

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 and the City receives levy proceeds in the Pike Place Market Renovation Fund established through Ordinance 122737. The City 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, and collected \$12.5 million per year in levy proceeds through 2013, and up to \$10.5 million in 2014.

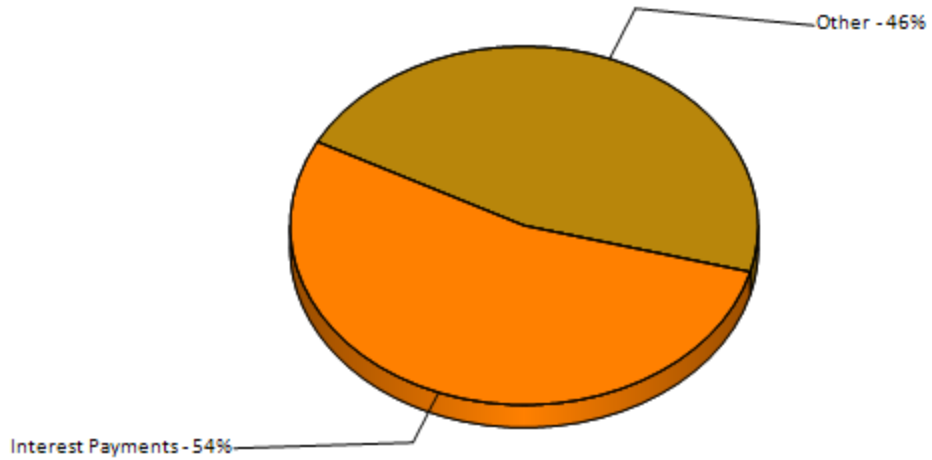
Budget Snapshot

Department Support	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
Other Funding - Operating	\$10,228,496	\$8,955,250	\$8,951,750	\$8,951,750
Total Operations	\$10,228,496	\$8,955,250	\$8,951,750	\$8,951,750
Total Appropriations	\$10,228,496	\$8,955,250	\$8,951,750	\$8,951,750
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

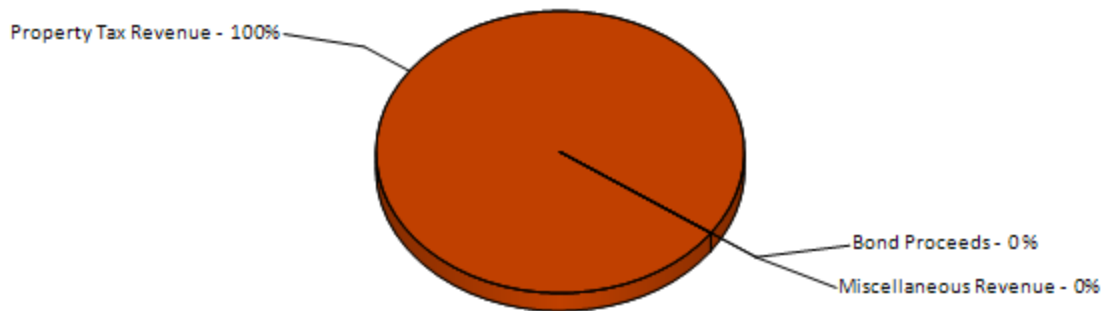
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

Pike Place Market Levy

2014 Proposed Budget - Expenditure by Category



2014 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 for completion in 2014. The renovation has meant new jobs, employing an estimated 250 workers annually in a variety of trades and industries.

The City issued \$25.5 million of bonds over the life of the project to meet its cash flow needs. Levy proceeds collected through 2014 will repay debt service on the bonds, which the City will repay in full by 2014.

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. Window replacement work will begin in the fall of 2013 and continue through 2014.

As reflected in the Fund Table below, the Pike Place Market Levy is projected to have surplus funds at the end of the project, as a result of lower than originally projected financing costs. In accordance with the Levy's authorizing ordinance, excess funds due to lower financing costs must be returned to the voters by reducing the property tax levy. As a result, the City will levy \$2.7 million, or 26%, less in 2014 than originally planned.

Incremental Budget Changes

Pike Place Market Levy

	2014	
	Budget	FTE
Total 2014 Endorsed Budget	\$ 8,951,750	0.00
2014 Proposed Budget	\$ 8,951,750	0.00

Expenditure Overview

Appropriations	Summit Code	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
Pike Place Market Renovation Budget Control					
Levy Proceeds		6,126,746	0	0	0
Total	PKLVYBCL-01	6,126,746	0	0	0
Pike Place Market Renovation Debt Service Budget Control Level	PKLVYBCL-02	4,101,750	8,955,250	8,951,750	8,951,750
Department Total		10,228,496	8,955,250	8,951,750	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.

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Revenue Overview

2014 Estimated Revenues

Summit Code	Source	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
587355	Pike Place Market Renovation Bond Funds	0	0	0	0
	Total Bond Proceeds	0	0	0	0
461110	Inv Earnings - Residual Cash	-16,121	-19,000	30,000	1,712
	Total Miscellaneous Revenue	-16,121	-19,000	30,000	1,712
411100	Real & Personal Property Taxes	12,452,415	12,500,000	10,500,000	7,780,626
	Total Property Tax Revenue	12,452,415	12,500,000	10,500,000	7,780,626
	Total Revenues	12,436,294	12,481,000	10,530,000	7,782,338
379100	Use of (Contribution To) Fund Balance	-8,334,543	-3,525,750	-1,578,250	1,169,412
	Total Use of (Contribution to) Fund Balance	-8,334,543	-3,525,750	-1,578,250	1,169,412
	Total Resources	4,101,751	8,955,250	8,951,750	8,951,750

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	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
Levy Proceeds	6,126,746	0	0	0
Total	6,126,746	0	0	0

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

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	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
Levy Proceeds	6,126,746	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 pay debt service for debt issued in support of the Pike Place Market Renovation funded by levy proceeds.

Program Expenditures	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
Pike Place Market Renovation Debt Service Program	4,101,750	8,955,250	8,951,750	8,951,750
Total	4,101,750	8,955,250	8,951,750	8,951,750

Pike Place Market Levy Fund Table

Pike Place Levy (11010)

	2012 Actuals	2013 Adopted	2013 Revised	2014 Endorsed	2014 Proposed
Beginning Fund Balance	-577,630	426,291	1,624,756	3,952,041	5,173,171
Accounting and Technical Adjustments	-5,412	0	0	0	0
Plus: Actual and Estimated Revenues	12,436,294	12,481,000	12,503,665	10,530,000	7,782,338
Less: Actual and Budgeted Expenditures	10,228,496	8,955,250	8,955,250	8,951,750	8,951,750
Ending Fund Balance	1,624,756	3,952,041	5,173,171	5,530,291	4,003,759
Reserve for Pike Place Market Renovations		2,000,000	2,000,000	2,000,000	4,003,759
Total Reserves		2,000,000	2,000,000	2,000,000	4,003,759
Ending Unreserved Fund Balance	1,624,756	1,952,041	3,173,171	3,530,291	0