



SEATTLE CITY COUNCIL

Select Budget Committee

Agenda

Wednesday, July 8, 2020

10:00 AM

Session I at 10 a.m., Session II at 2 p.m., & Public Hearing at 4 p.m.

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or Seattle Channel online.

**Teresa Mosqueda, Chair
Lisa Herbold, Vice-Chair
M. Lorena González, Member
Debora Juarez, Member
Andrew J. Lewis, Member
Tammy J. Morales, Member
Alex Pedersen, Member
Kshama Sawant, Member
Dan Strauss, Member**

Chair Info: 206-684-8808; Teresa.Mosqueda@seattle.gov

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Committee Website:

<http://www.seattle.gov/council/committees/budget>

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

In-person attendance is currently prohibited per Washington State Governor's Proclamation No. 20-28, et seq., through August 1, 2020. Meeting participation is limited to access by telephone conference line and Seattle Channel online.

Register online to speak during the Public Comment period at the 10:00 a.m. (Session I) or the Public Hearing at the Select Budget Committee meeting at

<http://www.seattle.gov/council/committees/public-comment>.

Session I, Public Comment period, online registration will begin two hours before the 10:00 a.m. (Session I) meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

The Public Hearing online registration will begin at 2:00 p.m., and registration will end at the conclusion of the Public Hearing. Individual comments will be limited to two minutes or less. Speakers must be registered in order to be recognized by the Chair.

Submit written comments to all Councilmembers at

Council@seattle.gov

Sign-up to provide Public Comment at the meeting at

<http://www.seattle.gov/council/committees/public-comment>

Watch live streaming video of the meeting at

<http://www.seattle.gov/council/watch-council-live>

Listen to the meeting by calling the Council Chamber Listen Line
at 253-215-8782 ; Meeting ID: 586 416 9164

One Tap Mobile No. US: +12532158782,,5864169164#

Please Note: Times listed are estimated

Session I - 10:00 a.m.

A. Call To Order

B. Approval of the Agenda

C. Public Comment

Register online to speak during the Public Comment period at the 10:00 a.m., Session I of the Select Budget Committee meeting at <http://www.seattle.gov/council/committees/public-comment>.

Online registration will begin two hours before the 10:00 a.m., Session I of the Select Budget Committee meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

D. Items of Business**1. Roadmap to defunding the Police and investing in community**

Supporting Documents:

[Presentation - Decriminalize Seattle](#)

[Presentation - Participatory Budgeting](#)

Briefing and Discussion

Presenters: Angélica Cházaro, University of Washington Law Professor and Decriminalize Seattle Organizer; Jackie Vaughn, Executive Director of Surge Reproductive Justice and Decriminalize Seattle Organizer; Kristania De Leon, Participatory Budgeting Project

2. Seattle Police Department (SPD) 9-1-1 Call Analysis

Supporting Documents:

[Presentation](#)

[Presentation \(06/24/2020\)](#)

Briefing and Discussion

Presenters: Greg Doss, Council Central Staff; Kara Main-Hester, City Budget Office; Christopher Fisher and Angela Socci, SPD

Session II - 2:00 p.m.**E. Items of Business****3. City Budget Office Overview of the 2020 Rebalancing Package**

Supporting Documents:

[Presentation](#)

[Presentation \(06/24/2020\)](#)

Briefing and Discussion

Presenters: Ben Noble, Director, and Julie Dingley, City Budget Office; Dwane Chappelle, Director, and Tiffany Washington, Department of Education and Early Learning; Deputy Mayor Shefali Ranganathan

F. Public Hearing - 4:00 p.m.

The Public Hearing will begin at 4:00 p.m. (150 minutes)

The Select Budget Committee will conduct a Public Hearing to solicit public comment on the Mayor's Proposed Rebalanced 2020 Budget and 2020-2025 Capital Improvement Program.

Register online to speak during the Public Hearing at the Select Budget Committee meeting at <http://www.seattle.gov/council/committees/public-comment>.

Online registration will begin at 2:00 p.m., and registration will end at the conclusion of the Public Hearing. Individual comments will be limited to two minutes or less. Speakers must be registered in order to be recognized by the Chair.

G. Adjournment



Legislation Text

File #: Inf 1656, **Version:** 1

Roadmap to defunding the Police and investing in community

DEFUND SPD/REINVEST IN COMMUNITY

July 7, 2020

Decriminalize Seattle

King County Equity Now

DEFUND SPD/REINVEST IN COMMUNITY

- The national and local uprising in defense of Black lives creates a mandate for city officials to act without delay to defund the Seattle Police Department.
 - Nearly 45,000 people and over 300 organizations have signed on to the demands to defund SPD by 50%, reinvest in community, and free all protestors.
- The 2020 rebalancing process provides the opportunity for officials to immediately act to divest from policing and reinvest in real community health and safety.
 - Any cuts from SPD budget should be earmarked for reinvestment in community-led health and safety initiatives.

WHERE COULD CUTS COME FROM?

- Freezing hiring
- Reduction in patrol staffing, with corresponding reduction in administrative staffing
- Remove the Office of Collaborative Policing, including Navigation Team
- End contracts with private firms that defend SPD and the City against police misconduct
- Cut SPD's recruitment and retention budget
- Cut SPD's public relations budget
- Cut SPD's spending on Homeland Security
- Cut SPD's training budget
- Prioritize for reduction those officers with highest number of complaints
- End overtime pay for police officers

WHERE SHOULD REINVESTMENTS BE MADE?

1. Replace current 911 operations with civilian-controlled system
2. Scale up community-led solutions
3. Invest in housing for all
4. Fund a community-led process to create a roadmap to life without policing

THE REINVESTMENTS: I. REPLACE CURRENT 911 OPERATIONS WITH CIVILIAN-CONTROLLED SYSTEM

- Seattle should take 911 out of SPD's control. 911 dispatch should be fully civilianized.
- 911 calls should be referred, where appropriate, to non-police responders. This includes community-based workers who can provide mental health support, family and community mediation, drug-user health, and many other crisis services.

THE REINVESTMENTS: 2. SCALE UP COMMUNITY-LED SOLUTIONS

- Many groups in Seattle are already doing work to keep us safe without relying on police, including both violence interruption and violence prevention.
- Many more would jump into this work if given the chance - and the funding.
- The City must invest in scaling up community-based solutions to keep us safe, so we can grow our future without SPD.

THE REINVESTMENTS: 3. INVEST IN HOUSING FOR ALL

- Even as we build towards an SPD-free future, people need immediate assistance.
- The City should immediately invest in housing - rather than criminalizing - chronically houseless people.
- All options should be used until any unhoused person who wants a place to live has one.

THE REINVESTMENTS:
4. FUND A COMMUNITY-CREATED ROADMAP
TO LIFE WITHOUT POLICING

- SPD has had over a century to produce community safety and has failed.
- Seattle residents most impacted by policing must be asked for input on what they think produces community safety and what they want to see more of in their neighborhoods.
- The City should fund a community-led research process to give community members the time and space to imagine life beyond policing.

Participatory Budgeting:

*Support for the City of Seattle in
creating a process for community
control*

**Kristania De Leon, Network Building
Manager**

kristania@participatorybudgeting.org



PARTICIPATORY
BUDGETING PROJECT

www.participatorybudgeting.org



HISTORY

Founded in 2009, we have led, supported, or inspired almost every PB process in North America.

MISSION

To empower people to decide together how to spend public money

WHERE WE WORK

Across the US and Canada, with staff in New York City and Oakland

What is participatory budgeting?

Participatory budgeting

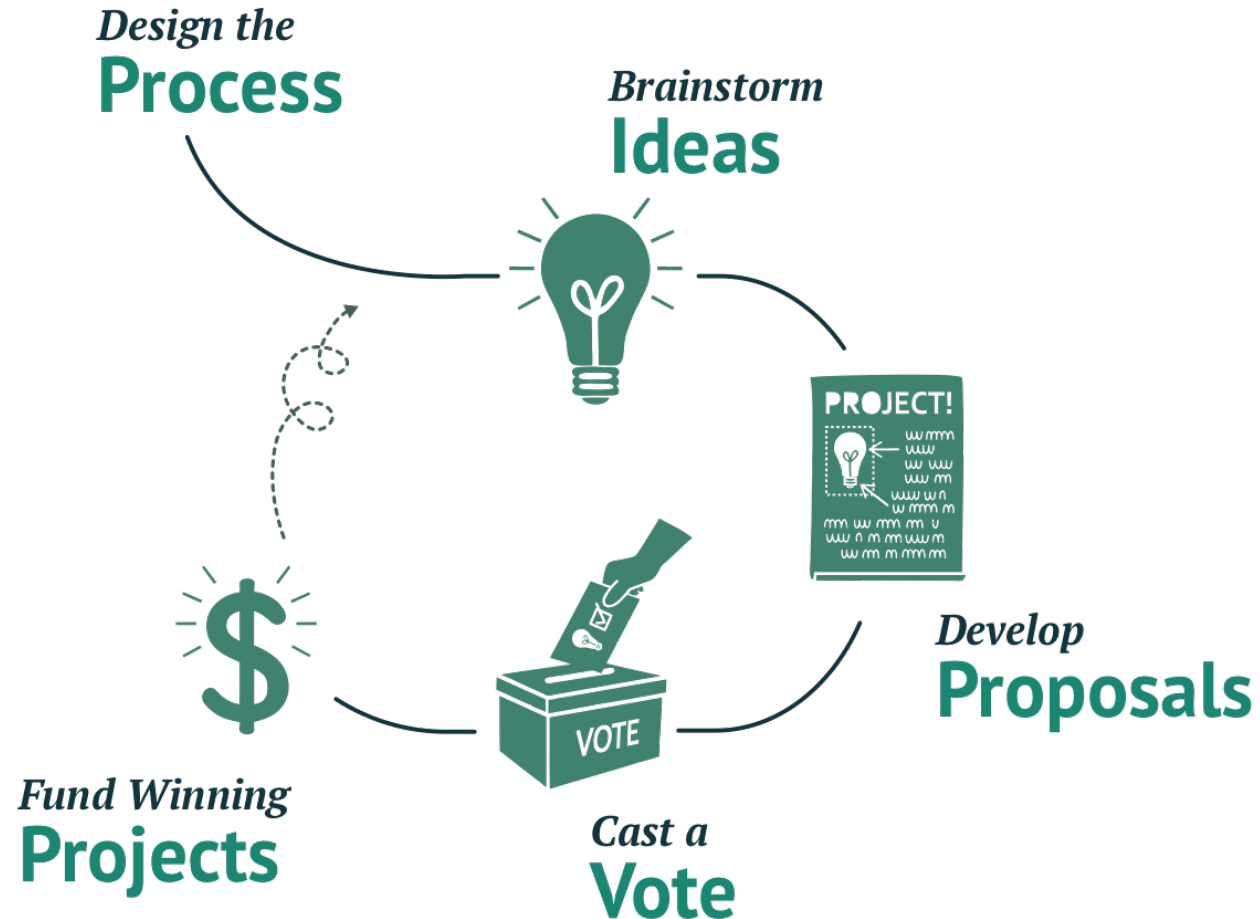
is a democratic process in which community members directly decide how to spend part of a public budget.



Next Generation Democracy: Elected Officials share their experiences with PB



The PB Process



Ways for PB to center equity

✓ Money that matters

✓ Grassroots leadership

✓ Inclusive design

✓ Focused outreach

✓ Equity criteria



What kinds of budgets?

- City, county, state, and federal budgets
- Non-governmental sources like foundation or nonprofit budgets
- Discretionary funds of elected officials
- School, school district, and university budgets
- Housing authority or other public agency budgets
- Community Benefit Funds from private development
- Funds divested from law enforcement and other carceral spaces





PARTICIPATORY
BUDGETING PROJECT
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Kristania De Leon

Network Building Manager

kristania@participatorybudgeting.org



ParticipatoryBudgetingProject



@PBProject



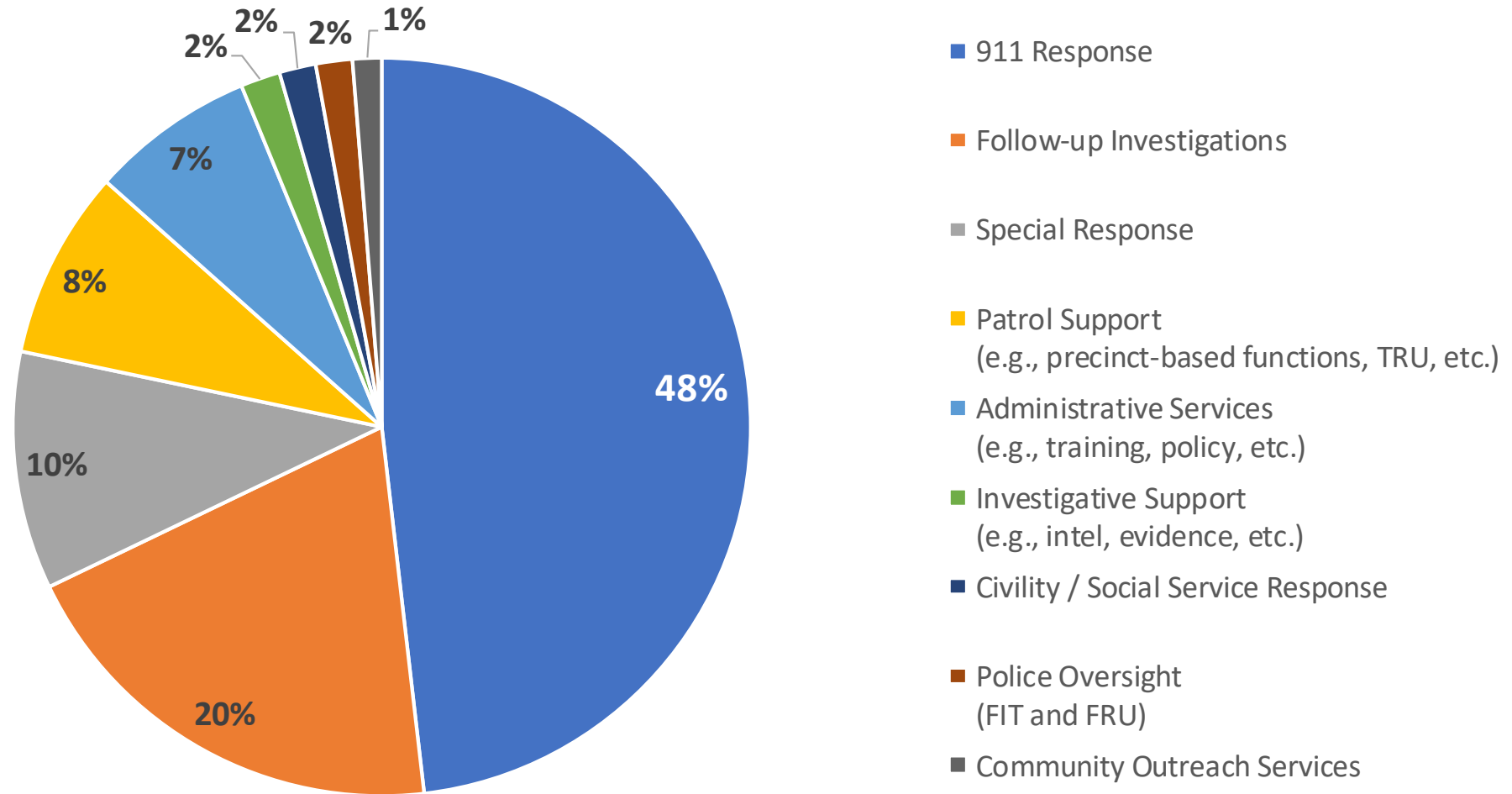
Legislation Text

File #: Inf 1658, **Version:** 1

Seattle Police Department (SPD) 9-1-1 Call Analysis

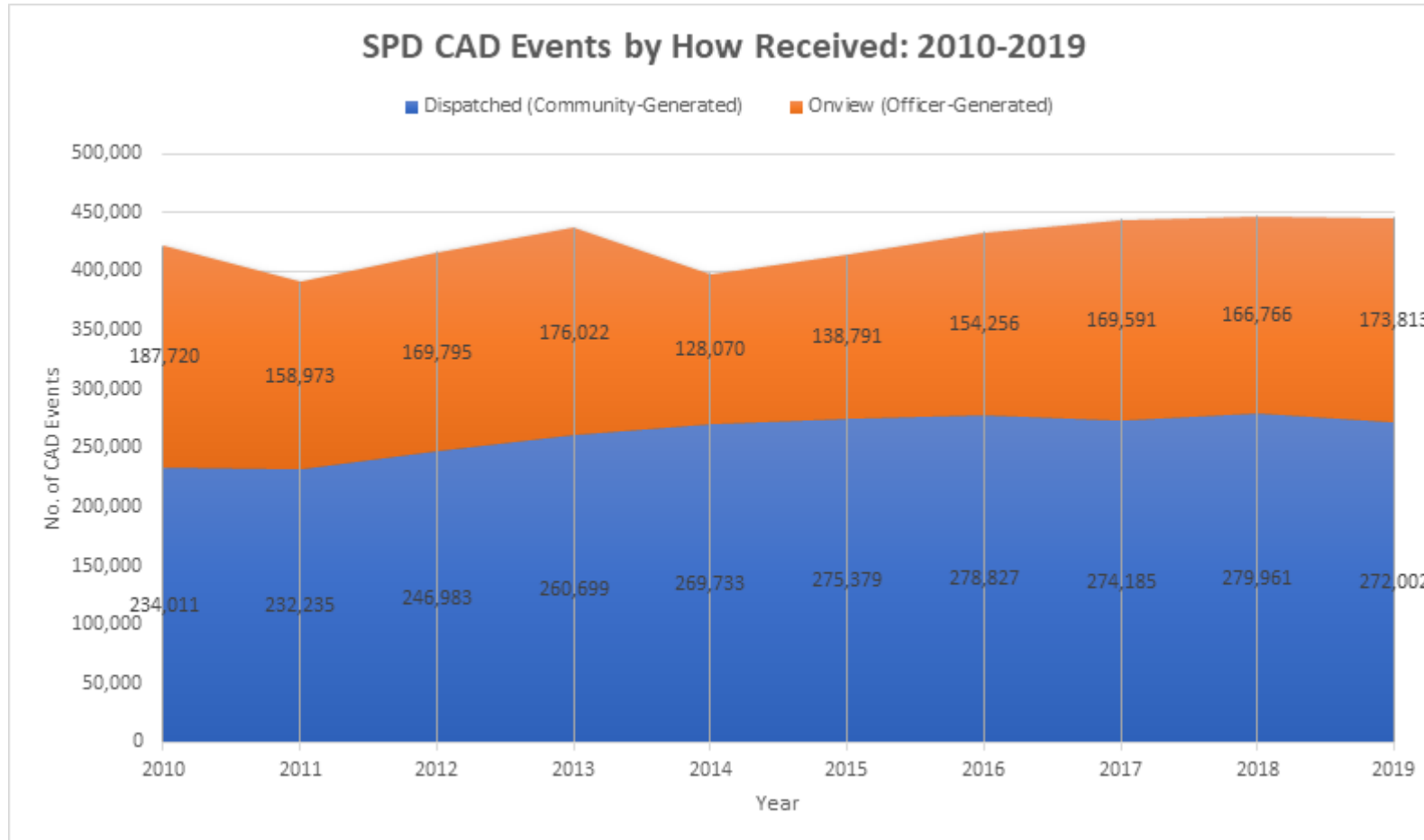


Breakdown of Sworn Workforce FTE by Function





Historical Trends in Calls for Service

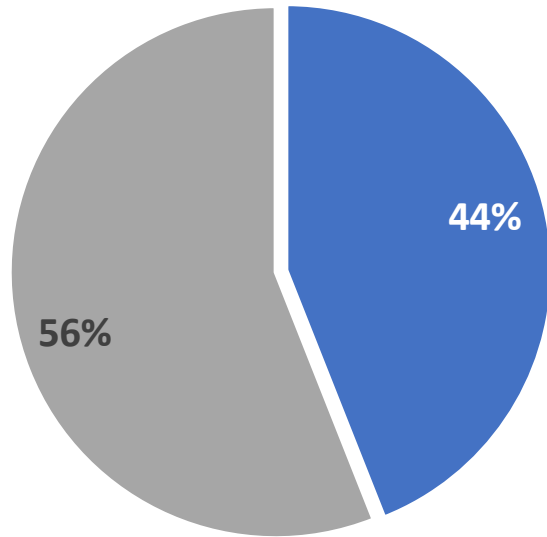




2019 Dispatched Call Types

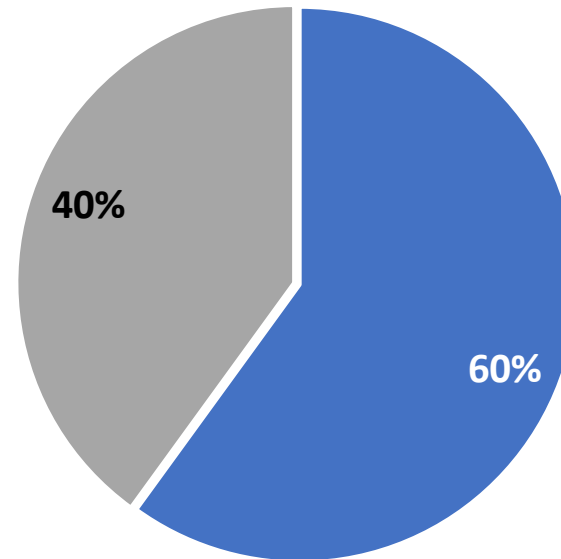
- Approximately 274,000 911 Events (including Priority 1 on-views) in 2019 (initial call classification)
 - 16% of calls that are "non-criminal" initially shift to "criminal" during the call.
 - 34% of calls that are "criminal" initially shift to "non-criminal" during the call.

% of 911 Events



■ Criminal ■ Non-Criminal

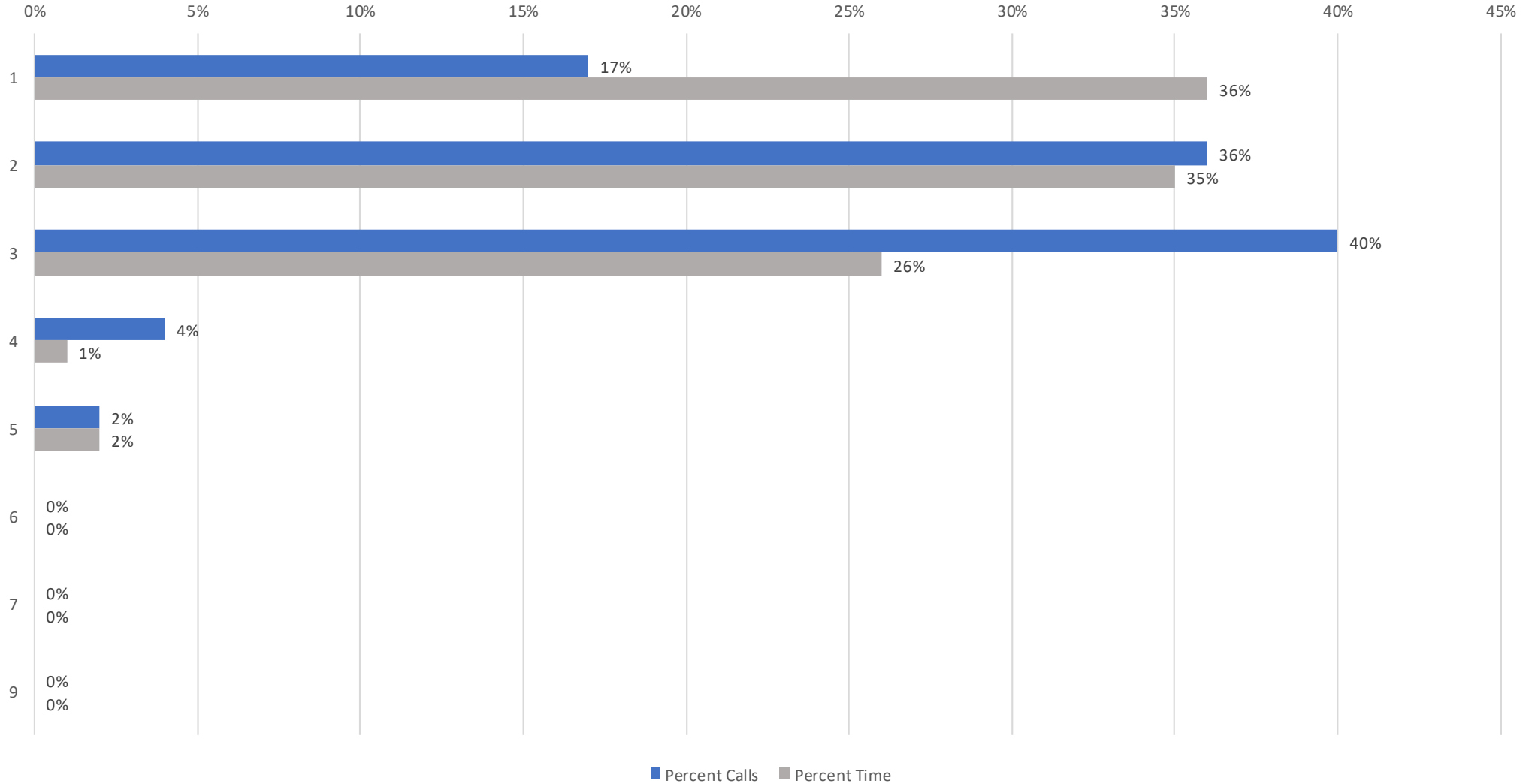
% of Service Hours by Call Type



■ Criminal ■ Non-Criminal



2019 Dispatched Call Types by Priority Group





General Description of Call Classification

A. Priority 1 (P/1)

1. Immediate / High Priority – poses threat to life. Examples:

- HELP the Officer Calls
- In-progress call posing threat to life
- Possible medical emergency calls
- Any response with Seattle Fire
- Bank Hold-up Alarms
- Suspicious Packages
- Any call using a Type Code with P/1 embedded
- Serious assaults
- ALI/ANI hang up, abandoned, or unknown circumstance calls

**63 different call types
(25% of call types)
(36% of service time)**

B. Priority 2 (P/2)

1. Urgent – Altercations or situations which could escalate if assistance does not arrive soon. Examples:

- Narcotics Activity
- Persons being detained by citizen
- In-progress property crimes
- Human activated alarms (excluding bank holdups)

**43 different call types
(17% of call types)
(35% of service time)**



General Description of Lower Priority Calls

Priority 3 (P/3)

1. Prompt – Response time is not critical, but usually involves a victim waiting to speak with officers.

Examples:

- Investigative Reports: Thefts, property damage
- No suspect in area – immediate apprehension is not likely
- Property alarms (building or car alarms)
- Non-blocking accidents
- Standbys to assure the Peace
- Parking complaints

**78 different call types
(31% of call types)
(26% of service time)**

Priority 4 (P/4)

1. As Available – Service requests that may not involve a written report

Examples:

- Noise complaints
- Nuisance Calls
- Request to Watch
- Found Property

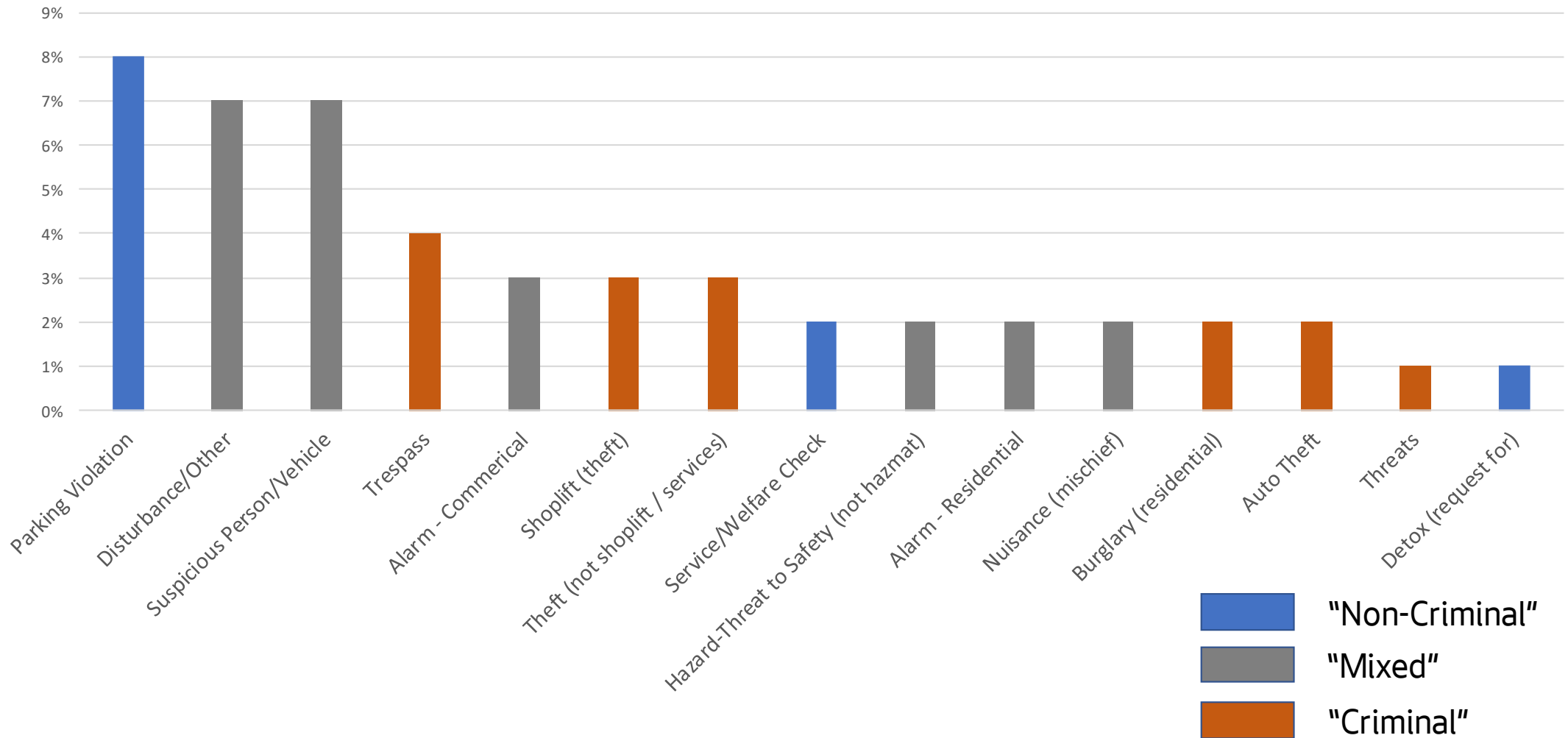
**18 different call types
(70% of call types)
(1% of service time)**



2019 Top 15 Dispatched Call Types by Initial Call Classification

(these account for 49% of all calls)

Top 15 Initial Call Types



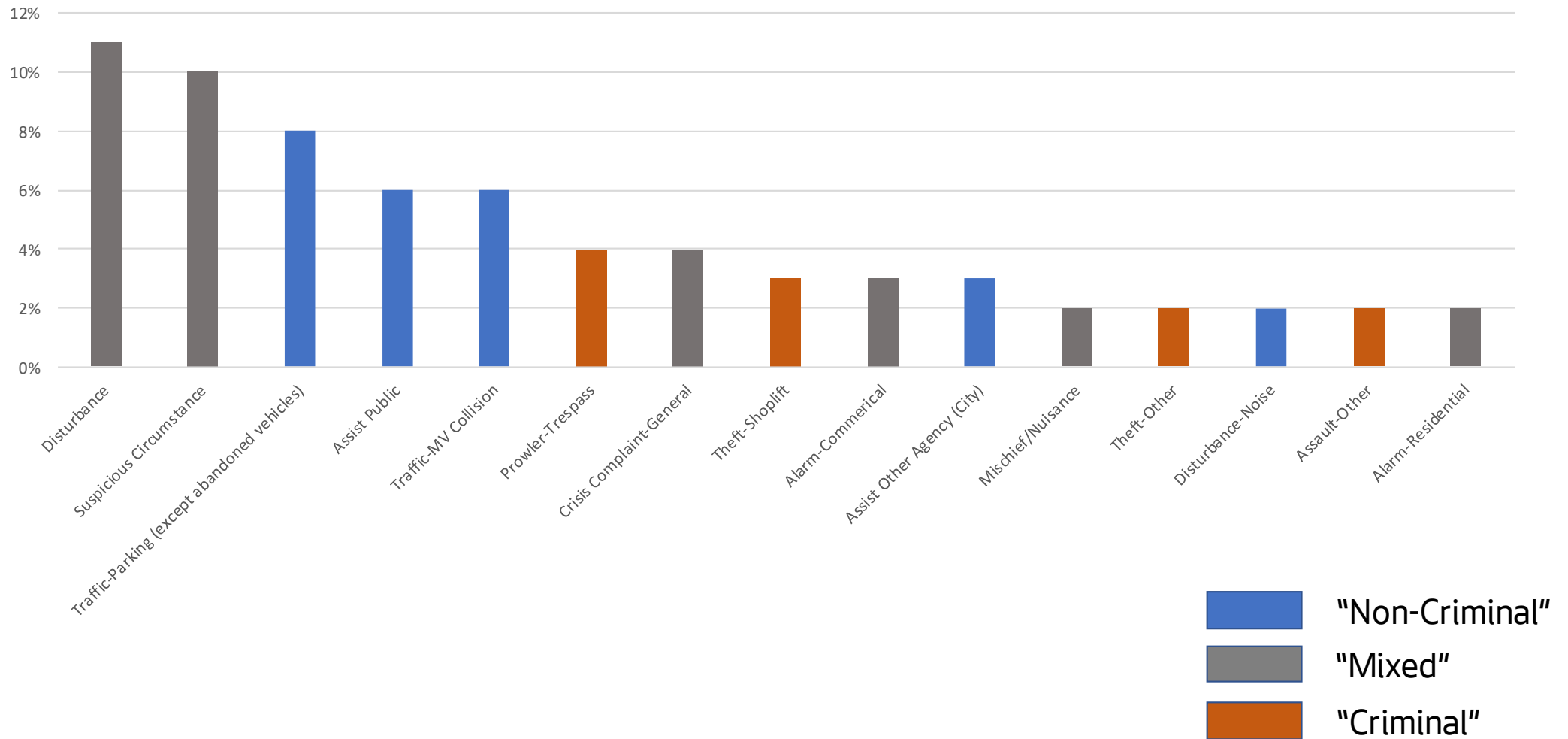
Note: 75% of Parking Violation calls are responded to by a PEO



2019 Top 15 Dispatched Call Types by Final Call Classification

(these account for 68% of all calls)

Top 15 Final Call Types



Note: 75% of Parking Violation calls are responded to by a PEO



Initial Type	Call Count	% in All Dispatched ¹	End with Criminal MIR	End with Crime MIR %
Alarms-Comm	7759	3%	183	2%
Alarms-Residential	6264	2%	68	1%
Disturbance	30043	11%	4959	17%
Hazard	5998	2%	452	8%
Nuisance	5670	2%	470	8%
Service-Welfare Check	6447	2%	564	9%
Suspicious Person & Vehicle	17948	7%	1186	7%

“Mixed” Calls – Trends in Outcomes of Non-Criminal Initial Calls



2019 Top 15 Call Dispositions

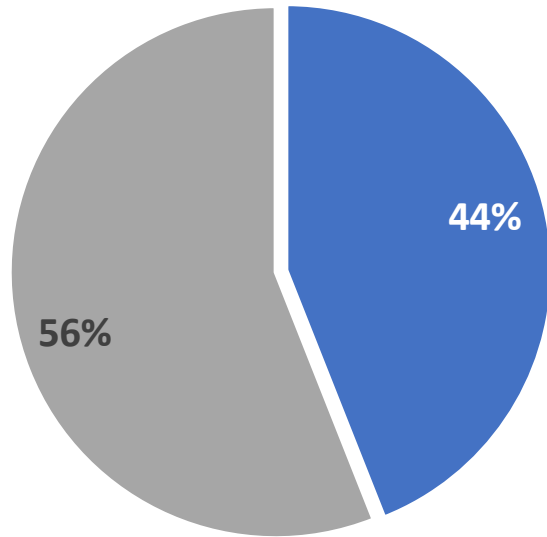
	Initial Criminal	Initial Non-Criminal/ Mixed	% of Total Dispatches
Assistance Rendered	29%	71%	35%
Report Written (No Arrest)	74%	26%	27%
Unable to locate (Incident or Complainant)	33%	67%	13%
No Police Action Necessary OR Possible	25%	75%	4%
Citation	3%	97%	4%
False Complaint/Unfounded	3%	97%	4%
Broadcast & Clear	65%	35%	3%
Arrest Made	71%	29%	3%
Cancelled by Radio	29%	71%	2%
Follow-up Report	92%	8%	2%
Oral Warning	24%	76%	1%
Other Report	34%	66%	1%
Street Check	52%	48%	0%
Public Order Restored	37%	63%	0%
Problem Solving	44%	56%	0%



2019 Dispatched Call Types

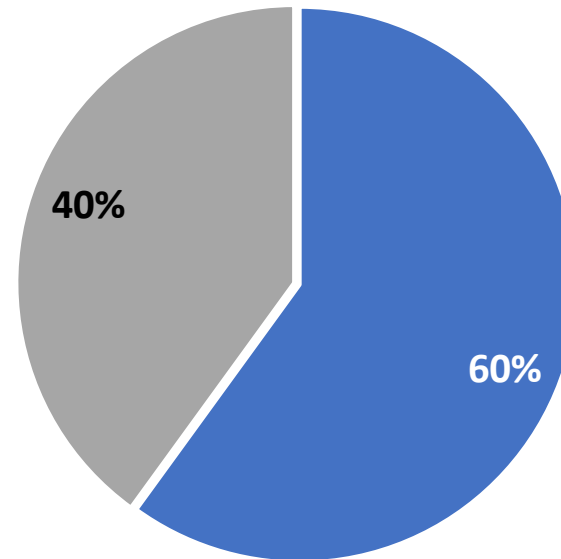
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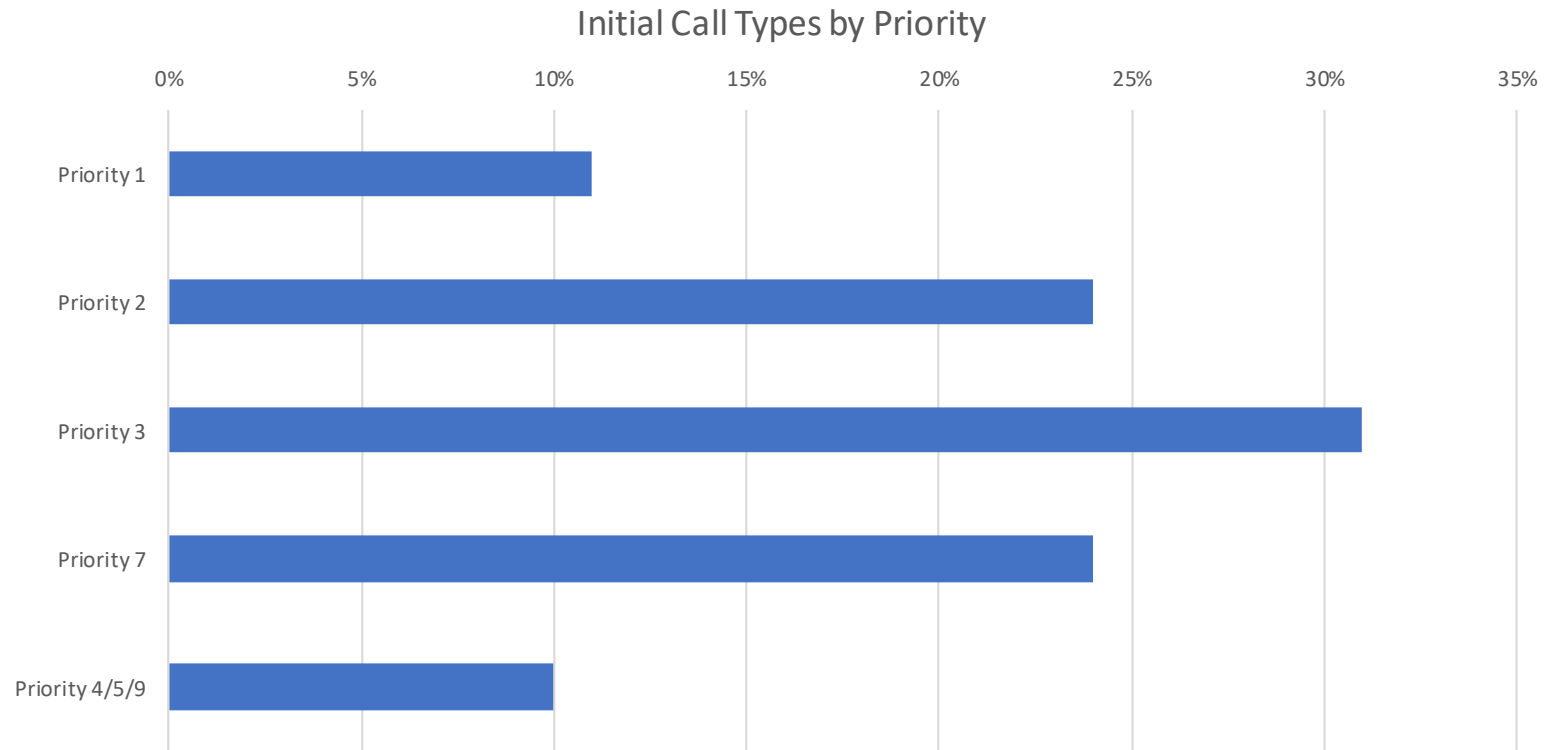
% of Service Hours by Call Type



■ Criminal ■ Non-Criminal



2019 Dispatched Call Types by Priority Group



71% of SPD Officer Service time for dispatched calls is contained in Priority 1 (36%) and 2 (35%) calls; 26% on P3



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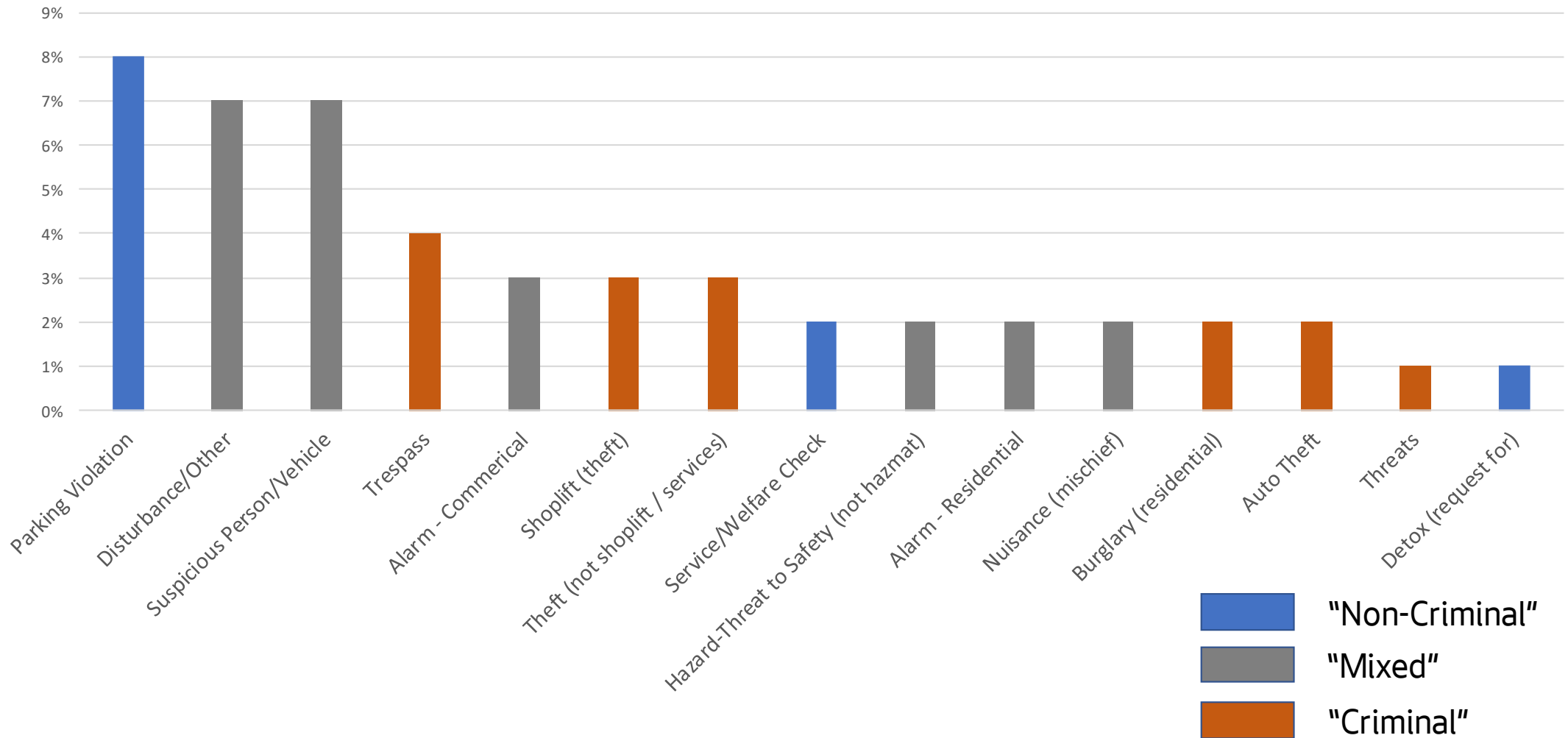
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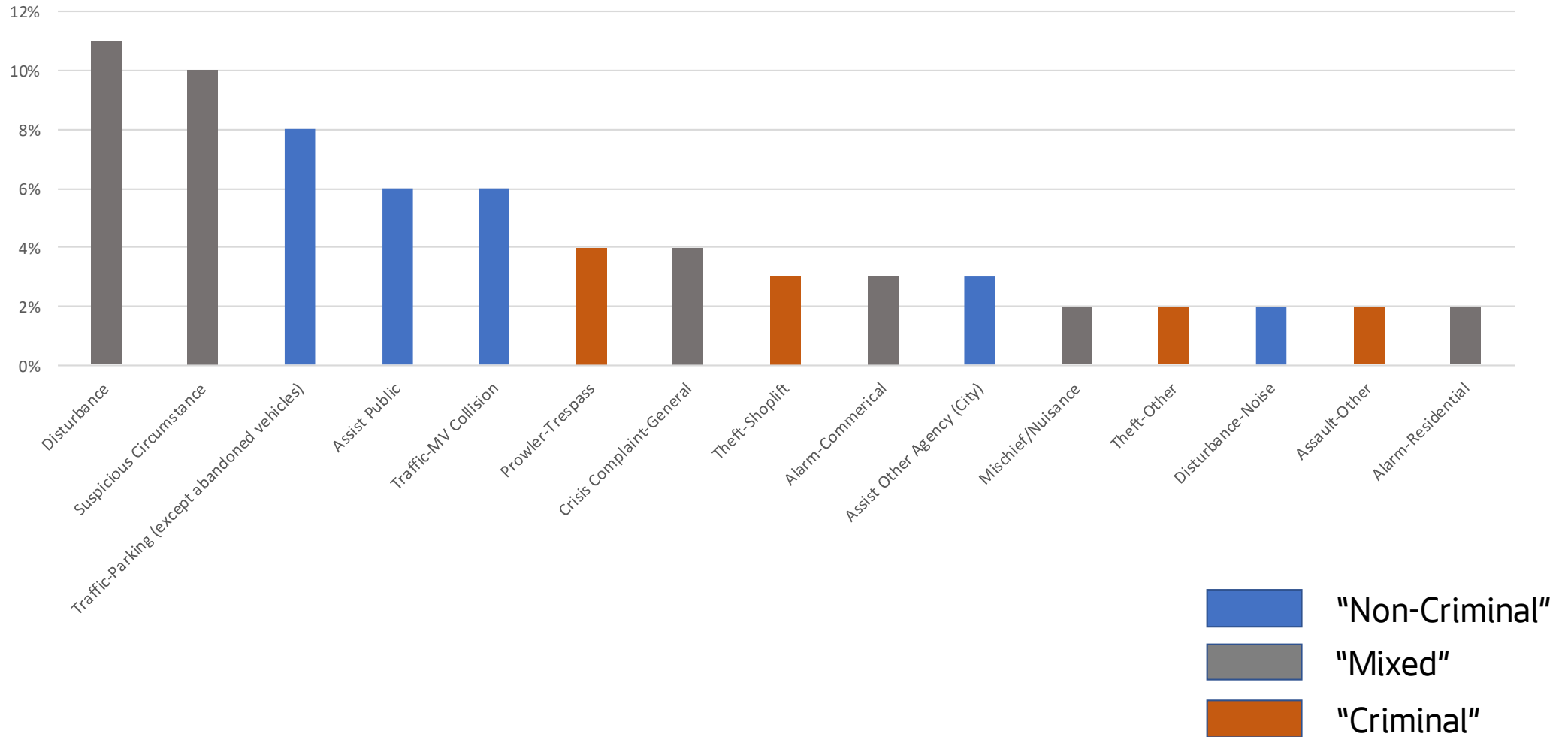
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Other Report	34%	66%	1%
Street Check	52%	48%	0%
Public Order Restored	37%	63%	0%
Problem Solving	44%	56%	0%



Legislation Text

File #: Inf 1652, **Version:** 1

City Budget Office Overview of the 2020 Rebalancing Package

Seattle COVID-19 Response and 2020 Budget Rebalancing: Q&A

July 1, 2020



Questions and Answers - Balancing Strategy

Q: Why only using 25% of the City's emergency funds in 2020?

Significant budget shortfalls persist into 2021, and emergency funds will be needed to help minimize what will already be dramatic spending reductions for next year. The estimated budget shortfall for 2021 is \$290+M.

Q: Regarding 2019 year-end and other one-time resources being used to balance for 2020, please specify funds and amounts.

The \$35.7 million includes:

- \$20.6 million - 2019 Ending Undesignated General Fund balance
- \$5.0 million - Rejection of requested carry-forwards
- \$2.9 million - IT allocation "rebate"
- \$1.8 million - Healthcare Fund "rebate"
- \$5.4 million - planning reserve reductions

Questions and Answers - Balancing Strategy

Q: Please specify amounts of reprioritized levy and MPD resources

Source	Amount
Move Seattle Levy	\$10,000,000
Metropolitan Parks District	\$10,000,000
Families, Education, Preschool and Promise Levy	\$2,000,000
Library Levy	\$1,600,000
Reprioritize Grant Funding	\$900,000
Total	\$24,500,000

Q: Regarding expenditures in response to COVID-10, to what extent are these expenditures that have already been made, versus future or proposed expenditures?

Approximately \$143M of the \$230+M in COVID spending summarized in the previous presentation has already been spent. Of the remaining ~\$90M, about ~\$40M is committed to critical services including shelter, hygiene, testing, supports for first responders, and maintaining related City services.



Questions and Answers - DEEL

Q: With regard to the reprioritization of Levy resource, which projects are affected the \$2 million FEPP Levy reprioritization?

- \$1.31 million from programming savings due to school closures including Quality Teaching Funds, Comprehensive Support Funds, and Preschool Facilities
- \$656,000 in salary savings from vacant positions in DEEL in 2020
- \$25,000 in consultant contracts

Q: How does this reduction square with the commitment to preserve programs that invest in community, listed under the racial justice priorities, which specifically named FEPP as one of those programs?

- Transferring \$2 million of GF expenses to the Levy allows the preservation of GF-funded programs including the Nurse-Family Partnership and the Parent-Child Home Program.
- The FEPP levy reductions will have minimal impact on service delivery. DEEL deliberately sought to limit reductions to racial justice priorities. The bulk of the FEPP reductions are for programming savings related to school closures and salary savings. DEEL maintained funding for contracts that have a specific race and social justice focus such as anti-bias training, and English-language learner professional development.

DEEL: Culturally Specific and Responsive Programming (CSR)

CSR investments offer school-based and community programming that reflects racial and cultural diversity and incorporates students' culture, history, language, and socialization into core pedagogy, curricular materials, and academic learning and enrichment activities.

Current CSR Programs:

- ***Kingmakers***
 - Currently in four schools: Aki Kurose, Asa Mercer, Denny International, and Interagency Academy.
 - Will expand to two additional schools this upcoming school year.
- ***Mentoring***
- ***Educator Diversity***

DEEL: Proposed \$5 million additional funding for CSR in 20/21

- \$5 million in savings and 2011 FEL fund balance could be used to serve students furthest from educational justice.
- Spending must be consistent with the goals of the voter-approved levies.
- Funding will support a community-developed Saturday academy for young Black men. The 1K Black Men Initiative (launched from the “We Want to Live Rally”) will partner with ACE Academy to provide a Saturday Experience for Black boys that focuses on development in education, health and wellness, and social and community connections.
- Community Engagement: DEEL will consult with community stakeholders, including the Our Best Advisory Council (OBAC), to develop recommendations for the remaining funds.
 - OBAC is a diverse group of nearly 50 leaders of African ancestry (diaspora) from the philanthropic, nonprofit, faith, civic, academic, business and government sectors.

Questions and Answers - Homelessness

Q: Does city intend to keep the 2 shower trailers and other added hygiene facilities through year end?

Yes, and we have proposed to use funds from the Commerce Grant to ensure that these services will be available even if FEMA resources are not available through year-end.

Q: The proposed COVID spending includes \$2.53M for “non-congregate sheltering” – To what does this refer?

“Non-congregate” shelter is a term within the context of federal FEMA funding and refers to shelter that provides individual living arrangements, in this case tiny home villages.

Questions and Answers - Homelessness

Q: Proposed CRF spending includes \$8M for rental assistance (\$1.6M/month through October) - is this intended for Home Base or another similar existing program?

\$4M will go to HSD; and \$4M to OH. HSD will devote a portion to Home Base and use a portion to expand existing contracts for homelessness prevention. OH will invest in rental housing assistance for city-funded affordable housing projects.

Q: What is the total amount that will go toward direct rental assistance in this rebalancing package?

Total = \$14.3M (including: \$4.2M CDBG, \$8M CRF, \$750K ESG, \$426K HOPWA, and \$910K Housing Levy)

Q: Human Services Dept – will there be any impact on the planned transition to the Regional Homelessness Authority, in terms of timing, staffing level, etc.?

From a funding perspective, the rebalancing packages leaves the \$1.65M one-time start-up funds in-tact. From a timing perspective, there will be a brief delay in hiring the Authority's CEO, with them coming onboard in September rather than this summer as originally planned.

Q: What assets and strategies are available for the expansion of tiny house villages?

Of the new resources coming to the City for homelessness, the State Department of Commerce funds (~\$11m, joint application with the County) are an eligible source. ESG is not eligible, and it is unlikely that CDBG is eligible.

HUD Emergency Solutions Grant (ESG)

- Annual base award: ~\$800,000
- CARES Act ESG amounts:
 - Round 1: \$2,829,807
 - \$2.1m to support provision of meals at emergency shelters
 - \$750k swap with GF to support rental assistance and/or eviction prevention programs
 - Round 2: ~\$26,000,000 (KC to receive ~\$11,000,000)

Allowable Uses Include:

- Street Outreach
- Emergency Shelter (includes renovation/conversion of existing space, shelter operations, and client services – but excludes general acquisition of new shelter and setup/operations at tiny house villages)
- Rapid Re-Housing (including rental and financial assistance and services costs such as housing search, mediation, legal services, and credit repair)
- Homelessness Prevention
- HMIS data collection and analysis
- Administrative Activities (general management, oversight, and coordination)

Questions and Answers - Continued

Q: Last week’s presentation indicated that the “Mayor has committed to invest \$100 million in BIPOC communities in 2021 budget” How much of this is new? How much is carryover from existing spending across departments?

The Mayor intends to engage in a community-driven process to determine what form these investments will take and the funding that will support them, and does anticipate that significant new resources will be dedicated to this purpose.

Q: The proposed funding package includes “\$325,000 for Hotel – First responders” and \$3.07M for “Essential Workers – Hotel.” Can you speak to the difference here?

The total amount was for a contract that ran through June. The \$3.07M is for all types of uses of the hotel that is not specifically attributed to a first responder. The \$325,000 is for the estimated amount for first responders. Actual final costs are expected to be about \$2M. The City is submitting the total hotel costs to FEMA for reimbursement. Going forward the City has established a contract for a per night for first responders that need isolation or quarantine due to COVID-19.

Q: Has the \$1.4 M CDBG funding Council appropriated for shelter de-densification been spent yet?

It has not; the Executive generally believes that further expansion of shelter services should occur after a process that engages broad community representation, including those disproportionately impacted by homelessness, and a financial assessment that identifies sustainable funding for the expansion that has already occurred in response to COVID-19.

Questions and Answers - Office of Housing

Q: How many total increased housing units, and of what type, funded as an emergency response?

- The City has invested or plans to invest over \$16M (\$20M including funds being used to backfill for shortfalls of other revenues) from Federal, State, and Levy emergency COVID-19 resources for **housing and homelessness prevention**.
- These investments include critical supports for PSH, and significant rental assistance and homelessness prevention dollars, to keep our neighbors healthy and securely housed.
- These investments are in addition to our joint efforts with the County to stand up new shelter and shelter de-densification efforts as a response to COVID-19.
- In addition to these Federal and State investments for housing, as part of COVID-19 emergency response the Office of Housing is issuing the **Special Permanent Supportive Housing NOFA**, which we anticipate will bring on at estimated 500 additional PSH units by Fall 2021 and is funded by the Housing Levy.

Questions and Answers - Parks

Q: How much is being redirected of MPD funds for General Fund supported activities?

\$10 million is being redirected from MPD capital to SPR's operating budget to replace both General Fund and "earned" revenues that will not be realized due to COVID-19.

Q: SPR is reducing discretionary operational costs including mowing and weeding – with increased use of parks expected due to COVID-19 restrictions, is this sustainable?

Due to the hiring freeze, SPR did not hire seasonal labor and is holding some vacancies in the Park and Environment Division which will reduce capacity in this division for 2020; however, the department still has regular staff who perform this work year-round. Some of these regular employees were either displaced from their work due to COVID-19 risk, not working due to facility closures, or were redeployed to other mission essential functions in response to COVID-19. With appropriate safety protocols, the department is beginning to redeploy these staff to focus on increased mowing and other cleaning and maintenance needs.

Q: Which Parks capital projects will see reduced spending with the Mayor's revised 2020 budget proposal?

See next 2 slides.

Questions and Answers - Parks

Master Project #	Master Project Title	Specific Projects Impacted	Proposed Reduction	Funding Source
MC-PR-21015	Battery Street Portal Park Development	Planning/design for Battery Street Portal Park	(\$625,000)	MPD
MC-PR-41001	Major Maintenance Backlog	Soundview Playfield: lighting replacement will continue; removes field renovation from project scope. REET funding also reduced for Soundview.	(\$3,427,928)	MPD
MC-PR-21001	Park Land Acquisition and Leverage Fund	n/a	(\$1,021,364)	MPD (\$1M); REET (\$20k)
MC-PR-21003	Develop 14 New Parks	Reduces budget and postpones work on most remaining land banked sites; these could be completed with funding from the next cycle of the Park District. Impacted projects: 48th & Charleston (\$870k), Ernst Park Addition Development (\$495k), Morgan Junction RUV (\$653k), Wedgewood (\$989k), and West Seattle Junction (\$1.6M). REET funding for North Rainier will be reduced by \$1.3M but funding is expected to be replenished through grants.	(\$5,957,201)	MPD (\$4.7M); REET (\$1.3M)
MC-PR-21004	Connect to Greenways	Putting the initiative on hold impacts four sites including Maple Leaf Reservoir Park, Dr. Blanche Lavizzo Park, Judkins Park and Roxhill Park. Expect minimal impacts such as not providing wayfinding, pavement markings and signage that would clarify and improve the user experience.	(\$289,871)	MPD



Questions and Answers - Parks

Master Project #	Master Project Title	Specific Projects Impacted	Proposed Reduction	Funding Source
MC-PR-41070	Athletic Field Replacements	Soundview Playfield (\$385k): lighting replacement will continue; removes field renovation from project scope. MPD funding also reduced. Ballard Playfield (\$1.01M): lighting replacement will continue; removes field renovation from project scope.	(\$1,385,745)	REET
MC-PR-41072	Queen Anne Turf Field Replacement	West Queen Anne: Delays the synthetic field conversion; lighting replacement planned to continue at this time.	(\$1,800,000)	REET
MC-PR-41030	Municipal Energy Efficiency Program	MEEP funding supplemented community center stabilization project budgets. Physical construction of the following sites will not begin until 2021 and therefore MEEP funding is not needed in 2020: South Park, Jefferson, Magnolia, Hiawatha. Funding may be reevaluated as part of the 2021 process.	(\$466,349)	REET
MC-PR-41029	Park Upgrade Program	The Seattle Conservation Corps (SCC) reduced its number of enrollees in the program to adjust to reduced number of projects that can be completed within the Park Upgrade Program this year due to the COVID-19 work restrictions. These are typically small-scale capital projects. SPR has been notified the SCC will receive an additional \$250,000 in Federal Community Services Block Grant for this program this year which will offset some of this reduction.	(\$660,000)	CDBG
MC-PR-21006	Aquarium Expansion Project	Postpones funding for this project that has been delayed due to the COVID-19 pandemic. Prior City appropriations are unchanged. Project timeline and timing of City funding will be re-evaluated in 2021.	(\$9,000,000)	REET



Questions and Answers - SPD

Q: Who is leading the community engagement process for SPD reform; who has been asked to participate? What can you tell us about this process and its expected outcome? What will the funds be spent on? Will participants/experts be remunerated for their participation?

Deputy Mayor Ranganathan will provide a verbal update on this process.

Q: How much has the SPD spent year-to-date and how much do they have left allocated to that department?

SPD has spent \$195M year-to-date, and given the planned 2020 reductions noted previously this leaves approximately the same amount unspent.

Questions and Answers - SDOT

Q: Are there potential for additional savings (above \$8 million identified by Exec) from cancelling Center City Streetcar? What costs are associated with completing procurement?

No; the costs associated with “completing procurement” include the staff time to complete negotiations and terminate the current contract, and coordination with FTA. We estimate these costs to be approximately \$150,000. We have retained \$1 million of funding to pay for costs incurred earlier this year and these remaining issues.

Further Questions?



Seattle COVID-19 Response and 2020 Budget Rebalancing

June 24, 2020



Challenges Facing Our City

- A public health pandemic that is killing friends, families, and neighbors and COVID-19 has disproportionately impacted communities of color. Expected spending of \$233 million on COVID-19 response, focusing on the needs of the most vulnerable and BIPOC communities.
- Economic devastation and job losses that have led to record unemployment, an unprecedented loss of \$300 million in revenue, and community needs including food access and housing assistance. Now more than ever it is critical to preserving critical budget priorities that serve communities of color and historically underserved communities.
- A movement to demand anti-racist action, to divest and rethink policing, and end institutional racism.

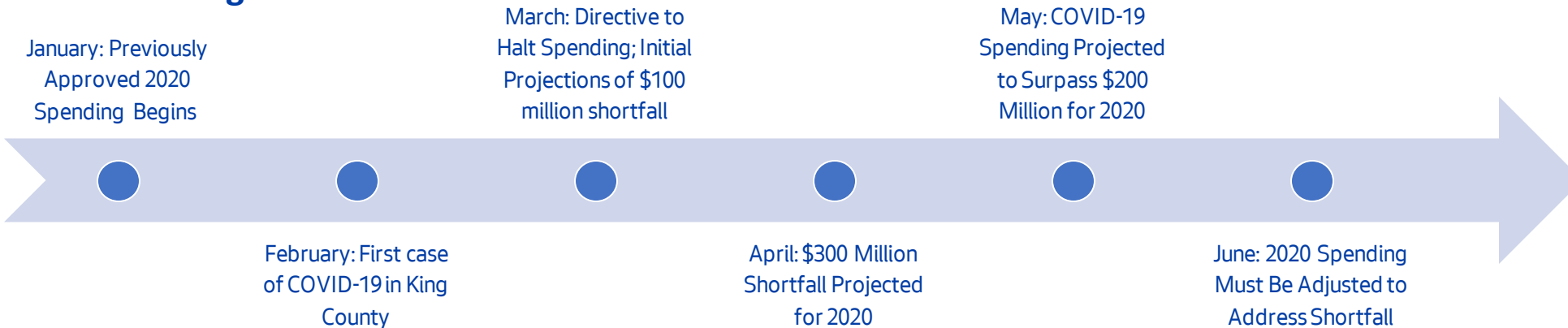


Budget Process Overview

Budget Process for 2021-2022 – *as originally planned*



COVID-19 Budget Process



Approach to COVID-19 Response

- Addressing urgent needs including meals, rental assistance, grocery vouchers, utilities, childcare, and other essential needs
- Protecting our most vulnerable neighbors experiencing homelessness in partnership with PHSKC and King County
- Assist small businesses, non-profits, artists, and cultural organizations as they struggle for survival
- Continue critical supports for First Responders & free citywide testing

Approach to SPD Budget

- SPD will face the largest budget cut among all department reductions for the General Fund
- Police spending will be reduced by \$20 million through the rest of this year
- Additional options for reductions are being developed for the 2021 budget
- We will engage community to provide substantive input on what 2021 SPD budget choices should be made



Approach to Racial Justice Investments & Priorities

- Continue critical COVID-19 investments for vulnerable and BIPOC communities like: housing, child care, testing, individuals experiencing homelessness, small businesses and support for immigrant and refugee residents
- Preserving programs to invest in community like EDI, Orca Opportunity, Youth Safety, FEPP
- Mayor has committed to invest \$100 million in BIPOC communities in 2021 budget



Near term 2020 budget actions following community conversations

- Review SPD budget options
- Redirect funding initially targeted for N. Precinct - \$4 million in capital funding
- \$5 million for mentorship programs with BIPOC youth
- 2020 budget commits \$500K to a community engagement process on policing and community investments
- Expediting land transfers (Byrd Barr, Central Area Senior Center, FS6)
- Develop a new vision for the E. Precinct area in partnership with community leaders



Rebalancing 2020 Budget: address revenue shortfall and cost of responding to COVID-19 pandemic

- The City's General Fund budget was balanced assuming almost \$1.5 billion in revenue.
- Updated forecast confirms that General Fund revenues could fall \$200 million short of the total anticipated in the 2020 adopted budget.
- The total funding gap for general government services could exceed \$300 million because other revenues, such as the soda tax, short-term rental tax, commercial parking tax, and earned revenues at the Seattle Center and Parks Department will also fall short of forecast.
- The public health challenge and economic impacts created by COVID-19 has demanded a robust response from the City. We anticipate total spending of \$233 million in response.



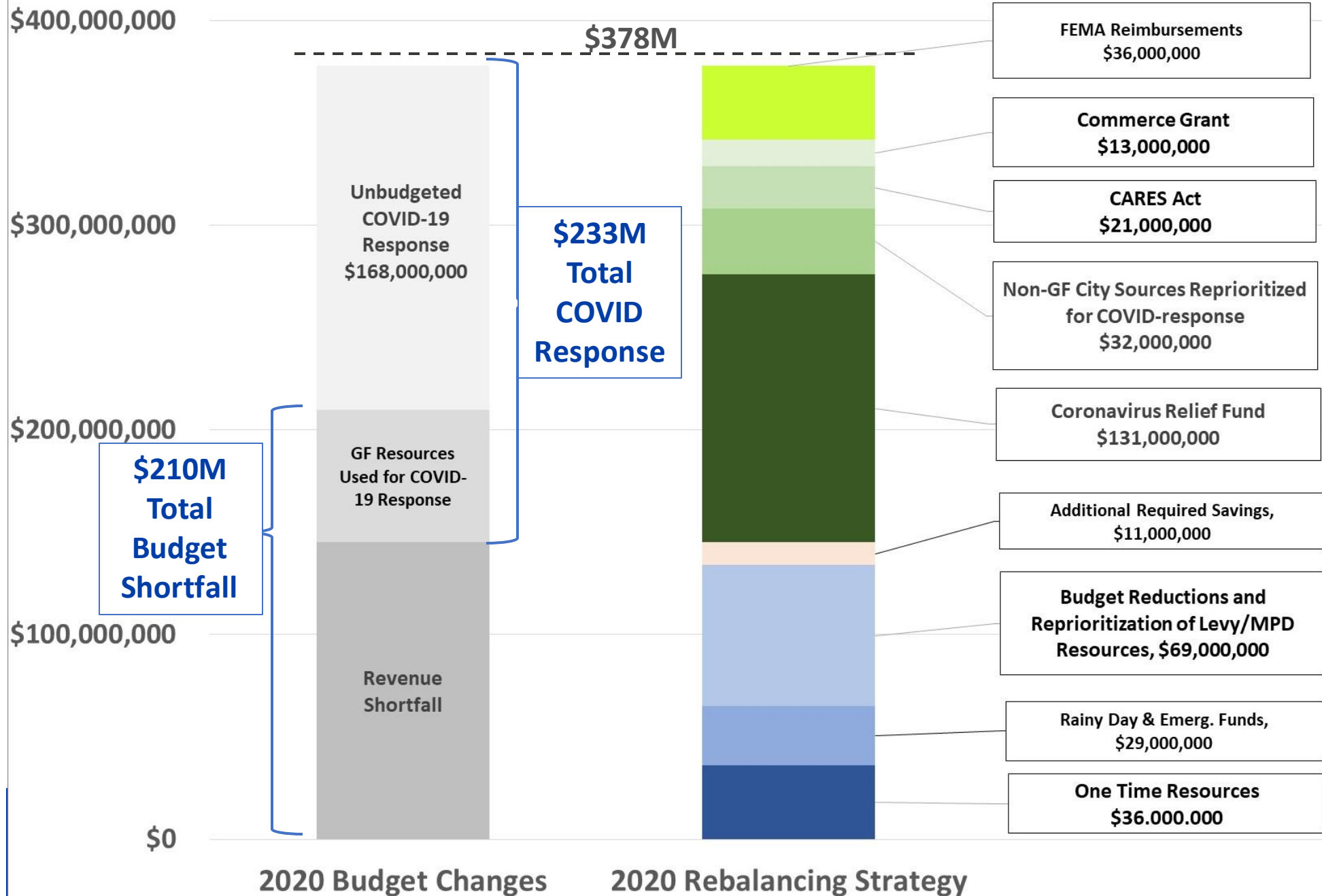
Resources to Balance

To minimize any reductions to City services or cuts to critical community programs, the City proposes utilizing state and federal resources as well as one-time sources to balance the 2020 budget.

- New State and Federal Resources (FEMA, CARES Act, Coronavirus Relief Fund, State Commerce)
- 2019 Year End Reserves (One Time Resources)
- 25% of City's Emergency Funds
- Refocus City Programs and Staff toward COVID-19
- Focused Budget Reductions, including SPD, City Hiring Freeze, and Travel
- Reprioritize use of Levy and MPD Resources



Rebalancing the 2020 Budget



Center the City's response in race and social justice to help address the disparate impact COVID-19 is having on communities of color.

- Respond to immediate impacts of the COVID-19 emergency and preserve ability to react as the situation evolves
- Protect our most vulnerable neighbors experiencing homelessness and address housing insecurity
- Support essential workers and community needs
- Assist small businesses, artists, and cultural organizations as they struggle for survival
- Continue critical supports for first responders & provide testing for residents & workers
- Maintain City services and support the City employees who provide them

Total Expenditures for COVID-19 Response

COVID-19 Spending	
Respond to Emergency COVID-19 impacts	\$38,620,000
Protect our most vulnerable neighbors experiencing homelessness and address housing insecurity	\$39,400,000
Support essential household and community needs	\$34,110,000
Assist small businesses, artists, and cultural organizations as they struggle for survival	\$5,210,000
Continue critical supports for First Responders	\$35,740,000
Maintain city services and support City employees who provide them	\$80,150,000
TOTAL (Of this total, approx. \$65 million is reprioritized General Fund)	\$233,200,000

*Total may not match due to rounding 71

Respond to immediate impacts of the COVID-19 emergency and preserve ability to react as the situation evolves

COVID-19 Spending	
COVID-19 Supplies and Services	\$2,470,000
Cloth facial coverings for employees and community groups	\$790,000
Essential Workers - Hotel	\$3,070,000
Essential Workers - Childcare	\$5,450,000
COVID-19 Testing - public access sites and community test kits	\$8,790,000
Social Distance Ambassadors and social distancing in parks	\$2,040,000
Stay Healthy Streets/Street Closures	\$190,000
Cleaning of public buildings	\$100,000
COVID-19 Language Access	\$80,000
Hospital transitions to care for elderly non-Medicaid patients	\$150,000
Emergent COVID-19 response needs (June-Oct 2020)	\$15,350,000
TOTAL*	\$38,620,000

*Total may not match due to rounding.

Protect our most vulnerable neighbors experiencing homelessness and address housing insecurity

COVID-19 Spending	Total
Hygiene	3,700,000
Shower trailers, toilets and sinks	2,280,000
Reopening bathrooms at libraries	320,000
Purple bag program COVID-19 expansion	350,000
Continue hygiene service after FEMA period (2 months)	750,000
Emergency Shelter	15,580,000
NEW: RFP for shelter needs and PSH	4,850,000
Congregate sheltering	4,270,000
Noncongregate sheltering	2,530,000
Food at homeless shelters	2,080,000
Facial coverings for people experiencing homelessness & others	250,000
Shelter expansion ramp-down after FEMA period (2 months)	1,600,000
Housing and Homelessness Prevention	16,070,000
NEW: Food support for PSH Sites through December	2,500,000
Rental Assistance: City-funded Affordable Housing (NEW: \$4M)	5,410,000
Rental Assistance: Community-based Organizations and Home Base (NEW: \$5.4M)	7,730,000
Rental Assistance: Housing for People living with HIV/AIDS	430,000
Subtotal, Net New Homelessness Spending	35,350,000
PSH Operations: Short-term Rental Tax Fund Swap	3,300,000
Rental Assistance: Home for GOOD Pilot Fund Swap	750,000
Total, COVID-19 Homelessness Spending	39,400,000

*Fund swap amounts are excluded from the net budget add total because they are already counted in the base 2020 Adopted Budget.

Protect our most vulnerable neighbors experiencing homelessness and address housing insecurity

COVID-19 Spending	FEMA	CDBG	ESG	HOPWA	Housing Levy	Commerce	CRF	Total
Hygiene	1,950,000	-	-	-	-	750,000	1,000,000	3,700,000
Shower trailers, toilets and sinks	1,710,000						570,000	2,280,000
Reopening bathrooms at libraries	240,000						80,000	320,000
Purple bag program COVID-19 expansion							350,000	350,000
Continue hygiene service after FEMA period (2 months)						750,000		750,000
Emergency Shelter	5,100,000	2,080,000				6,450,000	1,950,000	15,580,000
NEW: RFP for shelter needs and PSH						4,850,000		4,850,000
Congregate sheltering	3,200,000						1,070,000	4,270,000
Noncongregate sheltering	1,900,000						630,000	2,530,000
Food at homeless shelters			2,080,000					2,080,000
Facial coverings for people experiencing homelessness & others							250,000	250,000
Shelter expansion ramp-down after FEMA period (2 months)						1,600,000		1,600,000
Housing and Homelessness Prevention		4,230,000		430,000	910,000	2,500,000	8,000,000	16,070,000
NEW: Food support for PSH Sites through December						2,500,000		2,500,000
Rental Assistance: City-funded Affordable Housing		1,410,000					4,000,000	5,410,000
Rental Assistance: Community-based Organizations and Home Base		2,820,000			910,000		4,000,000	7,730,000
Rental Assistance: Housing for People living with HIV/AIDS				430,000				430,000
Subtotal, Net New Homelessness Spending by Funding Source	7,050,000	4,230,000	2,080,000	430,000	910,000	9,700,000	10,950,000	35,350,000
PSH Operations: Short-term Rental Tax Fund Swap						3,300,000		3,300,000
Rental Assistance: Home for GOOD Pilot Fund Swap			750,000					750,000
Total, by Funding Source	7,050,000	4,230,000	2,830,000	430,000	910,000	13,000,000	10,950,000	39,400,000

Support essential household and community needs

COVID-19 Spending	
Grocery Vouchers	\$14,500,000
Food for food banks and meal programs	\$9,900,000
Supports for Food Security	\$3,000,000
Food delivery for seniors	\$2,500,000
Waiving interest charges on delinquent SPU and SCL accounts	\$4,044,000
Expenses to facilitate distance learning	\$162,000
TOTAL	\$34,106,000

Assist small businesses, artists, and cultural organizations as they struggle for survival

COVID-19 Spending	
Grants to artists and arts organizations for business interruptions due to public health measures	\$1,295,000
Grants to small businesses for business interruption caused by required closures	\$3,910,000
TOTAL	\$5,205,000

Continue critical supports for first responders

COVID-19 Spending	
First responder costs substantially shifted to COVID-19 Response	\$26,509,000
Personal Protective Equipment (PPE)	\$8,267,000
Testing - First responders	\$612,000
Hotel - First responders	\$325,000
City's COVID-19 expenses at King County jail	\$22,000
TOTAL*	\$35,735,000

*Total may not match due to rounding.



Maintain City services and support the City employees who provide them

COVID-19 Spending	
Department staff redeployed to emergency response	\$45,694,000
Overtime for staff redeployed to emergency response	\$8,411,000
Temp labor for emergency response	\$2,334,000
Expenses to improve telework capabilities	\$1,718,000
Paid Leave and Unemployment Insurance for at-risk workers	\$11,987,000
Adapting City facilities/Operations for Reopening Requirements	\$10,000,000
TOTAL*	\$80,145,000

*Total may not match due to rounding.



Total Expenditures for COVID-19 Response

COVID-19 Spending	
Respond to Emergency COVID-19 impacts	\$38,620,000
Protect our most vulnerable neighbors experiencing homelessness and address housing insecurity	\$39,400,000
Support essential household and community needs	\$34,110,000
Assist small businesses, artists, and cultural organizations as they struggle for survival	\$5,210,000
Continue critical supports for First Responders	\$35,740,000
Maintain city services and support City employees who provide them	\$80,150,000
TOTAL (Of this total, approx. \$65 million is reprioritized General Fund)	\$233,200,000

*Total may not match due to rounding 78

Proposed State Dept. of Commerce Grant - \$13M

Three-part approach:

1. **Sustain Emergency Response** for the period after FEMA “ends” the emergency
2. **Continue support for existing PSH contracts** whose funding source has dried up
3. **Fund new critical needs**
 - **New funding to provide 2,600 daily meals at City’s PSH locations** through the end of the year
 - **New Funding for Shelter and PSH Needs (\$4.85m):**
 - Equitable approach for existing contractors
 - Identifies provider expenses that are FEMA eligible

Proposed Use	Amount
Sustain COVID-19 Response for 2 months Beyond FEMA Emergency Designation	
Hygiene Interventions	\$750,000
Shelter De-densification Operations	\$1,600,000
Continue Support for Critical Existing Program	
Permanent Supportive Housing STRT Fund Swap	\$3,300,000
New Programs	
Food support for PSH Sites through December	\$2,500,000
Shelter and PSH enhancements necessitated by COVID	\$4,850,000
Total	\$13,000,000

Proposal for CRF - \$131.5 million

Emergency Response using Coronavirus Relief Fund	Amount
Local Match for FEMA	\$11,250,000
<i>Emergency Homelessness Shelter and Hygiene</i>	<i>\$2,350,000</i>
<i>Cleaning of public buildings and testing for public</i>	<i>\$2,220,000</i>
<i>Food for Food banks and economic instability</i>	<i>\$2,480,000</i>
<i>PPE / Testing / Quarantine for First Responders</i>	<i>\$2,240,000</i>
<i>Temporary and Overtime Labor for Emergency COVID-19 Response</i>	<i>\$1,960,000</i>
Non-FEMA Eligible Emergency Response Measures	\$9,390,000
<i>Face Masks</i>	<i>\$1,040,000</i>
<i>Stay Healthy Streets/Street Closures</i>	<i>\$190,000</i>
<i>Social Distance Ambassador Program</i>	<i>\$2,040,000</i>
<i>Hotel - Essential Workers</i>	<i>\$3,070,000</i>
<i>Purple bag program COVID-19 expansion</i>	<i>\$350,000</i>
<i>Community testing kits</i>	<i>\$150,000</i>
<i>COVID Language Access</i>	<i>\$80,000</i>
<i>COVID-19 Supplies and Services</i>	<i>\$2,470,000</i>
Emergent Response Needs in July through October	\$15,350,000
Adapting City Facilities and Managing "Re-entry" of the City's Workforce	\$10,000,000
Food Security Measures and Grocery Vouchers through October - \$2.5M/Month	\$12,500,000
Rental Assistance - \$1.6M/Month through October	\$8,000,000
Redeploying City Staff and Resources for Emergency Response (Non-OT/Temp)	\$65,000,000
Total	\$131,500,000

Emerging State and Federal Sources for Addressing Homelessness

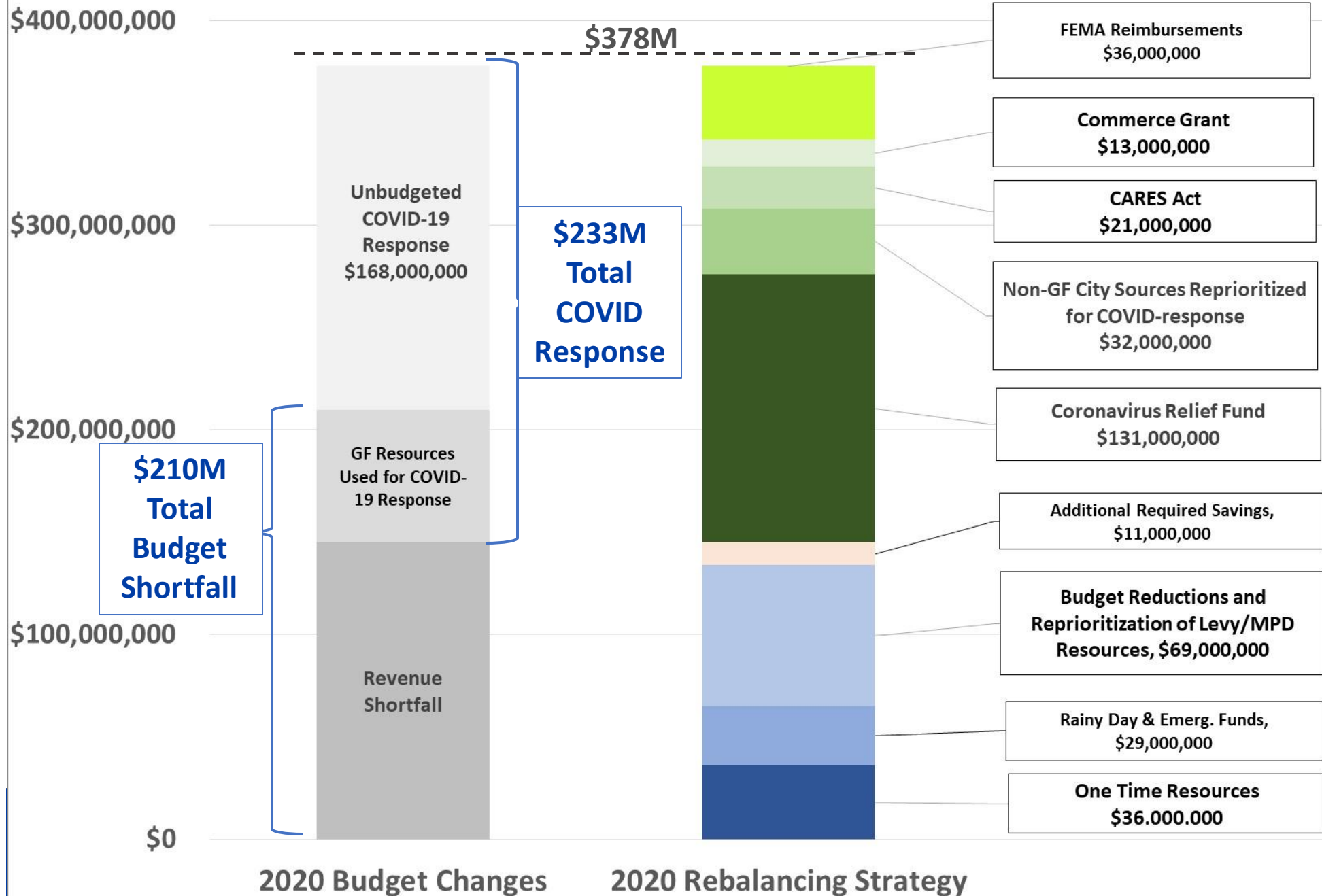
1. Emergency Solutions Grant (ESG) with new COVID allocation formula - \$26 million.
 - Funds can be used through September 30, 2022
 - 100% Match Requirement has been waived
2. New formula grant from the State Commerce Department. A joint application with the County is likely to be awarded ~\$11 million.
 - Funds will be available August 2020 to June 2023

COVID-19 Impact on City Resources

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Rebalancing the 2020 Budget



One Time Resources, Reserves and the CRF

Source	Amount
2019 Year-End Fund Balance and Other One-time Resources	\$36,000,000
Emergency Fund and Rainy Day Fund	\$29,000,000
Coronavirus Relief Fund	\$65,000,000
Total	\$130,000,000

- Strong financial finish to 2019 will help mitigate 2020 financial impacts
- Proposal for balancing 2020 and 2021 uses a portion of Emergency Funds for 2020 (~25%), but saves a significant share (~75%) for 2021 to mitigate impacts in 2021
- The CRF provides a means to pay for the existing City resources now being used to respond the COVID-19 crisis at a time the General Fund cannot sustain those services.

Budget Reductions and Reprioritization of Levy & MPD Resources

Source	Amount
Hold vacancies, delay hiring, reduce overtime	(\$26,500,000)
Reprioritization of Levy/MPD Resources (Details on following slide)	(\$24,500,000)
Travel, training, supplies, etc.	(\$6,100,000)
Consultants and Contracts	(\$5,500,000)
Neighborhood Matching Fund (NMF)	(\$1,500,000)
Other – including GF-funded technology and capital projects	(\$5,200,000)
Total	(\$69,300,000)



Reprioritization of Levy and MPD Resources - Detail

Source	Amount
Move Seattle Levy	\$10,000,000
Metropolitan Parks District	\$10,000,000
Families, Education, Preschool and Promise Levy	\$2,000,000
Library Levy	\$1,600,000
Reprioritize Grant Funding	\$900,000
Total	\$24,500,000

- For each of the affected departments, the revenues earned by the City will no longer provide the funding needed to pay for the base operations which the levies were intended to supplement.
- The basic budget approach is redirect funding that was to pay for capital projects or expanded programmatic funding to support these base operational costs.
- The capital projects will be deferred but could be funded again in the future.

Departmental Highlights - SPD

Seattle Police Department

- \$16 million reduction directed to rebalancing
- Pause the allocation of planning resources in the 2020 budget for a new North Precinct facility - \$4 million
- Freeze spending on vehicles and IT investments
- Immediately we will freeze hiring of sworn officers in 2021 until a new staffing model and plan is developed reflecting community priorities for public safety
- Mayor has asked for the SPD to prepare models of 20% - 30% - 50% budget reductions for community engagement

CPC, OIG and OPA

- No reductions.



Budget Changes - Departmental Highlights

Human Services Department

- Only reductions are to travel, training and vacancies.
- Services are being expanded in response to COVID-19, including food, shelter, and rental assistance, per our earlier description of the City's response COVID-19 response.

Department of Neighborhoods and Office of Economic Development

- DON and OED are working together to lead efforts on community outreach and small business assistance.
- Proposed reductions do include decreasing 2020 Neighborhood Matching (NMF) fund by \$1.5 million. A portion of NMF staff are on-loan to OED to support small business.

Office of Planning and Community Development

- Preserved full \$15 million of Mega-block proceeds for EDI projects.
- Preserve full \$5 million for 2020 EDI grants, by supplementing declining Short-term Rental Tax revenues with ~\$2 million of General Fund support.
- Shifting near-term focus of EDI toward COVID-19 response and relief to BIPOC communities from effects of pandemic.

Library

- Total General Fund reductions of \$2.9 million, but mitigated by \$1.6 million of Levy funding and \$500,000 from the Library Foundation.

Seattle Center

- Center's "earned" revenues have collapsed and basic maintenance and operations cannot be sustained without additional support.
- Rebalancing proposal thus increases 2020 General Fund support by \$9 million.



Budget Changes - Departmental Highlights

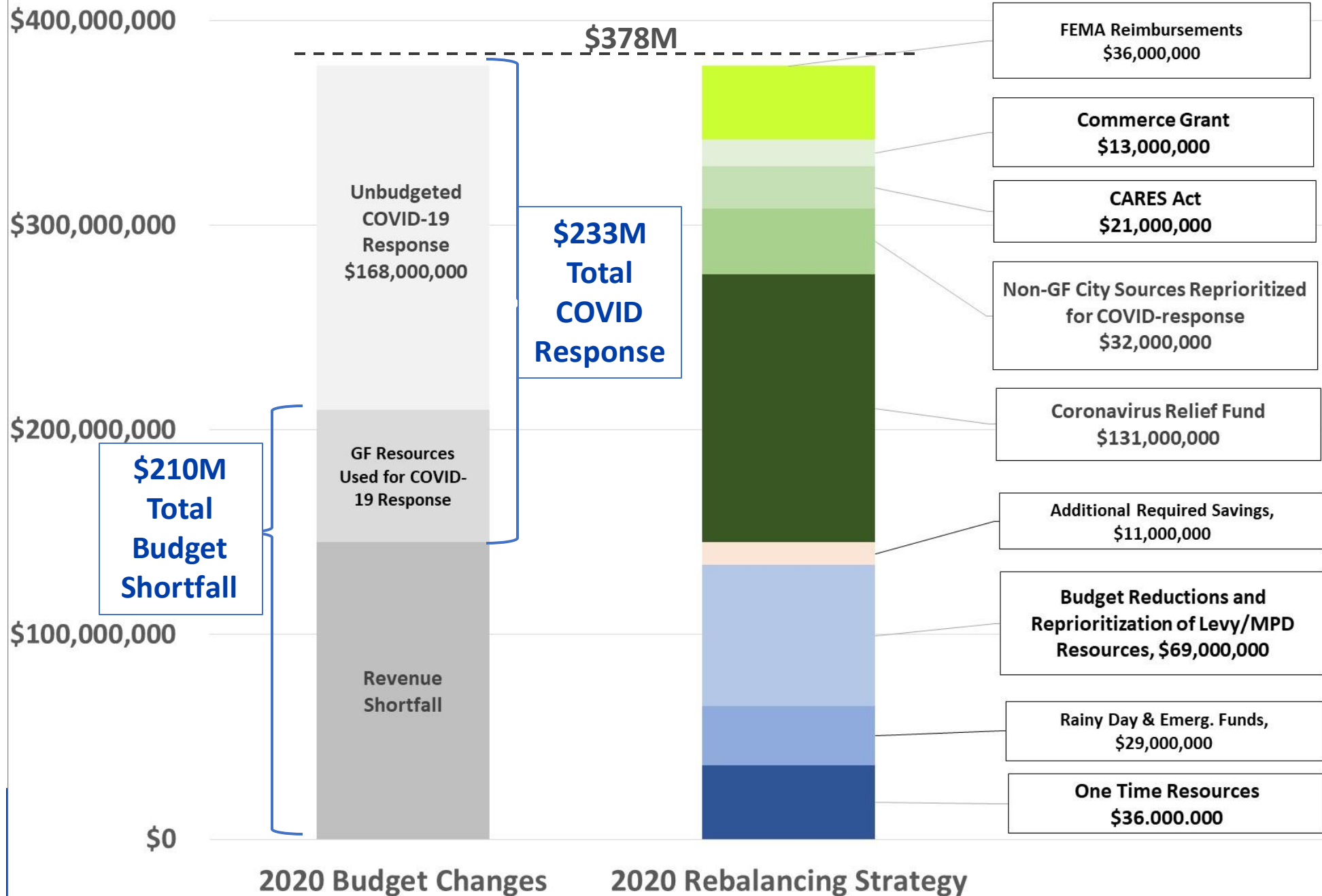
Department of Parks and Recreation

- Parks Department staff and facilities are playing a critical role in COVID-19 response.
- “Earned” revenues could fall short by \$23 million, if facilities remain closed through September; more if longer.
- Proposing to redirect \$10 million of MPD resources to help address this shortfall and to offset reduced General Fund support to the department. This will reduce funding for and lead to deferral of capital projects, including the development of land-bank parks sites and athletic field replacements.
- Decreased REET funding will further reduce resources available for capital projects.
- Parks Department is also reducing discretionary operational costs – for example reduced seasonal hiring for non-essential maintenance such as mowing, weeding, and picnic shelter cleaning.

Seattle Department of Transportation

- Overall revenue shortfall of \$50+ million, including a proposed General Fund reduction of \$13 million, a \$20 million decline in parking tax revenues, and a \$7+ million loss of street use fees.
- At the same time, SDOT is facing the unanticipated costs of the West Seattle Bridge.
- This is forcing a significant reprioritization of capital projects, and a number of projects have been “paused” while this reprioritization review is completed. This includes stopping work on the Center City Connector, and redirecting \$6 million of Mega-block proceeds to preserve funding for other transportation priorities.

Rebalancing the 2020 Budget



Legislative Action Needed for 2020 Rebalancing

- Ordinances to reprioritize Levy and MPD resources
- Ordinance to authorize spending from the Emergency and Rainy Day Funds, and resolution to defer repayment
- Resolution to temporarily expand use of REET dollars to pay for debt service
- Second quarter supplemental and grant acceptance ordinances
- Grant acceptance and appropriation of State Commerce funding
- Grant acceptance and appropriation of Federal Coronavirus Relief Fund (CRF)
- 2020 Budget revision ordinance
- 2019 Carry Forward and Exception ordinances

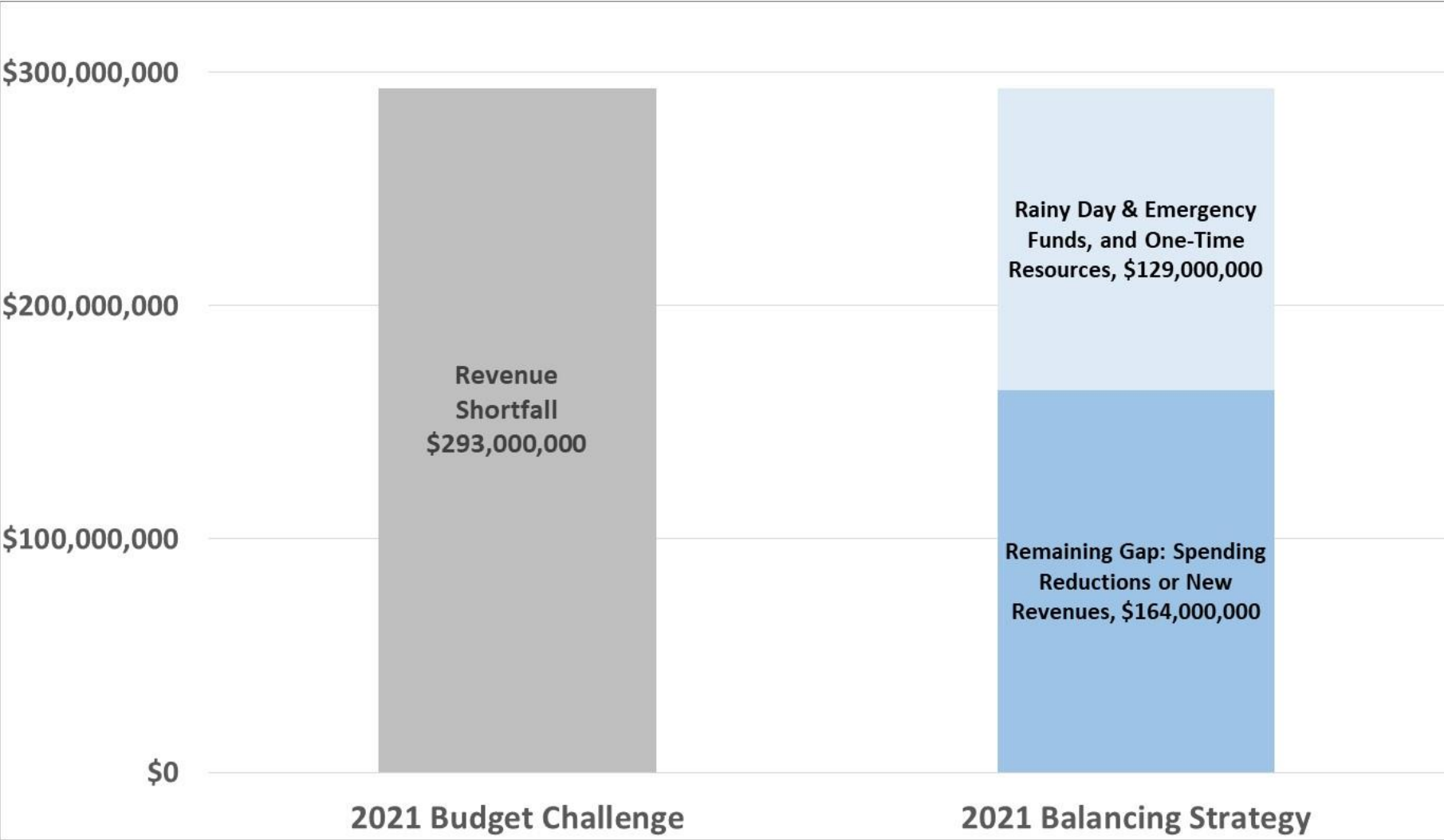


2021 Outlook

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Balancing the General Fund in 2021



Key Components of 2021 Strategy

- Advocacy for new state and federal resources.
- Draw down remainder of Rainy Day and Emergency Funds, and other one-time resources.
- Remaining 2021 budget gap exceeds \$160 million. New revenues may address some of this shortfall, but economic impact of COVID will still force deep reductions in City spending, and thus in City services.
- Labor costs are roughly 65% of overall General Fund spending, so impacts to the City workforce are unavoidable. Layoffs will be the most direct impacts, but negotiations with the City's unions may also provide alternative cost-savings strategies.
- Departments have been requested to develop proposals to reduce their 2021 budgets by 5%-10% relative to what would be their baseline spending. CBO will review opportunities to again redirect Levy and MPD resources.
- These strategies alone will be insufficient to rebalance. New revenues or additional cost savings will be needed to balance the 2021 budget. Likely it need to be a combination of both.
- Forecasts indicate that the economic impacts of COVID-19 will last for several years. Approach budget needs to acknowledge that this is not a short-run crisis.
- \$100 million investments in BIPOC communities will be led by community engagement process this summer

