<b>109,700</b>	<b>-</b>	<b>30,000</b>	<b>-</b>	<b>139,700</b>
Phase 3	<b>SITE IMPLEMENTATION ANALYSIS<sup>4</sup></b>					
	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
	<b>Subtotal Phase 3</b>	<b>63,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63,800</b>
Devt Reserves	<b>SOFT COST RESERVES FOR DEVT<sup>5</sup></b>	<b>79,700</b>				<b>79,700</b>
PACE Program	<b>PACE Demand Analysis<sup>6</sup></b>		<b>35,000</b>		<b>45,000</b>	<b>80,000</b>
PACE Program	<b>PACE Program implementation<sup>7</sup></b>				<b>295,000</b>	<b>295,000</b>
	<b>Total Cost/Contribution</b>	<b>295,000</b>	<b>35,000</b>	<b>30,000</b>	<b>340,000</b>	<b>700,000</b>



**Notes**

- <sup>1</sup> 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.
- <sup>2</sup> 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.
- <sup>3</sup> 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.
- <sup>4</sup> Phase 3 costs would not be incurred until SCIDpda provides a report to the City on the findings from Phase 2.
- <sup>5</sup> Reserves for soft costs associated with development, if the project moves forward to construction.
- <sup>6</sup> All costs reflected in this row were incurred over past year in preparation for potential PACE program. Future In Kind is not reflected.
- <sup>7</sup> Funds pledged from the Coulter Foundation.



**City of Seattle**  
Edward B. Murray  
Mayor

July 1, 2014

Honorable Tim Burgess  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Burgess:

I am pleased to transmit the attached Council Bill that lifts a budget proviso imposed on the Office of Housing Operating Fund Budget Control Level. Lifting the proviso allows spending for a predevelopment study to evaluate the feasibility of expanding Legacy House, a low-income housing facility, and an International Community Health Services (ICHS) clinic as provided in Ordinance 124349, which adopted the 2014 Budget.

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 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. Staff from the City Budget Office and the Department of Finance and Administrative Services have reviewed the budget for the predevelopment study and have confirmed that non-City funds are available in addition to the City funding.

Thank you for your consideration of this legislation. Should you have questions, please contact Jeanette Blankenship at 615-0087.

Sincerely,

Edward B. Murray  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

