

October 4, 1993
93-620S.RE(dd)

Introduced by: Ron Sims

Proposed No.: 93-620

MOTION NO. 9146

A MOTION approving a project for PRATT
Fine Arts Center in the King County
Cultural Facilities Program in accordance
with Ordinance 10189.

WHEREAS, the King County arts commission is authorized by
Ordinance 10189 to administer projects in the arts and cultural
development fund, and

WHEREAS, the King County arts commission received,
reviewed and recommended approval of an application for
emergency/urgent needed funding from PRATT Fine Arts Center,
and

WHEREAS, the recommendation for funding adheres to
guidelines and the financial plan policies approved by the King
County council in Motion 8797, and

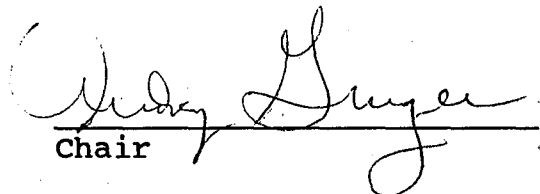
WHEREAS, the financial plan included as attachment A,
indicates actual hotel/motel tax revenue for 1992 and projected
revenue consistent with assumptions made in the 1993 adopted
budget;

NOW, THEREFORE, BE IT MOVED by the Council of King County:


The executive is hereby authorized to allocate \$15,000 to
PRATT Fine Arts Center from the Cultural Facilities Program.

PASSED this 11th day of October, 1993

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Chair

ATTEST:


Clerk of the Council

Attachments:

- A. 1992 Hotel/Motel Financial Plan
- B. Cultural Facilities Program: Summary & Qualifications
PRATT Fine Arts Center
- C. Urgent Need or Emergency Application Sheet, PRATT Fine
Arts Center

HOTEL/MOTEL FINANCIAL PLAN, 1993

REVENUE AND EXPENDITURE PROJECTIONS, ARTS & HERITAGE										
	105%			105%						
Year	Full Tax Projections	Less Kingdome Debt Service	Less 25% Other Programs	Cultural Programs	Administration of Programs	Facilities/Cultural Plan Updates	Required Ending Fund Balance 10%	Net Cultural Programs	Endowment 0%	Interest On Endowment
1992	7,185,436	5,300,000	471,359	1,414,077	72,081	40,000	51,727	1,250,269		
1993	7,472,853	5,300,000	543,213	1,629,640	199,970	27,000	129,640	1,324,757		
1994	7,846,496	5,300,000	636,624	1,909,872	209,969		190,987	1,638,556		
1995	8,238,821	5,300,000	734,705	2,204,116	220,467		220,412	1,954,224		
1996	8,650,762	5,300,000	837,690	2,513,071	231,490		251,307	2,250,686		
1997	9,083,300	5,300,000	945,825	2,837,475	243,065		283,748	2,561,970		
1998	9,537,465	5,300,000	1,059,366	3,178,099	255,218	25,000	317,810	2,863,818		
1999	10,014,338	5,300,000	1,178,585	3,535,754	267,979		353,575	3,232,009		
2000	10,515,055	5,300,000	1,303,764	3,911,291	281,378		391,129	3,592,360		
Total 1992-2000	78,544,527	47,700,000	7,711,132	23,133,395	1,981,516	92,000		20,668,650	0	0
Year	Full Tax Projections	Less Kingdome Debt Service	Less 30% Other Programs	Cultural Programs	Administration of Programs	Facilities/Cultural Plan Updates	Required Ending Fund Balance 10%	Net Cultural Programs	Endowment of Total 40%	Interest On Endowment
2001	11,040,808	5,300,000	1,722,242	4,018,566	295,447		401,857	3,712,391	1,484,957	
2002	11,592,848	5,300,000	1,887,855	4,404,994	310,219		440,499	4,056,132	1,622,459	103,947
2003	12,172,491	5,300,000	2,061,747	4,810,744	325,730	30,000	481,074	4,414,439	1,765,775	217,519
2004	12,781,115	5,300,000	2,244,335	5,236,781	342,017		523,678	4,852,160	1,940,864	341,123
2005	13,420,171	5,300,000	2,436,051	5,684,120	359,117		568,412	5,280,268	2,112,107	476,983
2006	14,091,180	5,300,000	2,637,354	6,153,826	377,073		615,383	5,729,782	2,291,913	624,931
2007	14,795,739	5,300,000	2,848,722	6,647,017	395,927		664,702	6,201,771	2,480,708	785,265
2008	15,535,526	5,300,000	3,070,658	7,164,868	415,723	35,000	716,487	6,662,360	2,664,944	958,914
2009	16,312,302	5,300,000	3,303,691	7,708,611	436,509		770,861	7,217,728	2,887,091	1,145,460
2010	17,127,917	5,300,000	3,548,375	8,279,542	458,335		827,954	7,764,114	3,105,646	1,347,557
2011	17,984,313	5,300,000	3,805,294	8,879,019	481,252		887,902	8,337,820	3,335,128	1,564,952
2012	18,883,528	5,300,000	4,075,059	9,508,470	505,314		500,000	9,391,058	3,756,423	1,798,411
Total 2001-2012	175,737,938	63,600,000	33,641,381	78,496,556	4,702,664	65,000		73,620,022	29,448,009	9,364,963
Total 1992-2012	254,282,465	111,300,000	41,352,513	101,629,952	6,684,280	157,000		94,288,672	29,448,009	9,364,963
NOTES										
1. Full Tax Projections begin with 1992 actual revenue										
2. Assumes 4% increase from 1992 to 1993										
3. Assumes 5% per year increase from 1994 TO 2012										
4. Ending Fund Balance for 1992 and 1993 reflect the difference between the actual or projected revenue and approved appropriation										
5. Administration projected to increase by 5% per year over the 1993 approved budget										
6. Interest on the endowment in years 2001 through 2012 is split 80% arts and 20% heritage; interest is split equally between arts facilities and programs										
7. Assumes interest of 7% annually on endowment										
8. Required Ending Fund balance expended in subsequent year										
Policies Adopted 15-Sep-92 Revised 17-Mar-93										

CULTURAL FACILITIES PROGRAM - ARTS											
Year	Arts Facilities	Vashon/New City Theatre	5% Emergency Set-Aside	Debt Service	Single/Multi Year Grants	Granting Intervals					
1992	700,151	57,095	32,153	305,451	305,451	4,500,000					
1993	741,864		37,093	352,385	352,385						
1994	917,592		45,880	435,856	435,856						
1995	1,094,366		54,718	519,824	519,824	3,000,000					
1996	1,260,384		63,019	598,682	598,682						
1997	1,434,703		71,735	681,484	681,484						
1998	1,603,798		80,187	761,776	761,776						
1999	1,809,925		90,496	859,714	859,714						
2000	2,011,721		100,586	955,568	955,568						
Total 1992-2000	11,574,444	57,095	575,867	5,470,741	5,470,741	7,500,000					
Year	Arts Facilities	5% Emergency Set-Aside	Debt Service	Single/Multi Year Grants							
2001	1,187,965	59,398	564,293	564,293	564,293						
2002	1,339,541	66,977	636,282	636,282	636,282						
2003	1,499,628	74,981	712,323	712,323	712,323	3,500,000					
2004	1,689,141	84,457	802,342	802,342	802,342						
2005	1,880,479	94,024	893,228	893,228	893,228						
2006	2,083,463	104,173	989,645	989,645	989,645						
2007	2,298,673	114,934	1,091,870	1,091,870	1,091,870						
2008	2,515,521	125,776	1,194,872	1,194,872	1,194,872						
2009	2,767,857	138,393	1,314,732	1,314,732	1,314,732						
2010	3,023,539	151,177	1,436,181	1,436,181	1,436,181						
2011	3,294,083	164,704	1,564,689	1,564,689	1,564,689						
2012	3,724,503	186,225	1,769,139	1,769,139	1,769,139						
Total 2001-2012	27,304,392	0	1,365,220	12,969,586	12,969,586	3,500,000					
Total 1992-2012	38,878,836	57,095	1,941,087	18,440,327	18,440,327	11,000,000					

CULTURAL FACILITIES PROGRAM - ARTS																						
SINGLE AND MULTI-YEAR FUNDING																						
Year	Single/Multi		Single		1992		1993		1994		1995		1996		1997		1998		1999		2000	
	Year Grants	Mult	Year Grants	Mult	Year Grants	Mult	Year Grants	Mult	Year Grants	Mult	Year Grants	Mult	Year Grants	Mult	Year Grants	Mult	Year Grants	Mult	Year Grants	Mult	Year Grants	Mult
1992	305,451		100,799		204,652																	
1993	352,385		116,287		116,287		119,811															
1994	435,856		143,832		71,916		148,191															
1995	519,824		171,542		85,771		85,771															
1996	598,682		197,565				98,783															
1997	681,484		224,890				112,445															
1998	761,776		251,386																			
1999	859,714		283,706																			
2000	955,568		315,337																			
Total 1992-2000	5,470,741		1,805,344																			
2001	564,283		186,214																			
2002	636,282		209,973																			
2003	712,323		235,067																			
2004	802,342		264,773																			
2005	893,228		294,765																			
2006	989,645		326,583																			
2007	1,091,870		360,317																			
2008	1,194,872		394,308																			
2009	1,314,732		433,862																			
2010	1,436,181		473,940																			
2011	1,564,689		516,348																			
2012	1,769,139		583,816																			
Total 2001-2012	12,969,586		4,279,963																			
Total 1992-2012	18,440,327		6,085,308		392,856		277,498		332,745		387,968		441,690		499,250		558,525		543,078			522

Year	2007		2008		2009		2010		2011		2012		Control
	Year Grants	Multi	Year Grants	Multi	Year Grants	Multi	Year Grants	Multi	Year Grants	Multi	Year Grants	Multi	
1992													305,451
1993													352,385
1994													435,856
1995													519,824
1996													598,682
1997													681,484
1998													761,776
1999													859,714
2000													955,568
Total 1992-2000													5,470,741
Year													
2001													564,283
2002													636,282
2003													712,323
2004													802,342
2005													893,228
2006													989,645
2007		371,236											1,091,870
2008		197,154	406,257										1,194,872
2009		216,931	216,931	447,009									1,314,732
2010			236,970	236,970	488,302								1,436,181
2011				258,174	258,174	531,994							1,564,689
2012					291,908	291,908	601,507						1,769,139
Total 2001-2012													12,969,586
Total 1992-2012		765,320	860,157	942,153	1,038,363	823,902	601,507						18,440,327

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CULTURAL FACILITIES PROGRAM - ARTS									
Year	Designated Debt Service Revenue Stream	H/M Debt Service Payments		Remaining Revenue	Level Debt Service 1993 Bond Issue \$1 million	Remaining Revenue			
		1992 Bond Issue \$3.5 Million	1993 Bond Issue \$1 million						
1992	305,451	287,383		18,068					
1993	352,385	302,175		50,210					
1994	435,856	301,667		134,189			90,906		111,562
1995	519,824	301,512		218,312			90,906		127,407
1996	598,682	301,148		297,534			90,906		206,629
1997	681,484	301,814		379,670			90,906		288,765
1998	761,776	301,917		459,859			90,906		368,953
1999	859,714	301,971		557,744			90,906		466,838
2000	955,588	302,067		653,500			90,906		562,595
Total 1992-2000	5,470,741	2,701,653		2,769,088			636,339		2,132,749
Year									
2001	564,283	302,626		261,658			90,906		170,752
2002	636,282	302,489		333,793			90,906		242,888
2003	712,323	302,793		409,530			90,906		318,625
2004	802,342	302,922		499,419			90,906		408,514
2005	893,228	303,365		589,863			90,906		498,957
2006	989,645	304,038		685,607			90,906		594,701
2007	1,091,870	304,317		787,553			90,906		696,647
2008	1,194,872	304,145		890,728			90,906		799,822
2009	1,314,732	304,780		1,009,952			90,906		919,047
2010	1,436,181	305,588		1,130,593			90,906		1,039,688
2011	1,564,689	306,503		1,258,186			90,906		1,167,281
2012	1,769,139	0		1,769,139			90,906		1,678,233
Total 2001-2012	12,969,586	3,343,565		9,626,021			1,090,866		8,535,155
Total 1992-2012	18,440,327	6,045,218		12,395,109			1,727,205		10,667,903
NOTES									
1. Debt Service projections for 1993 Bond Issue based on actual debt service for most recent consolidated bond issue (1992)									

**Cultural Facilities Program: Project Summary and
PRATT FINE ARTS CENTER**

Organization Purpose of Application	Amount Requested <i>Amount Rec'd</i> (contingency if any)	Total Project Budget	Emergency Criteria	Organization and Purpose	Financial Stability	
Pratt Fine Arts <i>Rebuild of Glass Furnace</i>	\$25,000 \$15,000	\$30,000	Emergency/ Urgent Need <ul style="list-style-type: none"> •Threat to safety of patrons and staff •Pressing situation that would cause an organization in the very near term to suffer severe economic consequences due to conditions beyond its control 	Large Visual Arts Center <i>provides access for artists and the public to highly specialized equipment and instruction in various visual media</i>	19% liability confirmed by audit and independent financial review	<ul style="list-style-type: none"> •Pratt serviv deriv Furn hold. a dra Poten includ hono can r See L

Urgent Need or Emergency Application Sheet

Instructions

- Read *Cultural Facilities Program Guidelines* before filling out this form
- Submit one original and 10 copies of this sheet, along with a completed *Facilities / Fixed Assets Application Form* and all requested copies and attachments

1. Urgent Need/Emergency Criteria

How does your application meet the Urgent Need/Emergency criteria listed in the guidelines? Why does the project have to be dealt with at this time rather than during the regular funding cycle?

The emergency situation of the Glass Furnace rebuild at PRATT falls under two of the KCAC guidelines. Without an immediate shutdown and full rebuild in the next six months, PRATT faces the possibility of suffering severe economic consequences as well as a threat to the safety of all who occupy the facility.

Economic Consequences:

This specific emergency has already cost PRATT a \$300 loss of income per week because all glass casting slots have been cancelled. If the furnace had to be shut down immediately without advanced planning, PRATT would lose \$8-10K per month from Independent Studio fees, have to reimburse students \$8K for prepaid tuition, honor instructor contracts for \$4-6K per month, layoff several employees, and continue to pay costs of gas and glass (\$4-8K per month). With planning and proper timing, the furnace rebuild can occur between quarters, minimizing the losses which PRATT will have to absorb. Without a fully-functioning Glass Furnace, PRATT cannot continue to exist as an organization. Although it is only one of four media at PRATT, the Glass Department brings in the most income and, in effect, subsidizes other departments which are not currently as "popular." This rebuild must occur, one way or another, because the furnace is disintegrating and creating defective glass. The glass quality will continue getting worse and artists will stop using the facility to create their work — presenting an additional loss of income for PRATT. By operating in its current capacity, the Glass Furnace has a yearly gas bill of \$25,000. This is extremely inefficient, with a combustion system designed for a much larger, commercial furnace. The rebuild will actually save PRATT money over time, because the gas bill will be reduced 25-40%, saving PRATT \$6-10,000 every year. To design the new furnace, PRATT will hire a consultant experienced in small, non-commercial furnaces, with emphasis placed on long-range cost-saving techniques and needs of the ever-expanding number of users at the facility. A more efficient system of equipment upgrades will also require less day-to-day maintenance and less facility shutdowns which provide loss of income to PRATT.

Safety Threat:

The safety hazards present in this situation are being dealt with in the first stage of the rebuild. By performing immediate, stop-gap repairs, PRATT has taken steps to avoid a fire hazard which could occur through leakage of molten glass. It should be noted that this is only a patchwork repair and cannot be considered sufficient in dealing with the long-term solution of the Glass Furnace. Without rebuilding the crown and liner at the same time, PRATT takes the chance that a safety hazard will occur again in the near future because of improper fit and unequal degradation of the furnace parts. In other words, even the new Glass Furnace is expected to degrade over time, but not in sections and pieces, which has occurred because of piecemeal repairs over the years.

Immediacy of the Project:

The Glass Furnace rebuild cannot be dealt with during normal funding cycles because the furnace will simply fall apart before then. PRATT cannot continue to exist without a Glass Furnace. This rebuild will have to occur with or without funding, but without support from KCAC, PRATT will experience a deficit in the upcoming year. This would be a huge setback to an organization which has experienced three years of balanced budgets and audited financial statements for the first time in its history. A deficit at this point in PRATT's existence would serve to extremely curtail the growth which PRATT is experiencing and the community is demanding.

2. Critical Date(s)

What is the critical date of the urgent need / emergency? 8/15/93

(Month/Day/Year)

Please attach supporting documentation of the urgent need/emergency and critical date.