

Pike Place Market Levy

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Pike Place Market Preservation and Development Authority

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Department Overview

The Pike Place Market Levy, approved by voters in November 2008, collects up to \$73 million in additional property taxes over six years for major repairs, infrastructure, and accessibility upgrades to buildings owned by the Pike Place Market Preservation and Development Authority (PDA). The PDA is a nonprofit, public corporation chartered by the City of Seattle. As part of its mission, the PDA is required to preserve, rehabilitate, and protect the Market's buildings.

The PDA manages the renovation project. The City receives levy proceeds in the Pike Place Market Renovation Fund established through Ordinance 122737 and provides cash to finance the project according to the PDA's construction schedule, including issuing limited-tax general obligation bonds to meet cash flow needs. The City collects \$12.5 million per year in levy proceeds through 2013, and up to \$10.5 million in 2014.

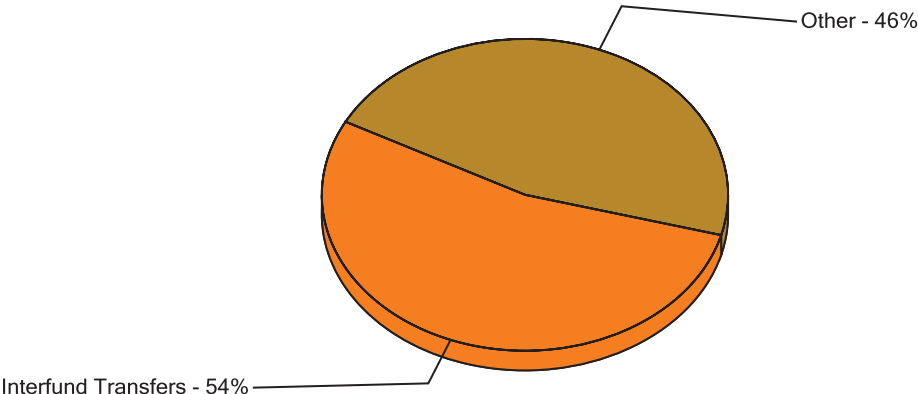
Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$21,691,253	\$4,101,750	\$8,955,250	\$8,951,750
Total Operations	\$21,691,253	\$4,101,750	\$8,955,250	\$8,951,750
Total Appropriations	\$21,691,253	\$4,101,750	\$8,955,250	\$8,951,750
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

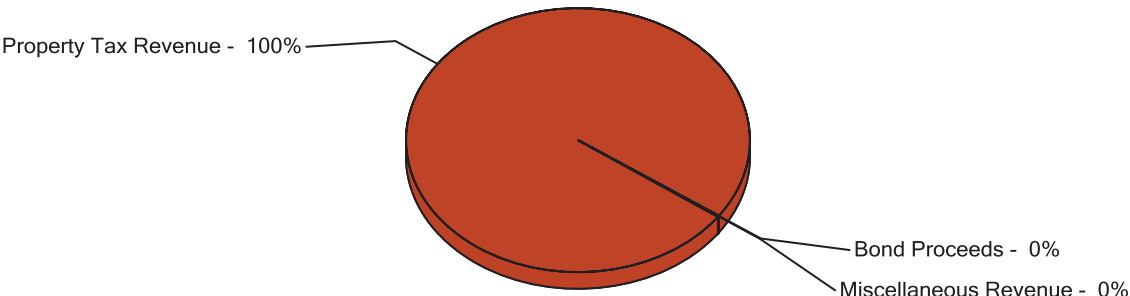
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

Pike Place Market Levy

2013 Proposed Budget - Expenditure by Category



2013 Proposed Budget - Revenue by Category



Pike Place Market Levy

Budget Overview

The Pike Place Market Preservation and Development Authority (PDA) has spent approximately \$65 million of the \$68.6 million of Levy funds allocated to the renovation. The project is 95% complete and is within budget and on schedule to be completed in 2014. The renovation has meant new jobs, employing an estimated 250 workers annually in a variety of trades and industries.

In total, the City issued \$25.5 million of bonds to meet the project's cash flow needs over the life of the project. Debt service on these bonds is paid from Levy proceeds that will continue to be collected through 2014. The bonds will be repaid by 2014 as they were only intended to be short-term financing for the project.

The PDA completed Phase I of the Levy renovation project, which included infrastructure upgrades to the Hillclimb, Leland, and Fairly buildings in June 2010. The PDA substantially completed construction on Phase II, which included major infrastructure repairs and seismic updates to the Corner, Sanitary, Triangle, and First and Pine buildings in July 2011. Phase III was completed in 2012, with the exception of window replacement along Western Avenue, and included renovations to the Economy, Soames Dunn, and Steward buildings.

As reflected in the Fund Table below, the Pike Place Market Levy is projected to have surplus funds at the end of the project. The Levy anticipated this possibility and directs that the funds either be provided to the Pike Place Market PDA or the returned to the voters, depending on the reason for the surplus. A final determination of the amount and the reason for the surplus and how the funds should be distributed will be made as part of the 2014 budget.

Incremental Budget Changes

Pike Place Market Levy

	2013		2014	
	Budget	FTE	Budget	FTE
Total 2012 Adopted Budget	\$ 4,101,750	0.00	\$ 4,101,750	0.00
Proposed Policy Changes				
Debt Service Payments	\$ 4,853,500	0.00	\$ 4,850,000	0.00
Total Incremental Changes	\$ 4,853,500	0.00	\$ 4,850,000	0.00
2013 - 2014 Proposed Budget	\$ 8,955,250	0.00	\$ 8,951,750	0.00

Description of Incremental Budget Changes

Proposed Policy Changes

Debt Service Payments - \$4,853,500

This item increases the appropriation to cover the increased debt service costs in 2013 and 2014.

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Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Pike Place Market Renovation Budget Control					
Bond Proceeds		10,698,513	0	0	0
Levy Proceeds		7,092,318	0	0	0
Total	PKLVYBC L-01	17,790,831	0	0	0
Pike Place Market Renovation Debt Service Budget Control Level	PKLVYBC L-02	3,900,422	4,101,750	8,955,250	8,951,750
Department Total		21,691,253	4,101,750	8,955,250	8,951,750
Department Full-time Equivalents Total*		0.00	0.00	0.00	0.00

* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

Revenue Overview

2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
587355	Pike Place Market Renovation Bond Funds	10,687,302	0	0	0
	Total Bond Proceeds	10,687,302	0	0	0
461110	Inv Earnings - Residual Cash	10,422	-24,000	-19,000	30,000
461320	Unreald Gns/Losses-Inv GASB 31	0	0	0	0
	Total Miscellaneous Revenue	10,422	-24,000	-19,000	30,000
411100	Real & Personal Property Taxes	12,433,529	12,500,000	12,500,000	10,500,000
	Total Property Tax Revenue	12,433,529	12,500,000	12,500,000	10,500,000
	Total Revenues	23,131,253	12,476,000	12,481,000	10,530,000
379100	Use of (Contribution To) Fund Balance	-1,440,001	-8,374,250	-3,525,750	-1,578,250
	Total Use of (Contribution to) Fund Balance	-1,440,001	-8,374,250	-3,525,750	-1,578,250
	Total Resources	21,691,252	4,101,750	8,955,250	8,951,750

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Appropriations By Budget Control Level (BCL) and Program

Pike Place Market Renovation Budget Control Level

The purpose of the Pike Place Market Renovation Budget Control Level is to provide appropriation authority for the City's disbursement of funds to the Pike Place Market Preservation and Development Authority (PDA) in compliance with the "Agreement regarding Levy Proceeds by and between the City of Seattle and the Pike Place Market Preservation and Development Authority" related to renovation and improvements to the Pike Place Market.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bond Proceeds	10,698,513	0	0	0
Levy Proceeds	7,092,318	0	0	0
Total	17,790,831	0	0	0

The following information summarizes the programs in Pike Place Market Renovation Budget Control Level:

Bond Proceeds Program

The purpose of the Bond Proceeds Program is to allow spending of bond proceeds and bond interest earnings to be tracked separately from spending of other revenues in the Pike Place Market Renovation Fund.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bond Proceeds	10,698,513	0	0	0

Levy Proceeds Program

The purpose of the Levy Proceeds Program is to allow spending of levy proceeds and levy interest earnings to be tracked separately from bond proceeds in the Pike Place Market Renovation Fund.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Levy Proceeds	7,092,318	0	0	0

Pike Place Market Renovation Debt Service Budget Control Level

The purpose of the Pike Place Market Renovation Debt Service Budget Control Level is to provide appropriation authority for the City's payment of debt service for debt issued in support of the Pike Place Market Renovation funded by levy proceeds.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Pike Place Market Renovation Debt Service Program	3,900,422	4,101,750	8,955,250	8,951,750
Total	3,900,422	4,101,750	8,955,250	8,951,750

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Pike Place Market Levy Fund Table

Pike Place Levy (11010)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
Beginning Fund Balance	-2,013,339	500,746	-575,026	426,291	3,952,041
Accounting & Tech Adjustments	-1,687	0	0	0	0
Plus: Actual and Estimated Revenues	23,131,253	12,476,000	12,476,000	12,481,000	10,530,000
Less: Actual and Budgeted Expenditures	21,691,253	4,101,750	11,474,683	8,955,250	8,951,750
Ending Fund Balance	-575,026	8,874,996	426,291	3,952,041	5,530,291
Reserve for Pike Place Market Renovations		8,874,996	4,000,000	2,000,000	2,000,000
Total Reserves		8,874,996	4,000,000	2,000,000	2,000,000
Ending Unreserved Fund Balance	-575,026	0	-3,573,709	1,952,041	3,530,291