

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
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Legislation Title: AN ORDINANCE relating to the 2014 Budget; amending Ordinance 124349, which adopted the 2014 Budget, including the 2014-2019 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; revising project allocations for certain projects in the 2014-2019 CIP; creating positions; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Summary of the Legislation:

This Council Bill, which is the third quarterly supplemental ordinance in 2014, proposes several adjustments to the 2014 Adopted Budget.

Background:

The City Budget Office compiles the majority of departmental requests for spending adjustments to the Adopted Budget into a quarterly Supplemental Ordinance for review and approval by the City Council. These quarterly Bills accomplish the following:

- Implement programs approved in the Adopted Budget or subsequent legislation;
- Create new capital improvement projects;
- Adjust for unanticipated actual and projected revenues;
- Abandon unused or unneeded appropriation;
- Appropriate funding backed by new revenue sources, such as grants and private donations; and/or
- Correct technical mistakes in the Adopted Budget.

This quarterly Supplemental Ordinance is accompanied by a quarterly Grant Acceptance Ordinance.

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations:

Appropriations Notes: Appropriations and abandonments that result from this Ordinance can be found in Attachment A to this Fiscal Note.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2014 Revenue	2015 Revenue
Arts Account (00140)	Executive / Office of Arts and Culture (ARTS)	Grant	\$50,000	
General Subfund (00100)	Seattle Fire Department (SPD)	Grant	\$540,700	
General Subfund (00100)	Seattle Fire Department (SPD)	Grant	\$786,255	
TOTAL			\$1,376,955	

Revenue/Reimbursement Notes: Grant revenues related to appropriations in this ordinance are identified in the accompanying Grants Acceptance ordinance.

Position Notes: N/A

Do positions sunset in the future?

N/A

Spending/Cash Flow:

Spending/Cash Flow Notes: N/A

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
 Yes, some items in this ordinance represent costs increases to departments in order for them to accomplish the desired objectives as stated in the Fiscal Note Attachment A.
- b) **What is the financial cost of not implementing the legislation?**
 The same objectives could not be achieved without this legislation.
- c) **Does this legislation affect any departments besides the originating department?**
 Yes, this legislation affects multiple departments.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** The same objectives could not be achieved without this legislation.
- 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.

List attachments to the fiscal note below:

Attachment A: 2014 Third Quarter Supplemental Ordinance Fiscal Note Detail Table

2014 Third Quarter Supplemental Ordinance Fiscal Note Detail Table

Item	Title/Description	Amount/FTE
	Section 1 – Appropriation Decreases	
1.1	School Safety Adjustment (Seattle Police Department, General Subfund (00100))	(\$70,000)
	This item decreases appropriation authority by \$70,000 in the Deputy Chief of Staff BCL. It removes six months of appropriation authority for a position that was revenue backed by the School Zone Fixed Automated Camera Fund because the Department was unable to hire for the position until July 2014. Consistent with the requirements of Ordinance 124346, this appropriation authority is being removed to prevent its use on expenditures unrelated to school safety within the Seattle Police Department.	
1.2	School Safety Adjustment (Seattle Police Department, General Subfund (00100))	(\$384,750)
	This item decreases appropriation authority by \$384,750 in the Special Operations BCL. It removes appropriation authority for expenses that were revenue backed by the School Zone Fixed Automated Camera Fund because these expenses will not be incurred in 2014. The 2014 Adopted Budget included appropriations to Seattle Police Department and Seattle Department of Transportation to increase the number of school zone camera schools from 4 to 15 by the end of 2014. Difficulties in permitting, design and construction have delayed expansion of the program by six months and full expansion will not be achieved until early 2015. As such, SPD will not need to pay the camera vendor for as many cameras as anticipated in 2014 resulting in excess appropriation. Consistent with the requirements of Ordinance 124346, this appropriation authority is being removed to prevent its use on expenditures unrelated to school safety within the Seattle Police Department.	
	Section 2 – Appropriation Increases	
2.1	WSDOT Montlake/Olmstead Park Sec 106 Supplemental (Department of Neighborhoods, General Subfund (00100))	\$205,000
	This item increases appropriation authority by \$205,000 in the Community Building BCL. This request is necessary for the Department of Neighborhoods (DON) to receive and spend funds to fulfill a condition of Washington State Department of Transportation (WSDOT) requirements in the SR 520, I-5 to Medina Bridge Replacement and HOV Project Programmatic Agreement (PA). The PA requires WSDOT to prepare a National Register of Historic Places (NHRP)-Multiple Property Documentation (MPD) for Seattle's Olmsted-designed Park and Boulevard System as well as associated NHRP registration forms for select segments of Lake Washington Boulevard and adjacent public parks. This appropriation will cover the costs of project management and consultant fees for work to prepare MPD and NHRP registration forms. The WSDOT schedule anticipates this phase of work to begin in November 2014. This appropriation is supported by funds from WSDOT, and DON will perform the work on a reimbursable basis.	
2.2	Seattle Homeowner Stabilization Program Support (Finance General, General Subfund (00100))	\$130,000

Item	Title/Description	Amount/FTE
	This item increases appropriation authority by \$130,000 in the Appropriation to General Fund Subfunds and Special Funds BCL (2QA00). This provides General Fund support for the Office of Housing new Seattle Homeowner Stabilization Program. The Office of Housing appropriation was included in the 2014 Q2 supplemental, but the corresponding Finance General transfer was not included. The Seattle Homeowner Stabilization program is an intensive short-term outreach, information, and education campaign targeted to areas particularly impacted by foreclosures.	
2.3	2014 Coalition Cost of Living Adjustment (Neighborhood Matching Subfund, Neighborhood Matching Subfund (00165))	\$10,991
	This item increases appropriation authority by \$10,991 in the Neighborhood Matching Fund BCL. This increase provides for the 2014 cost increase to City employment compensation. The increase in cost is a result of the MOU between the City of Seattle and the unions participating in the Coalition of City Unions, which provides for a 1.8 percent cost-of-living increase effective January 1, 2014, as well as the same increase for certain non-represented City employees and increases to the discretionary pay program zones.	
2.4	Increase appropriations related to unemployment claims costs (Personnel Compensation Trust Subfunds, Unemployment Insurance Subfunds (00517))	\$1,000,000
	This item increases appropriation authority by \$1,000,000 in the Unemployment Insurance BCL (NS000). Unemployment claims costs in 2014 are running higher than budgeted, in part due to the change of administration and the resulting one-time increase in staff departures. This appropriation will utilize available fund balance in the Unemployment Insurance Subfund, which ended 2013 with \$1.814 million. It is anticipated that the higher 2014 claims will partially deplete the \$500,000 policy reserve in this fund, which will be addressed in the 2015-2016 Proposed Budget.	
Section 3 – Grant Appropriation Increases		
3.1	NEA Our Town Grant for \$50,000 (Executive/Office of Arts and Culture, Arts Account (00140))	\$50,000
	This item increases appropriation authority by \$50,000 in the Arts Account BCL and accept the NEA Our Town grant award in the same amount. This funding from the NEA will support the creation of the Cultural Space Toolkit, a series of Creative Placemaking efforts to support cultural districts in Seattle. The toolkit will provide visioning and implementation strategies to guide neighborhood wayfinding, pop-up space activations, neighborhood cultural plans, and other efforts to benefit artists and arts organizations. This is a matching grant, and the match with City funding is already included in the department's adopted budget (Cultural Facilities funding program). The grant period is September 2014 through December 2015.	
3.2	Grant Funding for the Bio Watch Project (Seattle Fire Department, General Subfund (00100))	\$540,700

Item	Title/Description	Amount/FTE
	<p>This item increases appropriation authority by \$540,700 in the Grants and Reimbursables BCL (F6000) from the Department of Homeland Security and Federal Emergency Management Administration. This is a continuation grant for the Bio Watch project which has thirteen air collection sites and is tasked with performing daily air monitoring for the early detection of bio-toxins that would otherwise not be detected until the outbreak of symptoms following the natural incubation period of the toxin. The period of performance for this grant is one year starting on July 1, 2014, and requires no local match. Without this grant, the Fire Department would not be able to perform these monitoring services. No positions are supported by this grant.</p>	
3.3	<p>Reimbursement for Oso Response (Seattle Fire Department, General Subfund (00100))</p>	\$786,255
	<p>This item increases appropriation authority by \$786,255 in the Grants and Reimbursables BCL (F6000) to reflect reimbursement from Pierce County for the deployment of 35 Seattle firefighters for 21 days to the Oso landslide emergency earlier this year. This reimbursement has been received from the Pierce County Department of Emergency Management, which operates the regional Urban Search and Rescue Team (USAR). The Seattle firefighters deployed to Oso are members of the regional USAR team. This reimbursement reflects the majority of SFD's expenses for the Oso landslide response, with two other reimbursements still pending.</p>	
4.1	<p>Moving budget to correct BCL (Finance General; General Subfund (00100)/Finance General; General Subfund (00100))</p>	\$2,209,504
	<p>This item transfers appropriation authority in the amount of \$2,209,504 from the Finance General Reserves BCL to the Finance General Support to Operating Funds BCL. Resources were originally appropriated by Ordinance 124488 to provide General Fund support for the 2014 Coalition of City Unions cost of living adjustment agreement, but were inadvertently placed in the wrong BCL. This action moves budget to the correct Finance General BCL and does not provide additional resources.</p>	
4.2	<p>Transfer Grant Appropriation from Police to Fire for Structural Collapse Training (Seattle Fire Department; General Subfund (00100)/Seattle Police Department; General Subfund (00100))</p>	\$106,059
	<p>This item transfers appropriation authority in the amount of \$106,059 from the Chief of Police BCL (P1000) to the Grants and Reimbursables BCL (F6000). Ordinance 124492, section 6.13, accepted and appropriated \$213,204 to the Seattle Police Department (SPD), administrator of the Urban Area Security Initiative (UASI) Grant. The grant resources provided by Ordinance 124492 supported expenditures in both SPD and the Seattle Fire Department (SFD) programs, although the appropriation authority was placed solely in SPD. A transfer of appropriation authority removes excess authority from SPD, and balances the project costs and resources for SFD's grant program. No additional positions are created with these transferred funds and no local match was required for these grant funds.</p>	
4.3	<p>Changing Management to City Budget Office (Executive/City Budget Office; General Subfund (00100)/Executive/Office of Housing; Office of Housing (16600))</p>	\$295,000

Item	Title/Description	Amount/FTE
	<p>This item transfers appropriation authority in the amount of \$295,000 from the Office of Housing Operating Fund BCL to the City Budget Office BCL. Ordinance 123537 lifted a budget proviso imposed on \$295,000 in the Office of Housing for a predevelopment study that would evaluate the feasibility of expanding Legacy House and an International Community Health Services (ICHHS) clinic. With this action the contract for the predevelopment study will be managed by the City Budget Office. No new resources are required as funding for this study was reserved in Finance General in the 2014 Adopted Budget.</p>	
	Section 5 – Appropriation Transfers – SDOT Capital BCL to Operating	
5.1	<p>Appropriation Transfer - Night Owl Service (Seattle Department of Transportation; Transportation Operating Fund (10310)/Seattle Department of Transportation; Transportation Operating Fund (10310))</p>	\$700,000
	<p>This item transfers \$700,000 from the Mobility – Capital BCL (19003) to the Mobility –Operations BCL (17003). The purpose of the transfer is to fund Metro’s Night Owl service within the City of Seattle. The transfer is from a combination of savings on the Ballard to Downtown Sound Transit partnership study (\$254,000 General Subfund) and savings from reducing the scope on the Ship Canal Crossing Study (\$446,000 Commercial Parking Tax); both projects are funded by revenues in the Ballard to Downtown High Capacity Transit and Ship Canal Crossing Project (TC367390).</p>	
	Section 6 – SDOT Capital Appropriation and Project Allocation Reductions	
6.1	<p>Pedestrian Master Plan – School Safety Appropriation Reduction (Seattle Department of Transportation, Transportation Operating Fund (10310))</p>	(\$6,730,000)
	<p>This item decreases appropriation authority by \$6,730,000 in the Mobility-Capital BCL (19003) for the Pedestrian Master Plan – School Safety project (TC367170). The current 2014 spending plan for the Pedestrian Master Plan – School Safety project is \$6,758,666. This item reflects the net impact of two actions. Of the \$6.73 million being disappropriated, \$2,158,329 is due to a reduced revenue forecast. The remaining \$4,571,671 is disappropriated to align with the spending plan for the year and will be appropriated in the 2015-2016 Proposed Budget in the same project to continue the work plan in 2015. Please see item 6.7 for the corresponding REET appropriation reduction.</p>	
6.2	<p>Pedestrian Master Plan Implementation (TC367150) Appropriation Reduction (Seattle Department of Transportation, Transportation Operating Fund (10310))</p>	(\$2,300,000)
	<p>This item decreases appropriation authority by \$2,300,000 in the Mobility-Capital BCL (19003) for the Pedestrian Master Plan Implementation project (TC367150). The current 2014 spending plan for the Pedestrian Master Plan Implementation project is \$12,679,000. The \$2,300,000 will be appropriated in the 2015 – 2016 Proposed Budget in the same project to continue the work plan in 2015. Please see item 7.8 for the corresponding REET appropriation reduction.</p>	
6.3	<p>Decrease Appropriation Authority for South Park Bridge (TC365780) (Seattle Department of Transportation, Transportation Operating Fund (10310))</p>	(\$15,000,000)

Item	Title/Description	Amount/FTE
	This item decreases appropriation authority by \$15,000,000 in the Major Maintenance/Replacement BCL (19001) for the South Park Bridge project. SDOT deferred the sale of \$10 million of 2013 LTGO Bonds and \$5 million of 2014 LTGO Bonds that were approved in their respective years budgets based on King County's updated status/schedule of the South Park Bridge project (TC365780). This action formally abandons the associated LTGO Bond authority.	
6.4	Decrease Appropriation Authority for Mercer Corridor West (TC367110) - Abandonment (Seattle Department of Transportation, Transportation Operating Fund (10310))	(\$19,551,000)
	This item decreases appropriation authority by \$19,551,000 in the Major Projects BCL (19002) for the Mercer Corridor West project (TC367110). SDOT deferred the sale of \$11.2 million of 2013 LTGO Bonds and \$8.4 million of 2014 LTGO Bonds that were approved in their respective years budgets based on updated status/schedule of the Mercer Corridor West project. This action formally abandons the associated LTGO Bond authority.	
6.5	Decrease Appropriation Authority for Elliott Bay Seawall Project (TC367320)- (Seattle Department of Transportation, Transportation Operating Fund (10310))	(\$38,349,000)
	This item decreases appropriation authority by \$38,349,000 in the Major Projects BCL (19002) for the Elliott Bay Seawall Project (TC367320). This item reflects the net impact of two actions. First, the 2014 budget included \$90 million of UTGO bonds SDOT deferred the sale of a significant portion based upon updated project status and schedule. \$44.1 million of appropriation authority that resulted from this deferral is being abandoned to ensure appropriation authority is appropriately backed by an identified resource. In addition, King County was scheduled to reimburse Seattle a total of \$20.75 million over a two year period. King County is now accelerating the reimbursement schedule to provide their entire contribution commitment in 2014. The impact of these two actions results in a net reduction of \$38,349,000 of 2014 appropriation authority, which this action formally abandons.	
6.6	Decrease Appropriation Authority for Alaskan Way Corridor project (TC367330) - (Seattle Department of Transportation, Transportation Operating Fund (10310))	(\$3,103,000)
	This item decreases appropriation authority by \$3,103,000 in the Major Projects BCL (19002). The 2014 budget included appropriation authority for \$3,000,000 and a carry forward of \$1,443,000 of UTGO Bonds for the Alaskan Way Corridor project (TC367330). SDOT deferred the sale of \$3,103,000 of these bonds based updated status/schedule of the project. This action formally abandons the \$3,103,000 in 2014 UTGO Bond authority	
6.7	Pedestrian Master Plan – School Safety REET Appropriation Reduction (Seattle Department of Transportation, Cumulative Reserve Subfund - REET I Subaccount (00161))	(\$2,131,000)

Item	Title/Description	Amount/FTE
	This item decreases appropriation authority by \$2,131,000 of REET II in the Mobility-Capital BCL (19003) for the Pedestrian Master Plan – School Safety project (TC367170). The current 2014 spending plan for the Pedestrian Master Plan – School Safety project is \$6,758,666, which includes \$1,812,000 in REET II funds after the disappropriation. The \$2,131,000 of REET II will be appropriated in the 2015-2016 Proposed Budget in the same project to continue the work plan.in 2015. (See associated item 7.1)	
6.8	Pedestrian Master Plan Appropriation Reduction (Seattle Department of Transportation, Cumulative Reserve Subfund - REET I Subaccount (00161))	(\$2,300,000)
	This item decreases appropriation authority by \$2,300,000 of REET II funds in the Mobility-Capital BCL (19003) for the Pedestrian Master Plan Implementation project (TC367150). The current 2014 spending plan for the Pedestrian Master Plan Implementation project is \$12,769,000, which includes \$4,983,000 of REET II funds after the disappropriation. The \$2,300,000 will be appropriated in the 2015-2016 Proposed Budget in the same project to continue the work plan in 2015. (See associated item 7.2)	
Section 7 – Capital Abandonments		
7.1	Chief Seattle Fire Boat (Department of Finance & Administrative Services, 2003 Fire Facilities Subfund (34440))	(\$52)
	This item abandons unspent and unneeded appropriation authority of \$52 in the Chief Seattle Fireboat Rehabilitation (34440-A1FL402) BCL for the Seattle Fireboat Rehabilitation project (A1FL402).	
7.2	FAS Capital Abandonment for Fleet Garage Vehicle (Department of Finance & Administrative Services, Cumulative Reserve Subfund - REET I Subaccount (00163))	(\$7,693)
	This item abandons unspent and unneeded appropriation authority of \$7,693 in the General Government Facilities- General (00163-A1GM1) BCL for the Fleet Garage Vehicle Lifts (A1GM110).	
7.3	FAS Capital Abandonment for the Consumer Protection Unit (Department of Finance & Administrative Services, Cumulative Reserve Subfund - REET I Subaccount (00163))	(\$3,534)
	This item abandons unspent and unneeded appropriation authority of \$3,534 in the General Government Facilities- General (00163-A1GM1) BCL for the Consumer Protection Unit Project (A1GM112).	
7.4	FAS Capital Abandonment for Charles St Master Facility Planning Project (Department of Finance & Administrative Services, Cumulative Reserve Subfund - REET I Subaccount (00163))	(\$33,230)
	This item abandons unspent and unneeded appropriation authority of \$33,230 in the General Government Facilities- General (00163-A1GM1) BCL for the Charles Street Master Facility Planning Project (A1GM116).	
7.5	FAS Capital Abandonment for North Precinct Upgrades (Department of Finance & Administrative Services, Cumulative Reserve Subfund - REET I Subaccount (00163))	(\$12,437)

Item	Title/Description	Amount/FTE
	This item abandons unspent and unneeded appropriation authority of \$12,437 in the Public Safety Facilities - Police (00163-A1PS1) BCL for the North Precinct Upgrades (A1PS105).	
7.6	Data Network Project Capital Abandonment (Department of Information Technology, Information Technology Fund (50410))	(\$41,722)
	This item abandons appropriation authority of \$41,722 from the Technology Infrastructure BCL for the FibData Network CIP project. This abandonment aligns appropriation authority with projected remaining expenditures for this project.	
7.7	Next Generation Data Center Capital Abandonment (Department of Information Technology, Information Technology Fund (50410))	(\$17,745)
	This item abandons appropriation authority of \$17,745 from the Finance and Administration BCL for the Next Generation Data Center project. This abandonment aligns appropriation authority with projected remaining expenditures for this project.	
7.8	Major Maintenance CIP Capital Abandonment (Department of Information Technology, Information Technology Fund (50410))	(\$110,526)
	This item abandons appropriation authority of \$110,526 from the Technology Infrastructure BCL for the Major Maintenance CIP project. This abandonment aligns appropriation authority with projected remaining expenditures for this project.	
7.9	Radio Reserves- Infrastructure Capital Abandonment (Department of Information Technology, Information Technology Fund (50410))	(\$78,676)
	This item abandons appropriation authority of \$78,676 from the Technology Infrastructure BCL for the Radio Reserves - Infrastructure project. This abandonment aligns appropriation authority with projected remaining expenditures for this project.	
7.10	Fiber CIP Project Capital Abandonment (Department of Information Technology, Information Technology Fund (50410))	(\$1,800,000)
	This item abandons appropriation authority of \$1,800,000 from the Technology Infrastructure BCL for the Fiber CIP project CIP project. This abandonment aligns appropriation authority with projected remaining expenditures for this project.	
7.11	Seattle Asian Art Museum Renovation Abandonment (Department of Parks and Recreation, 2008 Parks Levy Fund (33860))	(\$4,500,000)
	This item abandons appropriation authority of \$4,500,000 from the 2008 Parks Levy-Cultural Facilities BCL (K70021) for the Seattle Asian Art Museum Renovation Project.	
7.12	Sam Smith Park Play Area Renovation Abandonment (Department of Parks and Recreation, 2013 King County Parks Levy (36000))	(\$194,500)
	This item abandons appropriation authority of \$194,500 from the Ballfields/Athletic Courts/Play Areas BCL (K72445) for the Sam Smith Park Play Area Renovation Project.	

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7.13	Mt Baker Park Play Area Renovation Abandonment (Department of Parks and Recreation, 2013 King County Parks Levy (36000))	(\$310,000)
	This item abandons appropriation authority of \$310,000 from the Ballfields/Athletic Courts/Play Areas BCL (K72445) for the Mt Baker Park Play Area Renovation Project.	