

Overview and Issue Identification – 10.11.22

General Fund Financial Planning Analysis & Related Fund Policies

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I. Background

[RCW 35.32A.030](#) requires that Seattle adopts a balanced budget, where the estimated revenues of each fund meets or exceeds budgeted expenditures. Time of adoption is the only time State law requires that the budget be balanced. The law does not require the annual budget to be updated to reflect changes in the City's revenue projections throughout the year. If authorized spending exceeds available revenues, the Executive is constrained by the amount of resources available to support authorized spending. If this occurs, the Executive is required to make administrative spending reductions (that is, the Executive must choose areas to stop spending).

State law does not require that a balanced budget is demonstrated in the years beyond the year being adopted, however, making projections of how current expenditure decisions may result in projected surpluses or deficits in the future is a common fiscal practice to foster sustainable and stable provision of government services in the future.

As the starting point for the focus on the City's General Fund (GF) balance and projected financial status, Section II of this memorandum briefly describes the [baseline GF Financial Plan update](#) provided on August 17, 2022, to the Finance and Housing Committee, which demonstrated, beginning in 2023, an ongoing funding gap and negative unreserved fund balance. This will serve as the foundation for subsequent sections that will track the impact of adopted and proposed revenue and expenditure changes on the projected funding gap and negative projected fund balance.

Section III describes the budget measures, taken by the council and mayor to refine the 2022 budget because of unforeseen events. This section also describes proposals from the Mayor for the 2022 Budget, by way of proposed year-end supplemental appropriation and grants ordinances, and ultimately updates the estimated 2023 beginning fund balance that would be available if these proposals are passed.

Section IV of this paper continues with a review of the Mayor's 2023-2024 Proposed Budget for the GF, in preparation for more detailed departmental or topic specific Issue Identification discussions on October 12, 13, and 14. This review itemizes major categories of the Mayor's 2023-2024 Proposed GF Budget, with a specific focus on revenue and expenditure measures proposed to bring the fund in balance.

Section V of this paper concludes the analysis of the GF with a review of the full GF Financial Plan after accounting for the proposed changes discussed in previous sections and provide an updated view of the sustainability of the GF budget.

Section VI provides a review of the status of the City's fiscal reserves, with a focus on the GF transfers in and the fund balances compared to policy levels.

Section VII includes a review of related fund policies, including a discussion of the allocations of JumpStart Payroll Expense tax revenues to items in the JumpStart Fund spending plan codified in ORD 126393 with the Mayor's proposal embodied in a Council Bill, which is submitted with the 2023-2024 Proposed Budget.

II. GF Baseline Financial Plan – Projected 2023-2024 Funding Gap

1. August 17 GF Baseline Financial Plan – Council Central Staff Format

At the August 17 meeting of the Finance and Housing Committee, staff from Central Staff and the City Budget Office (CBO) provided a [briefing](#) on the GF's financial status based on data available at the time, including:

- Impacts of all approved comprehensive and standalone supplemental appropriation changes, including:
 - [2021 Carryforwards and Exceptions](#): Automatic and legislated carryforward of unspent 2021 appropriations into 2022, and standalone supplemental legislation approved as of May 9, 2022;
 - [2022 Midyear Grants and Supplemental Appropriations](#): Supplemental appropriation requests necessary to meet the actual necessary expenditures of the city for which insufficient or no appropriations have been made due to causes which could not reasonably have been foreseen at the time of the making of the budget. Also covered other acceptances of grants from external parties, and standalone supplemental ordinances approved as of July 15;
- [Updated revenue forecasts](#) from CBO and the Office of Economic and Revenue Forecasts (OERF), as presented to the Committee on August 17;
- Updated expenditure information from CBO's baseline budget process, which adjusts 2022 Adopted spending levels for inflation and other technical factors to reflect 2023-2024 costs of providing current services; and,
- Adjustments to non-appropriated reserves made by CBO, to account for estimated costs of identified future liabilities.

Based on that data, the GF was projected to have operating deficits of \$141 million and \$152 million in 2023 and 2024, respectively. In simple terms, this means that the projected ongoing GF expenditures were higher than the revenues that would be available to support them in each year. Combining these projected operating deficits with projected fund balance that would be available at the beginning of 2023 showed that, absent any expenditure or revenue changes, the unreserved ending balance, which is the figure used to determine a balanced budget pursuant to RCW 35.32A.030, would be (\$17.5) million at the end of 2023 and would drop to (\$170.4) million in 2024.

Table 1 summarizes, the financial details from the August 17 presentation; from top to bottom, the blue shaded rows highlight the operating deficits and unreserved ending fund balances. In addition, Table 1 also shows the projected future trends, given forecasted revenue and expenditure growth.

Table 1. Baseline GF financial plan - August update

Amounts in 1,000s	2022 Revised	2023 Projected	2024 Projected	2025 Projected	2026 Projected
Starting Budgetary Balance	\$273,327	\$184,197	\$42,933	(\$109,982)	(\$257,830)
Revenues	\$1,745,610	\$1,519,120	\$1,557,310	\$1,613,970	\$1,682,370
Expenditures	\$1,834,740	\$1,660,385	\$1,710,224	\$1,761,818	\$1,807,663
Operating Surplus (Deficit)	(\$89,129)	(\$141,265)	(\$152,914)	(\$147,848)	(\$125,293)
Ending Budgetary Fund Balance	\$184,197	\$42,933	(\$109,982)	(\$257,830)	(\$383,123)
Planning Reserves	(\$60,383)	(\$60,383)	(\$60,383)	(\$60,383)	(\$60,383)
Ending Unreserved Ending Fund Balance	\$123,814	(\$17,450)	(\$170,365)	(\$318,212)	(\$443,505)

Figure 1 shows these revenue and expenditures trends graphically, to help visualize the \$142 million average operating gap between GF revenues and expenditures.

Figure 1. August 17th GF financial plan operating gap

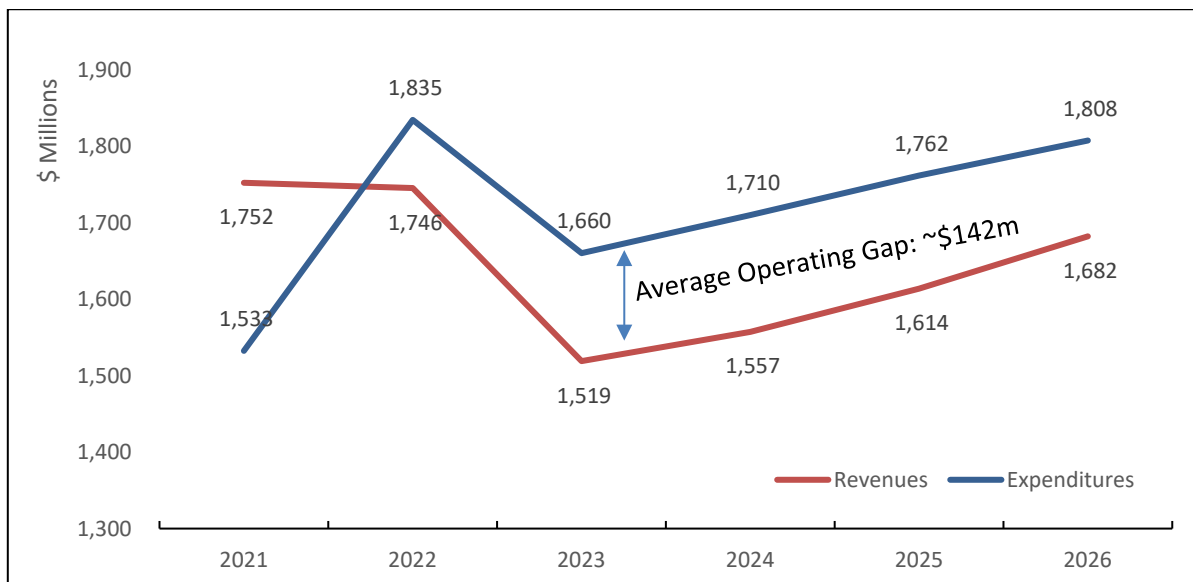
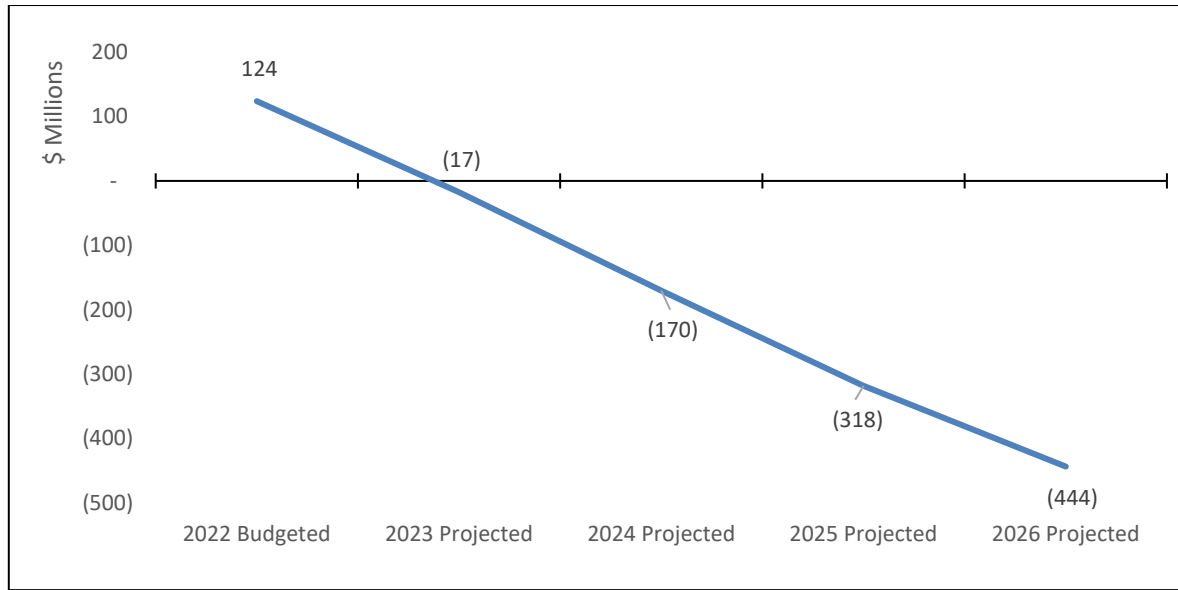


Figure 2 shows the projected trend in the unreserved ending fund balance absent any changes. As shown in the graph, based on information available in August, the GF unreserved ending balance was projected to drop to (\$444) million by the end of 2026.

Figure 2. GF Unreserved ending fund balance declines to **(\$444)** million by 2026.



The remainder of this paper will describe the revenue and expenditure changes taken in the Mayor's 2023-2024 Proposed budget to address this projected deficit.

2. August 17 GF Baseline Financial Plan – CBO Format

Before engaging in the full analysis, it is important to note that the financial planning visualizations and tables shown in this section, and in prior presentations of this information to the Finance & Housing committee during the year, have relied on a format that differs from way the CBO displays the same data. The underlying data is identical; the alternative format simply clarifies the ongoing expenditure and revenue trends. The key difference is the way that non-appropriated reserves are displayed in the budget and considered in the budget process in general. Table 2 displays the August 17 baseline GF financial plan using the CBO approach.

Table 2. Baseline GF financial plan - August update using CBO format.

Amounts in \$1,000s	2022 Revised	2023 Projected	2024 Projected	2025 Projected	2026 Projected
Starting Budgetary Balance	\$273,327	\$184,197	\$125,897	\$80,932	\$79,532
Revenues	\$1,745,610	\$1,519,120	\$1,557,310	\$1,613,970	\$1,682,370
Expenditures	\$1,834,740	\$1,577,420	\$1,602,275	\$1,615,370	\$1,628,899
Operating Surplus (Deficit)	(\$89,129)	(\$58,300)	(\$44,965)	(\$1,400)	\$53,471
Ending Budgetary Fund Balance	\$184,197	\$125,897	\$80,932	\$79,532	\$133,003
Planning Reserves	(\$60,383)	(\$143,348)	(\$251,297)	(\$397,745)	(\$576,509)
Ending Unreserved Ending Fund Balance	\$123,814	(\$17,450)	(\$170,365)	(\$318,212)	(\$443,505)

Comparing Table 1 and 2, it is evident that the ending unreserved fund balance, the 'bottom-line' so to speak, is identical. Within the tables there are key differences, as shown in Table 3.

Table 3. Comparing treatment of expenditures and reserves in alternate financial plan formats.

Amounts in \$1,000s	2022 Revised	2023 Projected	2024 Projected	2025 Projected	2026 Projected
Expenditures - CBO	\$1,834,740	\$1,577,420	\$1,602,275	\$1,615,370	\$1,628,899
Expenditures - Central Staff	\$1,834,740	\$1,660,385	\$1,710,224	\$1,761,818	\$1,807,663
Cumulative Difference	\$0	(\$82,965)	(\$190,914)	(\$337,362)	(\$516,126)
Reserves - Central Staff	(\$60,383)	(\$60,383)	(\$60,383)	(\$60,383)	(\$60,383)
Reserves - CBO	(\$60,383)	(\$143,348)	(\$251,297)	(\$397,745)	(\$576,509)
Difference	\$0	\$82,965	\$190,914	\$337,362	\$516,126
Combined Difference	-	-	-	-	-

As shown in Table 3, the expenditures in the CBO format are lower in each year compared to the Central Staff format. Conversely, the reserves in the CBO plan are higher than in the Central Staff format. These differences are because the CBO format shows significant elements of GF growth, particularly personnel services (i.e., employee wages, salaries, and benefits) cost growth, as a cumulative increase in planning reserves, instead of showing these projected costs as expenditures in the year they are added to the plan. Given that the CBO format displays significant elements of expenditure growth ‘below the line’, Central Staff uses the alternate format to better identify issues of fiscal sustainability.

However, as the framework in Table 2 is the format that CBO uses for the presenting the proposed budget, it will be used for the next several sections of this analysis. Further, given the focus on the proposed budget, 2025 and 2026 will be dropped from the discussion until Section V, which covers future GF fiscal sustainability.

III. 2022 Final GF Budget Adjustments

3. Other Standalone Supplemental Adjustments

Since the August 17th presentation, the 2022 Adopted Budget has been further adjusted by legislative and technical corrections, including:

- [ORD 120339 – OPCD/SDCI 2022 TODI and DOE Grant](#): Appropriated \$301,000 of grant funds accepted in the GF for the Department of Construction and Inspection and the Office of Planning and Community Development to support the implementation of Transit Oriented Development and Shoreline Master Programs. Revenues from these grants were assumed in the August 17th forecast update.
- Technical corrections: Revenue adjustments totaling \$1.32 million to reflect grant revenues that had been accepted in prior legislation, but not included in the August 17th revenue forecast. Also, expenditures adjustments totaling \$149,000, reflecting revised estimates of automatic carryforwards of 2021 appropriations into 2022.

Starting from the August 17th baseline numbers, Table 4 shows the impacts of these adjustments on the 2022 Revised budget as discussed on August 17th.

Table 4. 2022 Revised GF Budget updated with adopted adjustments.

Amounts in \$1,000s	2022 August 17	Standalone Adjustments	2022 Revised
Starting Budgetary Balance	\$273,327		\$273,327
Revenues	\$1,745,610	\$1,315	\$1,746,925
Expenditures	\$1,834,740	\$450	\$1,835,190
Operating Surplus (Deficit)	(\$89,129)	\$865	(\$88,265)
Ending Budgetary Fund Balance	\$184,197	\$865	\$185,062
Planning Reserves	(\$60,383)		(\$60,383)
Ending Unreserved Ending Fund Balance	\$123,814	\$865	\$124,679

In total, these adjustments slightly improve the ending unreserved balance to \$124.7 million at the end of 2022.

4. Preview of Proposed 2022 GF Budget Legislation

The next subsection discusses the legislation and administrative measures for the remainder of 2022 that the Mayor has proposed with the 2023-2024 Proposed Budget.

Introduced Year End Supplemental Legislation:

- *Year-end Supplemental Package*: Transmitted to the Council as part of a package of legislation necessary to implement the 2023-2024 Proposed Budget, this bill would increase revenues to the GF by \$2.1 million and increase expenditures by \$37.9 million, with a combined balancing impact of (\$35.8) million. Notable GF changes include:
 - **Transfer to Judgement and Claims Fund**: \$14 million increase in Finance General to transfer resources to the Judgement and Claims Fund for extraordinary expenses associated with tort cases against the City;

- **Seattle Fire Department Cost Increases:** \$15.8 million increase to the Seattle Fire Department for unanticipated costs, including \$6.1 million for overtime associated with use of COVID-19 supplemental and vaccine leave, \$3.6 million for Covid-19 emergency response costs; \$2.6 million for worker's compensation claims; \$1.4 million for leave cash-outs associated with retirements; \$1 million for increased pension and Medicare contributions associated with higher labor costs; and \$700,000 for higher utility and fuels costs;
 - **Grant backed appropriations:** \$5.9 million to provide appropriation authority for grants accepted in the year-end grant acceptance bill; and,
 - **Finance General Adjustments:** (\$4.6) million decrease to Finance General, including (\$2.1) million to abandon the reserve for Transit Benefit Fund costs and (\$2.5) million decrease for Paid Parental Leave costs, a portion of which is reappropriated in department budgets.
- *Year-end Grant Acceptance:* Transmitted as budget legislation, this represents the City's formal acceptance of grants from non-City sources. Total grant revenue accepted by this bill would be \$64.3 million, of which \$5.9 million would go to the GF. The full list of grant acceptances is included as Attachment A. According to CBO, approximately \$3.5 million of the grant revenue that would be accepted with this bill was already accounted for in the August forecast update, meaning the net balancing impact compared to the August 17th financial plan update is \$2.4 million

2022 Underspend Assumption

Another 2022 Budget adjustment proposed in the Mayor's 2023-2024 Proposed Budget is an assumption that total GF spending in 2022 will be \$20 million lower than the adopted budget. For context, this represents approximately 1 percent of the 2022 Revised GF Budget. This underspend assumption is essentially an 'IOU', whereby the Executive expresses intent to spend GF resources below the 2022 budgeted level. The Mayor has ultimate control over the level of spending below the appropriation constraints approved by the City Council. It is not uncommon to request that departments, using their internally derived historical trend and year-to-date performance data, make revised spending estimates for the current year while preparing their budget proposals for the next year. During 2022, as much as \$20 million of spending on certain GF budget items has deliberately remained unspent by the Executive as a strategy to help balance the 2023-2024 budgets; these items, shown on Attachment B, include a number of councilmember priorities included in the 2022 Adopted Budget that reflect the executive's plan on how to achieve the underspend target in 2022.

Adjustments to Non-Appropriated Planning Reserves

The final adjustment to the 2022 Budget is a \$27 million reduction to the amount recorded in the non-appropriated planning reserves. This adjustment reflects both the use of these off-budget resources to fund items in the 2022 Revised Budget, as well as other changes in planning assumptions. As will be discussed later in this paper, planning reserves are not included as appropriation changes in the Mayor's budget proposal, so this adjustment is at the discretion of the executive.

5. 2022 GF Projected Ending Balance/2023 Projected Beginning Balance

Bringing together the totals from each of the prior subsections, the 2022 ending budgetary fund balance, which represents the beginning balance of resources for the 2023 proposed budget, is \$171.6 million, as shown in Table 5 below. This figure will be used as the starting point for discussing the financial structure of the Mayor's 2023-2024 Proposed GF budget.

Table 5. Impact on 2022 ending balance from proposed 2022 final adjustments.

Amounts in \$1,000s	2022 August 17	Standalone	Proposed Supplementals	Other	2022 Revised
Starting Budgetary Balance	\$273,327				\$273,327
Revenues	\$1,745,610	\$1,315	\$4,486		\$1,751,411
Expenditures	\$1,834,740	\$450	\$37,914	(\$20,000)	\$1,853,104
Operating Surplus (Deficit)	(\$89,129)	\$865	(\$33,428)	\$20,000	(\$101,693)
Ending Budgetary Fund Balance	\$184,197	\$865	(\$33,428)	\$20,000	\$171,634
Planning Reserves	(\$60,383)			\$27,016	(\$33,367)
Ending Unreserved Ending Fund Balance	\$123,814	\$865	(\$33,428)	\$47,000	\$138,267

IV. 2023-2024 Proposed GF Budget

This section includes an overview of the 2023-2024 Proposed GF Budget, which totals \$1.595 billion, and represents a \$9 million, or 0.6 percent increase, from the 2022 Adopted Budget. This increase is due to a combination of factors described later in this paper. These figures do not include the non-appropriated elements of the Mayor's 2023-2024 financial plan, including underspend proposals and changes in non-appropriated reserves, which will be discussed later in this section.

Also covered later in this section, and detailed further in Section VII of this paper, the GF proposal relies on financial support from the JumpStart Fund, based on proposed legislation that would amend [ORD 126393](#), which established the JumpStart Fund and dictates eligible use of the payroll expense tax revenues deposited into the fund.

6. 2023-2024 Proposed GF Revenue Changes

On August 17th, CBO and OERF presented to the Finance & Housing Committee the second of two planned forecast updates for the 2023-2024 Proposed Budget. Relying on a baseline economic scenario, which has a 55 percent probability of economic activity being equal to or better than projected, this forecast projected GF revenue levels of \$1.52 billion and \$1.57 in 2023 and 2024, respectively. These amounts were included as the baseline revenue numbers in the financial planning discussion on August 17th, and as such serve as the starting point for this analysis. Building from the August 17th baseline amounts, the 2023-2024 Proposed GF Budget adds new revenue totaling \$96.2 million in 2023 and \$93.6 in 2024. Table 6 details these increases, and groups them into four categories, explained in further detail below.

Table 6. 2023-2024 Proposed GF Revenue Changes.

Amount in \$	2023	2024
FAS Technical Changes		
Revenue Adjustments	\$182,421	-
Technical Adjustments ^{1/}	(\$618,815)	(\$457,951)
Central Revenue Adjustment	(\$1,162,492)	(\$1,474,412)
FAS Technical Changes - Subtotal	(\$1,598,886)	(\$1,932,363)
Revenue with Expenditure Offset		
Retention/Equity Increase for Utilities Auditor	\$10,000	\$10,000
FAS Administrative Support with Alternative Funding	\$119,278	\$119,728
Abrogate Paralegal for Environmental MOA	(\$120,973)	(\$120,973)
Formula Grant from Dept of Commerce for Growth Management Act update	\$162,500	
Park District Animal Control Officer Positions	\$315,231	\$319,978
Casey Family Programs grant to support public safety	\$500,000	\$0
Revenue with Expenditure Offset - Subtotal	\$986,037	\$328,733
Revenue Only		
Regulatory Fee Increases	\$2,286,150	\$2,286,150
Providing Hearing Examiner Services to Small Cities	\$16,000	\$16,000
Transfer budget and position authority for 2.0 FTE from LAW to SPD	(\$165,387)	(\$165,387)
Revenue Only - Subtotal	\$2,136,763	\$2,136,763
JumpStart Fund Related		
Appropriation for Payroll Expense Tax Administration	\$3,000,000	\$3,000,000
Jumpstart Transfer to the General Fund for Department-Specific Administrative Costs	\$5,774,514	\$5,980,889
Jumpstart Revenue Backfill Transfer to the General Fund	\$85,862,280	\$84,053,126
JumpStart Fund Related - Subtotal	\$94,636,794	\$93,034,015
Total	\$96,160,707	\$93,567,148
1/ To resolve reconciling difference in the source data, adjusted by \$9,964 in 2023, and (\$6,793) in 2024.		

FAS Technical Changes: These items represent technical changes to the Department of Administrative Services' (FAS) revenue estimates that were made after the forecast was released.

Revenue with Expenditure Offset: These items represent revenue changes that are offset by an equivalent expenditure change in the budget. It is worth noting that the \$500,000 Casey Family Foundation Grant for Public Safety requires a GF \$150,000 match, which is also included in the budget. Also of note, the Park District Animal Control Officers item represent revenues transferred from the Park District and generated as part of the property tax levy increase approved by the Seattle Park District Board on September 27, 2022.

Revenue Only: These items represent revenue changes without an expenditure offset, resulting in either a net positive or net negative impact to the GF budget. The most notable increase is the regulatory fee increase which represent FAS's proposed administrative changes to the Transportation Network Company (TNC) fee and the Short-term Rental (STR) fee due to cost increases. The proposed TNC fee changes would increase the per trip fee from \$0.08 to \$0.18, generating \$873,000 per year to cover system programming costs. The STR fee proposal would increase the per night fee from \$1 to \$4, generating \$1.4 million per year, to improve administrative cost recovery of the STR program. See the FAS Budget Overview Paper that will be discussed during the October 12 meeting of the Budget Committee.

JumpStart Fund Related: These items represent revenue increases related to deposit of revenues from the JumpStart Fund to the GF in 2023 and 2024, including:

- *Appropriation for Payroll Expense Tax Administration:* A \$3 million transfer in both 2023 and 2024 to fund an assortment of administrative costs, to be determined through application of internal cost models. There is not an associated expenditure increase as it is assumed by the Executive that this work is currently being performed though being supported by other base GF revenues;
- *Jumpstart Transfer to the General Fund for Department-Specific Administrative Costs:* Transfers in of \$5.8 million in 2023 and \$6 million in 2024 to support new costs to administer and evaluate JumpStart Fund programs..
- *JumpStart Revenue Backfill Transfer to the General Fund:* Transfers in \$85.9 million in 2023 and \$84.1 million in 2024 to augment GF revenues that are insufficient to cover proposed expenditures. The existing JumpStart Fund policy in ORD 126393 provides for the use of JumpStart Payroll Expense Tax revenues to support the GF when GF revenues are below \$1.51 billion. Because baseline GF revenues are projected to be \$1.52 billion in 2023, and \$1.56 billion in 2024, current law does not allow a transfer in either year.

Budget legislation submitted with the 2023-2024 Proposed Budget would revise the current policy by adjusting the \$1.51 billion transfer ceiling by annual inflation, applying this change in policy to continue through the life of the tax. It is worth noting that one key reason that some GF revenues have not fully recovered since 2019, despite the growth in inflation, is because they do not grow commensurate with inflation. This factor was explained in the CBO/OERF revenue forecast presentation¹ to the Finance & Housing Committee, which indicated that as much as 52 percent of the GF revenue portfolio grows at a different rate than inflation, including:

- *Property taxes:* Represents 26 percent of revenues; annual growth constrained at 1 percent plus the value of new construction;
- *Permit Fees, Service Charges, Taxes and Other Revenues:* represents 14 percent of revenues; governed by a mix of policy choices and external factors; and,
- *Public Utility Taxes:* Represents 12 percent of revenues; governed by rate policy choices and consideration of public utility costs.

¹ CBO/OERF [August 17, 2022 Economic and Revenue Update - presentation](#) to the Finance & Housing Committee

As such, the proposed policy change to increase the level of revenue augmentation from the Jump Start Fund could result in permanently backfilling revenues losses that are due to non-inflationary factors in other funds. Put another way, the JumpStart Fund transfer would be permanently solving stability issues inherent with the existing GF financing structure. As the payroll expense tax was passed with the intent of providing net new investments beyond the urgent needs of the Covid-19 public emergency, it is important to highlight this factor.

Combined Fund Balance and Revenue Impacts on GF balancing Status

Incorporating both the change in starting balance from the proposed year-end supplemental legislation detailed in Section III, and the revenues changes described above, Table 7 updates the GF balancing projection before adding expenditure adjustments, which is described in the following sections.

Table 7. 2022 supplemental and proposed revenue impacts on GF balancing status.

Amounts in \$1,000s	2023 Projected ^{1/}	2024 Projected
Starting Budgetary Balance	\$171,634	\$209,495
Baseline Revenues	\$1,519,120	\$1,557,310
2023-2024 Proposed Revenue Changes	\$96,161	\$93,567
Revised Revenues-Subtotal	\$1,615,281	\$1,650,877
Baseline Expenditures	\$1,577,420	\$1,602,275
Operating Surplus (Deficit)	\$37,861	\$48,602
Ending Budgetary Fund Balance	\$209,495	\$258,094
Baseline Planning Reserves	(\$143,348)	(\$251,297)
Ending Unreserved Ending Fund Balance	\$66,147	\$6,800

1/ Reflects a \$12.6 million decrease in the beginning budgetary balance due to adopted and proposed 2022 supplemental legislation

As shown in in Table 7, applying the fund balance and proposed revenue changes improves both the ending budgetary and unreserved fund balance to levels that would be sufficient to meet the balanced budget standard stipulated in RCW 35.32A.030. However, this is prior to including changes to expenditures and non-appropriated reserves assumptions, which are explained in the following sections.

7. 2023-2024 Proposed GF Expenditure Changes

On August 17th Central Staff and CBO presented to the Finance & Housing Committee the baseline 2023-2024 Proposed GF expenditures, representing the projected costs of continuing 2022 service levels into 2023- 2024. Relying on department information gathered through CBO's baseline budget process, which have been included in the Mayor's 2023-2024 Proposed GF Budget, these amounts serve as the starting point for the analysis of expenditure changes. Building from the August 17th baseline amounts, the 2023-2024 Proposed GF Budget includes net new appropriations of \$17.6 million in 2023 and \$40 million in 2024. These are net change amounts, resulting from a combination of baseline corrections, appropriation decreases, appropriation shifts, and appropriation increases, as shown in Table 8 below.

Table 8. Net appropriation changes in 2023-2024 Proposed GF Budget

Amount in \$	2023	2024
Baseline Corrections ^{1/}	(\$577,924)	(\$1,894,892)
Appropriation Decreases	(\$71,344,263)	(\$51,930,255)
Appropriation Shifts:		
From Departments	(\$20,345,455)	(\$20,903,388)
To Departments	\$20,346,939	\$20,906,718
Appropriation Shifts - Subtotal	\$1,484	\$3,380
Appropriation Increases:		
Supported by JumpStart Fund Transfer	\$5,362,343	\$5,560,828
All Other	\$84,216,827	\$88,284,700
Appropriation Increases Subtotal	\$89,579,170	\$93,845,528
Total	\$17,658,467	\$40,023,761
1/ Excludes revisions to Human Services Provider contract costs, which were included as a baseline change in CBO's materials but are included in the proposed appropriation decreases section of this analysis.		

The baseline correction represents changes made by CBO after the baseline numbers were provided for the August presentation to the Finance & Housing Committee, and largely represent correct coding of one-time adjustments and adjustments based on using a lower retirement contribution rate. Appropriation decreases, increase and shifts are described in the follow subsections.

2023-2024 Proposed Budget Appropriation Decreases

As described in Table 8 in the previous subsection, the proposed budget includes items that decrease GF appropriations by (\$71.2) million in 2023 and (\$51.6) million in 2024. These represent (4.5 percent) and (3.2 percent) of the 2023 and 2024 baseline GF budgets, respectively. These figures do not include cuts that are shifted to another department in the GF budget, which are described in the next subsection. Attachment C summarizes the cuts by department, including details on whether the decreases are ongoing or one-time in nature. Further, Attachment C demonstrates the cuts as a percentage of each department's baseline budget. Finally, Attachment C shows the individual items included in calculating the department totals.

It is important to note that these are not 'net' numbers. In other words, some departments also received adds, which are described in a later subsection, that are greater than the cuts, resulting in an overall net budget increase.

2023-2024 Proposed Budget Appropriation Shifts

As described in Table 8 in the previous subsection, the proposed budget includes items that are shifts from one department to another department within the GF budget. These are for the most part budget neutral shifts, as detailed in Table 9.

Table 9. Appropriation shifts in the 2023-2024 Proposed GF Budget.

Department	Item	2023	2024
Community Safety and Communications Center	Transfer Emergency Sign Language Interpretation Program funding back to Seattle Police Department	(\$67,423)	(\$67,423)
Seattle Police Department	3rd Quarter/Year-End Supplemental-Ongoing Items	\$67,423	\$67,423
Subtotal		-	-
City Attorney's Office	Abrogation of Mayor's Office Counsel Position	(\$190,689)	(\$190,689)
Mayor's Office	Transfer Mayor's Counsel position from LAW to MO	\$190,689	\$190,689
Subtotal		-	-
Seattle Department of Transportation	Parking Enforcement Officer Transfer	(\$19,987,262)	(\$20,545,145)
Seattle Police Department	Transfer Parking Enforcement to Seattle Police Department	\$19,987,262	\$20,545,145
Subtotal		-	-
City Attorney	Transfer budget and position authority for 2.0 FTE from City Attorney's Office to Seattle Police Department	(\$290,770)	(\$290,770)
Seattle Police Department	Transfer 2.0 FTE from City Attorney's Office to Seattle Police Department	\$292,254	\$294,150
Subtotal		\$1,484	\$3,380
Total Net Appropriation Shifts		\$1,484	\$3,380

As shown in Table 9, the most notable shift is the transfer of the Parking Enforcement function from the Seattle Department of Transportation (SDOT) to the Seattle Police Department (SPD). Please see the SDOT and SPD Budget Overview Papers that will be presented to the Budget Committee on October 13, 2022, for additional discussion of this proposed transfer.

2023-2024 Proposed Budget Appropriation Increases

As described in Table 8, the proposed budget includes items that increase GF appropriations by \$89.6 million in 2023 and \$93.9 million in 2024. These figures do not include adds that are shifted from another department in the GF budget. Further, as described in subsection IV.1 above, the 2023-2024 Proposed GF Budget includes \$5.4 million and \$5.7 million in 2023 and 2024, respectively, that represent new GF appropriations for administering JumpStart Fund programs. These increases are all funded by way of a transfer-in of resources from the JumpStart Fund. As such, a decision to reduce or reject one or more of these adds would have the result of reducing the need for an equivalent amount of funds transferred-in from the Jump Start Fund.

The remaining appropriation increases that are not funded by new JumpStart Fund transfers represent a \$84.2 million and \$88.3 million increase in 2023 and 2024, respectively. These represent 5.4 percent and 5.5 percent of the 2023 and 2024 baseline GF budgets. Attachment

D summarizes these adds by department, including details on whether the increases are ongoing or one-time in nature. Further, Attachment D demonstrates the increases as a percentage of each department's baseline budget. Finally, Attachment D shows the individual items included in calculating the department totals.

These do not represent 'net' numbers. As shown in Attachment C, many departments also received a cut. To show the net results, Attachment E combines the decreases, shifts, and increases, including those funded by Jump Start Fund transfers in, to show, by department the net GF appropriation change above baseline.

2023- 2024 Appropriated Expenditure Changes - Combined Impact on GF balancing Status

Incorporating all the proposed changes described in prior sections, Table 10 updates the GF balancing projection to include all appropriation changes in the 2023-2024 Proposed GF Budget.

Table 10. 2022 supplemental and proposed revenue impacts on GF balancing status.

Amounts in \$1,000s	2023 Projected ^{1/}	2024 Projected
Starting Budgetary Balance	\$171,634	\$191,837
Baseline Revenues	\$1,519,120	\$1,557,310
2023-2024 Proposed Revenue Changes	\$96,161	\$93,567
Revised Revenues-Subtotal	\$1,615,281	\$1,650,877
Baseline Expenditures	\$1,577,420	\$1,602,275
2023-2024 Proposed Expenditure Changes	\$17,568	\$40,024
Revised Expenditures-Subtotal	\$1,595,078	\$1,642,299
Operating Surplus (Deficit)	\$20,203	\$8,578
Ending Budgetary Fund Balance	\$191,837	\$200,415
Baseline Planning Reserves	(\$143,348)	(\$251,297)
Ending Unreserved Ending Fund Balance	\$48,489	(\$50,882)
1/ Reflects a \$12.6 million decrease in the beginning budgetary balance due to adopted and proposed 2022 supplemental legislation		

As shown in Table 10, the ending budgetary fund balance, before accounting for non-appropriated reserves, is \$191.8 million in 2023 and \$200 million in 2024. When baseline non-appropriated reserves are included, the unreserved ending fund balance drops to \$48.5 million in 2023 and (\$50.9) million in 2024.

It is worth noting that the 2023 and 2024 totals in the 'Revised Expenditures – Subtotal' row tie to the total appropriations included in the 2023 Budget Adoption ordinance and 2024 Endorsed Budget Resolution, respectively. If adopted, the 2023 amount would represent the legal GF budget. This is an important distinction to note before moving to the next section, which discusses the non-appropriated portions of the 2023-2024 Proposed Budget.

8. 2023-2024 Changes to Non-Appropriated Amounts

In addition to formal appropriation amounts included in the 2023 Budget Adoption ordinance and 2024 Endorsed Budget Resolution, the GF financial plan submitted with the budget includes amounts that are not part of the formal appropriated budget. These include proposed underspends in 2023 and 2024, and amounts estimated for 2023 -2024 planning reserves.

2023-2024 Underspend

The 2023-2024 Proposed GF financial plan includes, in both 2023 and 2024 an assumed underspend of \$10 million. These amounts do not represent a proposed budget reduction, but rather an “IOU” whereby the Executive expresses intent to spend GF resources below the proposed 2023 and 2024 budgeted level, though no formal plan is being offered for consideration by the City Council as to how that underspending will affect individual and departments and/or programs. Due to the temporary nature of this assumed underspend, and the fact that it does not reduce the level of appropriations, this measure does not help address the structural deficit in the GF that was discussed at the Finance & Housing Committee on May 4th and August 17th. Further, the proposal does not include details about where the underspent amounts will be realized.

Given that the Mayor’s internal budget process involved a combination of budget cuts (shown in Attachment C), much of it in the form of vacancy savings, and adds in other areas (as shown in Attachment E) that may not benefit from vacancy savings, it may be more difficult than in recent years to naturally achieve the underspend amounts. One possibility is that this underspend amount will be achieved through not spending GF on council priorities, which is what has occurred in 2022, whereby a total of \$20 million of budget items, the bulk of which were added by the City Council in the fall 2021 budget process, were not spent. Attachment B lists these items. Given this factor, alternative approaches are offered in the Issue Identification section

2023-2024 Non-appropriated Planning Reserves

As described in the [staff memo on GF financial planning](#) presented to the Finance & Housing Committee in May, planning reserves in this context are unappropriated balances reflected in the financial plan by the executive, primarily to reflect the estimated cost of labor agreements that are under negotiation, but to also include carryforwards, and potential legal and other obligations that may potentially become expenditures in the future. These items are not formally discussed during the budget process, though CBO considers this amount as part of the GF budget in the financial plan and in its estimates of GF balanced status. This is partially due to the sensitive nature of the items that are included in these amounts, but also because there is not a formal budget appropriation included for deliberation.

Unlike a traditional reserve, which is an amount of resources set aside as a contingency for an unforeseen event, the amounts held in these reserves represent identified GF expenditures that have not been included in an appropriation; as such, growth in these reserves represents growth in governmental expenditures. It is this reason why the Central Staff display of the GF financial plan includes these amounts in the expenditure line instead of showing them ‘below-

the-line’; this was the adjustment explained in Section II, which showed how the treatment of these amounts results in a different, and perhaps more accurate, visualization of budget sustainability. The 2023- 2024 Proposed Budget would reduce the amount held in planning reserves by (\$28.6) million in 2023 and (\$30.9) million in 2024. This adjustment represents changes in CBO’s estimates of the cost and specific items included in this amount.

9. 2023-2024 Proposed Budget Combined Summary

Table 11 combines all the revenue, expenditure, and non-appropriated changes discussed in prior sections, to show the 2023-2024 Proposed GF budget’s balancing status.

Table 11. 2022 supplemental and proposed revenue impacts on GF balancing status.

Amounts in \$1,000s	2023 Projected ^{1/}	2024 Projected ^{2/}
Starting Budgetary Balance	\$171,634	\$201,837
Baseline Revenues	\$1,519,120	\$1,557,310
2023-2024 Proposed Revenue Changes	\$96,161	\$93,567
Revised Revenues-Subtotal	\$1,615,281	\$1,650,877
Baseline Expenditures	\$1,577,420	\$1,602,275
2023-2024 Proposed Expenditure Changes	\$17,568	\$40,024
Revised Expenditures-Subtotal	\$1,595,078	\$1,642,299
Operating Surplus (Deficit)	\$20,203	\$8,578
Ending Budgetary Fund Balance	\$191,837	\$210,415
2023-2024 Proposed Underspend Assumption	\$10,000	\$10,000
Baseline Planning Reserves	(\$143,348)	(\$251,297)
2023-2024 Proposed Reserve Change	\$28,625	\$30,888
Revised Planning Reserves	(\$114,723)	(\$220,409)
Ending Unreserved Ending Fund Balance	\$87,114	\$6
1/ Reflects a \$12.6 million decrease in the beginning budgetary balance due to adopted and proposed 2022 supplemental legislation		
2/ Includes the impact of the \$10 million underspend assumption in 2023, which is not part of the appropriated budget and therefore not included in the 2023 estimate of ending budgetary fund balance.		

As shown in the table, the ending unreserved ending fund balance would be \$87.1 million in 2023 and \$6,000 in 2024.

10. Issue Identification

Issue 1. Proposed underspend amounts are not identified by program or department and do not represent a budget cut and may be satisfied by not spending on council priorities in 2023 and 2024, similar to 2022.

Options:

- A. Reject spending increases totaling \$10 million identified on Attachment D.
- B. Create a \$10 million negative underspend reserve in FG.
- C. Apply an \$10 million reduction across GF department budgets.
- D. No change.

Issue 2. A portion of the planned GF budget is not included in appropriation request and is instead included in non-appropriated planning reserves.

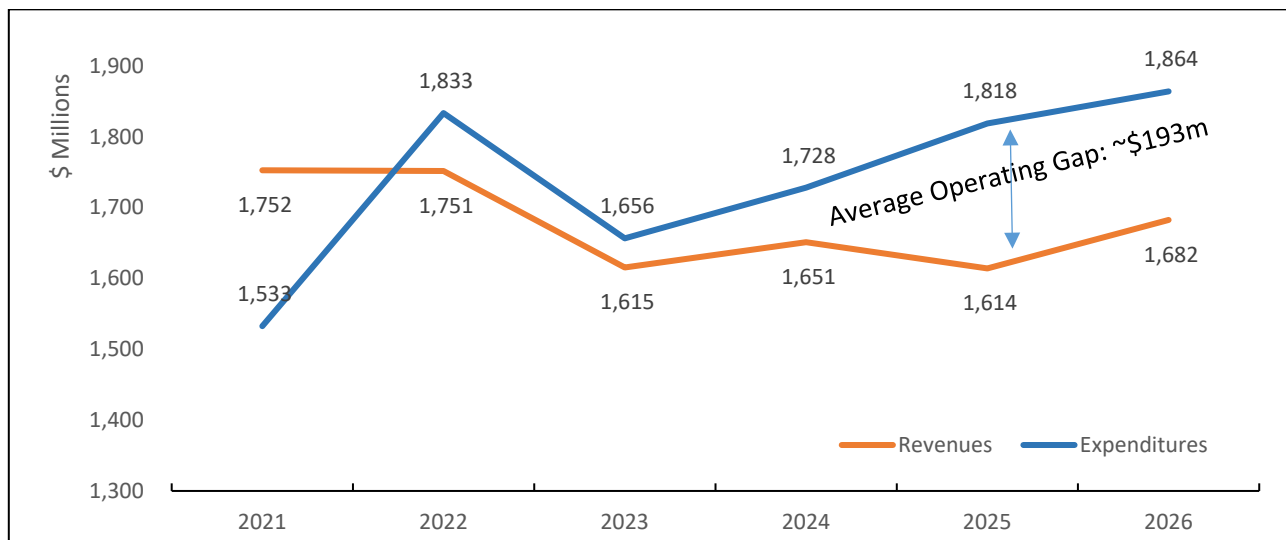
Options:

- A. Appropriate all or part of the planning reserves in Finance General.
- B. No action.

V. 2025-2026 Projected GF Sustainability

The final step in the GF analysis is projecting the 2023-2024 Proposed GF revenues and expenditures into the future, to quantify the progress on reducing the average (\$141) million operating deficit described in Section II. Using data provided by CBO and relying on the Central Staff approach to displaying the financial plan, which includes showing the annual growth in planning reserves as an annual expenditure of GF revenue, Figure 3 displays the results.

Figure 3. 2023-2024 Proposed Budget GF financial plan operating gap



As shown in Figure 3, the gap between ongoing revenues and expenditure shrinks in 2023 and 2024, due to the use of an additional JumpStart Fund transfer and the use of \$171 million of starting 2023 fund balances to support a portion of expenditures in each year. However, beginning in 2025 the average operating gap increases to \$192 million. This is due to several factors, including:

- In the GF financial plan, the transfer-in of \$85 million of JumpStart Fund revenues for revenue backfill is considered temporary for the biennium, and is terminated in 2025;
- The underspend assumptions of \$10 million in each year are temporary, and do not represent ongoing budget decreases;
- As shown in Attachments C through E, \$21.4 million of GF reductions in 2024 are one-time; and,
- As shown in Attachments C through E, the 2023-2024 Proposed Budget would add a net \$52 million of net new ongoing GF expenditure in 2024, which is the basis for growth in 2025 and 2026.

While there is no legal requirement that future years of the financial plan are balanced, this finding is useful, particularly given higher levels of economic uncertainty expressed by CBO and OERF at the August forecast update.²

1. Issue Identification

Issue 3. Due to a combination of temporary balancing measures and ongoing budget increases, the GF operating deficit increases in 2025 and 2026.

Options:

- A. Appropriate an underspend assumption as an ongoing budget reduction.
- B. Reject one or more ongoing expenditure increases in 2023 and 2024, as identified on Attachment D.
- C. Identify other ongoing expenditure reductions in 2023 and 2024.
- D. Accept proposal to make JumpStart Fund transfer permanent and tied to inflation beyond 2024.
- E. Identify a new GF revenue source to support some or all of the proposed new GF budget adds.³
- F. No change.

VI. Fiscal Reserves

Given the use of the City's primary fiscal reserves, including the Emergency Fund and the Revenue Stabilization Fund, during the Covid-19 pandemic, this section provides an update on their funding status after applying the GF transfers included in the 2023-2024 Proposed Budget. Table 12 summarizes, for both reserves, the transfer amounts that are programmed in the GF in 2023 and 2024 and includes the beginning balances and funding levels compared to policy at the end of 2024.

Table 12. 2023-2024 Proposed Budget – Fiscal Reserves Summary

Amounts in \$000	Emergency Fund ^{1/}	Revenue Stabilization Fund	Total
2023 Beginning Balance	\$ 43,660	\$ 61,739	\$ 105,399
2023 Transfer from GF	\$ 10,000	\$ 3,590	\$ 13,590
2024 Transfer From GF	\$ 10,000	\$ 1,699	\$ 11,699
2024 Ending Balance	\$ 63,660	\$ 67,028	\$ 130,688
2024 Ending Balance: % of Policy	78%	100%	N/A
1/ RES 32024 allows repayment of the Emergency Fund over a five-year period after deep or multi-year use of the fund.			

² In response to Statement of Legislative Intent (SLI) FG-002-B-001, the Mayor's office is working with the Budget Chair's office to empanel a Seattle Revenue Stabilization Workgroup to identify and recommend equitable financial solutions. The workgroup will be convened soon and continue its work into the first part of 2023 before making recommendations about a new progressive revenue. This is one of the strategies that supports the assumption that JumpStart Funds are not used to balance the GF after 2024.

³ In response to Statement of Legislative Intent (SLI) FG-002-B-001, the Mayor's office is working with the Budget Chair's office to empanel a Seattle Revenue Stabilization Workgroup to identify and recommend equitable financial solutions. The workgroup will be convened soon and continue its work into the first part of 2023 before recommendations about a new progressive revenue.

As shown in the table, transfers budgeted in each year will bring the Revenue Stabilization Fund and Emergency Fund balances to 100 percent and 78 percent of policy, respectively. As of 2022, the Revenue Stabilization Fund is at the policy maximum, and transfers to the fund are limited to the extent that they are necessary to keep up with growth in the fund's target balance, which is five percent of GF tax revenue according to [ORD 123743](#), the fund policy.

Adopted in 2021, [RES 32024](#) updated the Emergency Fund policy to allow for a five-year repayment period after deep or multi-year uses of the fund, such as during the Covid-19 pandemic. Though the cadence of the annual repayments is not specifically proscribed in the policy, the 2023-2024 Proposed Budget continues a repayment schedule of \$10 million in each year that began with the 2022 Adopted Budget. Due to higher levels of inflation (the policy level of the Emergency Fund is \$60 million in 2016 dollars, with annual increase to CPI-U applied) the GF Financial Plan indicates payments of \$11.5 million would be required in 2025 and 2026.

VII. Related Fund Policies

The City has a handful of dedicated revenues that were established to support investments in specific areas across multiple departments. This includes revenues from the:

- Short-term Rental (STR) Tax;
- Transportation Network Company (TNC) Tax; and
- JumpStart Payroll Expense Tax.

The 2023-2024 Proposed Budget is balanced assuming that the Council will accept changes to existing policies that establish the allowed use of proceeds from each of these revenues. The proposed changes would amend existing City policies that direct the use of these revenues for specific purposes. This section discusses the legislation transmitted with the proposed budget to amend those policies, identifies areas where proposed spending may not align with existing or proposed policies, and offers options for the Committee's consideration.

1. Short-term Rental Fund (Analyst: Lish Whitson and Aly Pennucci)

The Short-term Rental Tax (STRT) is a portion of the state sales tax levied on lodging rented through platforms such as Airbnb. The City originally created the STRT to provide ongoing support to the Equitable Development Initiative (EDI). The City's EDI supports community-based organizations' projects to mitigate displacement and increase access to opportunity for Black, Indigenous, and people of color (BIPOC) communities. EDI funding is provided for organizational capacity building, property acquisition, and capital expenses.

Following passage of the City's STRT in 2017, the State, in partnership with the City, adopted a STRT to provide revenues to support the Seattle Convention Center (formerly Washington State Convention Center) and to maintain the commitments made when adopting the local tax, contingent on the City repealing the local tax. In 2018, after passage of the State authorized tax, the City repealed the local tax. Per the State statute, the convention center collects the STRT and distributes funds to the City of Seattle. State law requires that the City's portions of

the STRT payments be used to support “community-initiated equitable development and affordable housing programs, as determined by the city in its sole discretion.”

The City Council passed [ORD 125872](#) in 2019, which created a fund for STRT revenue to ensure that STRT revenues were used as intended. Annual STRT revenue was estimated to be about \$10.5 million at that time. Based on this assumption, the ordinance outlined the following uses for STRT proceeds annually:

- A. The first \$5 million of STRT revenue is to be used to fund EDI grants;
- B. The next \$2.2 million is to be used for debt service payments on bonds that have been issued for affordable housing projects;
- C. The next \$3.3 million is to be used to support investments in permanent supportive housing;
- D. The next \$1.069 million is to be used to offset costs to run the EDI program; and
- E. Any additional funds collected above the first \$11.569 million are to go to the EDI program.

Since ORD 125872 has been in effect, the City has never collected more than \$10 million and has used GF resources to offset the costs listed under A-C, above. For example, the 2022 Year-End Supplemental Budget legislation would reduce STRT proceeds to the EDI by \$2 million and add \$1.3 million from the JumpStart Fund to partially offset the loss of funds to the EDI program. In the 2023-2024 Proposed Budget, the Executive proposes to reduce the allocation of STRT revenue to the EDI program to \$4 million a year.

In response to lower than anticipated revenues and to allow for the lower allocation of STRT funds to the EDI, the Executive has proposed legislation that would amend ORD 125872 and reorder the priorities included in that ordinance as follows:

- A. The first \$2.2 million are to be used for debt service payments on bonds that have been issued for affordable housing projects;
- B. The next \$3.3 million is to be used to support investments in permanent supportive housing, these funds would be indexed for inflation;
- C. Any additional money would go to the EDI program for grants.

Looking at the 2023-2026 STRT Fund Financial Plan, the EDI program would receive \$4 million each year under this reordering of priorities. Additional funding is available for EDI grants through the JumpStart Fund, with a total \$23.8 million available for grants in the 2023 Proposed Budget and \$23.9 million in 2024.

The demand for funding through the EDI far exceeds available resources. In 2022, 106 community-led projects requested a total of \$107 million of funds, \$19.3 million was available and 23 projects were at least partially funded. The Executive’s description explains the proposed change is as follows:

“In 2020, the Seattle City Council passed the JumpStart Payroll Expense Tax, which funds millions of dollars in new grants for investments in community-initiated equitable development projects. Additionally, the COVID-19 public health emergency that began in 2020 – and its impacts on travel and tourism – has led to smaller-than-expected revenues from the tax.

Because of the new, vigorous funding source for equitable development projects, and due to lower than expected revenues in the Short-Term Rental Tax, this legislation reprioritizes the use of Short-Term Rental Tax proceeds to first pay for debt service on affordable housing projects, second to pay for investments in permanent supportive housing (an amount adjusted for inflation to ensure that the City continues to make a consistent investment), and the remainder to the Office of Planning and Community Development for grants made to organizations for investments in community-initiated equitable development projects.”

Both the Mayor and the Council are faced with developing and adopting a budget for 2023-2024 in the midst of a projected long-term structural deficit in the General Fund. This requires both parties to consider difficult choices that all have downsides. However, the proposed reduction to stable ongoing funding for one of the few City programs that provides resources focused exclusively on increasing access to opportunity for BIPOC communities and preventing their displacement has racial equity implications that should be considered and weighed against other options before accepting this change.

Issue 4. If the Council wants to maintain the original commitment to provide \$5 million a year to EDI grants from STRT proceeds, it could remove either or both of the other two categories of funding from the bill and instead use other eligible housing funds to pay off housing bonds or support permanent supportive housing projects, or find funding for the biennium that could backfill for those purposes. This will require reducing or cutting funding for other housing programs or other GF-backed activities. Without any change, the City will need to find additional funding to backfill the difference between STRT proceeds and the planned uses of the tax.

Options:

- A. Accept the proposed change to the STRT Fund policies and pass the legislation as transmitted.
- B. Reject about \$1 million of other expenditures in the 2023-2024 Proposed Budget and use those funds to offset the costs listed under A-C in the existing STRT Fund policies.
- C. Amend the bill to remove either debt service payments or supportive housing as permitted uses of the STRT and pass as amended. This would also require finding another ongoing source of funding to pay for these uses.
- D. Do not pass.

2. Transportation Network Company (TNC) Tax (Analyst: Lise Kaye and Aly Pennucci)

The 2023-2024 Proposed Budget would institute several changes to the City's regulation of Transportation Network Companies, including lowering the City's tax rate per trip as required by state law, raising the City's per trip fee, and revising the spending plan for the TNC tax revenues.

TNC Tax Rate & Fees

In 2022, the state legislature passed ESHB 2076 which created a state level Transportation Network Company tax. In addition, the new law reduced the maximum allowable TNC tax rate the City can assess from \$0.57 to \$0.42, effective January 1, 2023, and preempted the City from enforcing the TNC Driver Minimum Compensation and TNC Driver Deactivation Rights Ordinances. To align with the State legislative changes, proposed legislation transmitted with the proposed budget would reduce the tax rate to the state-mandated \$0.42 per trip, effective January 1, 2023. CBO estimates that the tax rate reduction (which might normally increase demand), combined with lower demand than anticipated prior to the pandemic will reduce the City's anticipated revenue from the TNC tax by \$400,000 (to \$5.9 million) in 2023. Increased demand will increase revenues generated under the lower tax rate to \$6.8 million in 2024.

Partly in response to the anticipated revenue reductions stemming from the state mandated tax rate reduction, and due to increased program costs, the 2023-2024 Proposed Budget would increase the City's TNC fee from \$0.08 to \$0.18, as described in the FAS Budget Overview Paper that will be published to the October 12 Budget Committee agenda. (King County's per trip fee is currently \$0.23.) CBO estimates that the increased fee would generate \$1.6 million in 2023 (\$900,000 more than the current fee) and \$1.8 million in 2024 (\$1 million more than the current fee). Whether the program will reach full cost recovery with this higher fee will depend upon how many rides take place.

Table 13: Actual and estimated TNC rides and revenue from TNC Tax and Fee revenues from 2020 through 2024.

Year	Rides	Rate	TNC Tax Revenue	TNC Fee Revenue	
				\$.08 (existing)	\$.18 (proposed)
2020	8.7 million	\$0.57	\$0 ⁴	\$1 million ⁵	-
2021	8.4 million	\$0.57	\$4.8 million	\$0.7 million	-
2022 (est.)	11.1 million	\$0.57	\$6.3 million	\$0.6 million	-
2023 (est.)	14.1 million	\$0.42	\$5.9 million	\$0.7 million	\$1.6 million
2024 (est.)	16.1 million	\$0.42	\$6.8 million	\$0.8 million	\$1.8 million

⁴ No revenue collected in 2020. The City was prepared to collect, but, following the onset of the pandemic, the number of rides fell significantly below the initial threshold set at 1 million rides,. Council subsequently reduced that threshold to 200,000 rides and revenue began to be remitted in the first quarter of 2021.

⁵ TNC per trip fee decreased from \$.14 to \$.08 beginning Q3 2020

Use of TNC Tax Revenues

The Executive also transmitted a resolution with the 2023-2024 Proposed Budget which would repeal [RES 31914](#), the current spending plan also described in [ORD 125971](#), that established the Council's intent to use the proceeds of the TNC tax for the following purposes:

- (1) Up to \$2 million for the administration of the TNC tax and regulations;
- (2) Up to \$3.5 million for a driver resolution center and costs related to administering driver protections;
- (3) After funding items 1 and 2, up to 50% of remaining TNC tax proceeds to be used for investments in affordable housing located near frequent transit service; and
- (4) Any remaining funding projects related to transportation and transit.⁶

Issue 5. Proposed changes to TNC Tax spending plan.

The proposed resolution transmitted with the 2023-2024 Proposed Budget would repeal RES 31914 and broaden the eligible uses of TNC Tax proceeds significantly. These changes are made in part in recognition of the State's preemption of the City's ability to establish and operate an independent Driver Resolution Center (DRC) and removes the DRC operation as an eligible expense. The other changes broaden the eligible uses of the TNC Tax revenues to include any General Fund investments and are primarily a response to the ongoing structural budget issues in the City's GF and the projected ongoing drop in transportation specific revenues.

Specifically, the proposed resolution states TNC Tax revenues may be used to administer the tax and the City's regulation of TNCs, and to make General Fund investments, including in transportation projects. Because [ORD 125971](#) only included statements of the council and mayoral intent that were expected to be formalized in the budget process, no changes are needed to the ordinance. And, although the resolution as transmitted does not prohibit the use of funds for affordable housing, it remains a permissible, but not prioritized, use of TNC Tax Revenues within the GF. Given that projected TNC revenues make up less than one percent of all GF revenues, providing greater flexibility to backfill decreases in other GF and transportation revenues at this time does not appear to have a significant fiscal impact.

Options:

- A. Accept the proposed change to the TNC Tax spending resolution policies and adopt the resolution as transmitted.
- B. Amend the proposed resolution to reincorporate other spending priorities. (This would require identifying other transportation funding sources or making reductions to SDOT's 2023-2024 Proposed Budget.)
- C. Do not adopt. (This would also require identifying other transportation funding sources or making reductions to SDOT's 2023-2024 Proposed Budget.)

⁶ Please see [RES 31914](#) for additional details on the existing guidance for use of TNC Tax revenues.

3. JumpStart Payroll Expense Tax Fund (JumpStart Fund)

Adopted on July 6, 2020, [ORD 126108](#) authorized a new payroll expense tax for the City. Beginning in 2021, the payroll tax was estimated to generate about \$214 million annually, with increases in future years. Also passed by the Council on July 6, 2020, [ORD 126109](#) codified a high-level spending plan for these new tax revenues; [additional details](#) were adopted through [RES 31957](#) on July 20, 2020.

To provide for the accountable and transparent use of the new tax in accordance with the spending plan that accompanied it, on July 19, 2021, the City Council unanimously passed [ORD 126393](#), which created the JumpStart Fund. This required that, beginning in 2022, all revenues from the payroll expense tax are deposited into, and managed from, the JumpStart Fund. Further, the legislation codified the detailed spending plan from RES 31957 and provided for an amount of JumpStart Fund revenues to be deposited into the GF in years where revenues are below levels forecasted prior to the COVID-19 pandemic to provide continuity of staffing and services that were in place prior to the pandemic.

The JumpStart Fund spending plan codified in ORD 126793 restricts the use of payroll expense tax revenues as illustrated in Table 14. One notable difference between the original spending plan described in Resolution 31957 and the JumpStart Fund policies adopted in 2021, is that the fund policies, recognizing that GF revenues had not fully recovered to pre-pandemic levels, allows for payroll tax revenues to be used to support GF programs and services in 2022 and beyond. In any year where total GF revenues, from sources approved as of January 1, 2020, are projected to be lower than \$1,510,029,000, an amount equal to difference between \$1,510,029,000 and the projected amount may be transferred to the GF to support GF programs and services.

Table 14: Existing JumpStart Fund Policies

JumpStart Fund Category	%
Transfer to the General Fund	*
Administration & Evaluation	5%
Housing & Services	62%
Acquisition and development of affordable rental housing (including services)	82%
Acquisition and development of affordable rental housing in areas at risk of displacement	13%
Affordable Homeownership	5%
Equitable Development Initiative	9%
Economic Revitalization (ER)	15%
Green New Deal	9%

*Calculated based on the formula described previously

The existing JumpStart Fund policies allowed for \$85 million of JumpStart Funds to be transferred to the GF in 2022, however these existing policies would not allow a transfer from the JumpStart Fund in 2023 or beyond based on current revenue projections, though the City continues to face a projected long-term operating deficit in the GF, increasing costs to maintain core city services, increasing economic uncertainty as well as responding to the city's growing population and increasing needs in the community.

With that in mind, the 2023-2024 Proposed Budget assumes passage of a council bill that would amend [SMC 5.38.055](#) as codified by ORD 126793, and adoption of a resolution that would amend the JumpStart Fund policies in several ways to balance the GF in the 2023-2024 biennium and assumes that proposed expenditures from the JumpStart Fund are consistent with the JumpStart Fund policies. This includes proposals to:

- A. Modify the current law to allow a transfer from the JumpStart Fund to the GF in 2023 and beyond.
- B. Adopt, by separate resolution, noncodified financial policies that would provide additional guidance to create a reserve and debt policies.
- C. Amend the JumpStart policies to remove the restriction that prohibits JumpStart funds to supplant appropriations from other funding sources.
- D. Modify the requirement that the JumpStart Funds under the affordable rental housing subcategory are used to develop and acquire affordable housing that prioritizes serving households with incomes at or below 30 percent of area median income (AMI) to 60 percent AMI. However, upon further discussion with the executive that requested policy change is not necessary and therefore this will not be discussed in further in this memo.
- E. Expand the spending framework of the original spending plan to allow some spending from the JumpStart Fund that may not align with the original policy intent.

The changes proposed are necessary to align the SMC with the expenditures from the JumpStart Fund included in the 2023-2024 Proposed Budget and to maintain a balance in the GF absent other GF spending reductions or other sources of revenue. Table 15 provides a summary of those expenditures; Attachment F provides a more detailed analysis of the proposed spending by each of the JumpStart Fund Categories.

Table 15: 2023-2024 Proposed Budget: JumpStart Spending by Category \$s in 1,000s⁷

JumpStart Fund Category	2023 Proposed	2024 Proposed	%
GF Balancing	\$85,862	\$84,053	n/a
Finance General	\$85,862	\$84,053	
JumpStart Spending Within Categories-subtotal	220,463	225,400	100%
Admin	\$8,603⁸	\$8,809	4%
JumpStart Fund transfer to Finance General	\$8,431	\$8,637	
City Budget Office	\$819	\$1,169	
Finance and Administrative Services	\$119	\$118	
Department of Neighborhoods	\$576	\$768	
Finance General	\$353	\$365	
Legislative Department	\$200	\$200	
Office of Economic Development	\$592	\$392	
Office of Housing	\$2,271	\$2,301	
Office of Sustainability and Environment	\$329	\$347	
Seattle Department of Human Resources	\$862	\$862	
General / Central Costs	\$2,311	\$2,115	
Economic Revitalization	\$32,826	\$34,295	15%
City Budget Office	\$290	\$465	
Department of Education and Early Learning	\$5,300	\$0	
Department of Finance and Administrative Services	\$550	\$550	
Department of Neighborhoods	\$362	\$362	
Finance General	\$1,850	\$13,100	
Human Services Department	\$6,400	\$1,400	
Office of Arts and Culture	\$0	\$0	
Office of Economic Development	\$16,442	\$16,542	
Office of Immigrant and Refugee Affairs	\$163	\$163	
Office of Planning and Community Development	\$821	\$571	
Seattle Center	\$100	\$100	
Seattle Information Technology Department	\$548	\$1,042	
Green New Deal	\$20,731	\$20,826	9%
Department of Finance and Administrative Services	\$647	\$1,286	
Office of Economic Development	\$350	\$0	
Office of Housing	\$1,851	\$1,879	
Office of Planning and Community Development	\$162	\$162	
Office of Sustainability and Environment	\$8,166	\$13,248	
Seattle Department of Transportation	\$2,555	\$4,250	
Seattle Parks and Recreation	\$3,500	\$0	
Seattle Public Library	\$3,500	\$0	
Housing & Services	\$138,237	\$141,002	63%
Department of Finance and Administrative Services	\$155	\$157	
Office of Housing	\$137,626	\$140,389	
Seattle Department of Construction and Inspections	\$456	\$456	
Equitable Development Initiative	\$20,066	\$20,467	9%
Office of Planning and Community Development	\$20,066	\$20,467	
Total	\$306,326	\$309,453	

⁷ See Attachment F for a more detailed breakdown of proposed appropriations within each category

⁸ Includes a baseline adjustment related to DON.

A. Change to formula to determine amount of JumpStart Funds that can be transferred to the GF

The 2023-2024 Proposed Budget assumes that the Council will accept a change to the JumpStart Fund policies that would adjust the formula used to determine if or when the JumpStart Fund can be used to address projected deficits in the GF. The proposal would amend the existing policy by establishing a formula that increases the \$1.51 billion transfer ceiling by annual inflation, applying this change in policy to continue through the life of the tax. As described in more detail in Section IV.1, this proposed policy change to increase the level of revenue augmentation from the Jump Start Fund could result in permanently backfilling revenues losses that are due to non-inflationary factors in other funds, if a new general fund revenue source is not identified by 2025. Put another way, absent a new funding source, the JumpStart Fund transfer would be allowed to permanently solve stability issues inherent with the existing GF financing structure.

Table 16 illustrates how the proposed change in the transfer policy would allow a higher amount of JumpStart Funds to be transferred to the GF than what was contemplated during the August 17th discussion at the Finance and Housing committee and what is assumed in the 2023-2024 Proposed Budget. This approach will allow greater flexibility to use the JumpStart Fund for GF activities in the future if other strategies are not enacted to address the structure budget deficit projected in the financial plan for the GF.

Table 16: Proposed Policy Change - Revised GF Floor

	2023	2024	2025	2026
CPI-W	7.6%	6.7%	4.0%	2.6%
Proposed Policy Change - Revised GF Floor	\$1,624,791*	\$1,733,652	\$1,802,998	\$1,849,876
GF Revenue Projection (August '22 Forecast)	\$1,519,120	\$1,557,310	\$1,613,970	\$1,682,370
Maximum Transfer Amount to GF from JS Fund per proposed change to JS Fund Policies ⁹	\$105,671	\$176,342	\$189,028	\$167,506
JS Revenue Projections (August '22 Forecast)	\$294,120	\$311,470	\$329,700	\$348,140
Remaining JS Funds for JS Fund spending categories	\$188,449	\$135,128	\$140,672	\$180,634
Multiply CPI-W * (1 +2022 Floor (\$1,510,029,000))				

As proposed, this would allow an ongoing transfer of the JumpStart Fund to the GF if revenues continue to come in below the new calculated GF floor.¹⁰ At the August 17, 2022, meeting of the Finance and Housing Committee, the option discussed only contemplated amending the policies to allow greater flexibility for use of JumpStart Funds for GF balancing in the short-term over the 2023-2024 biennium to provide more time for development of longer-term strategies (e.g., implementation of new sources of GF revenues, longer-term structural adjustments to GF expenditures). The financial plan transmitted with the 2023-2024 Proposed

⁹ Note that the 2023-2024 Proposed Budget does not use the maximum amount that would be allowed under the proposed change in policy. The Proposed Budget only assumes an \$85 million transfer in 2023 and \$84 million in 2024 and assumes that no JumpStart Funds are transferred to the GF in 2025 and beyond.

¹⁰ If new GF revenues sources are implemented, those resources would be included in the project GF revenue before calculating any allowed transfer from the JumpStart Fund.

Budget assumes a transfer less than would be authorized by the proposed change in law, and only for 2023 and 2024, consistent with the August Committee discussion, but the permanent proposed change would change the law to provide much greater flexibility, as demonstrated in Table 15.

Given higher levels of economic uncertainty expressed by CBO and OERF at the August forecast update, and that the 2023-2024 Proposed Budget increases the ongoing GF operating deficit, it is likely that the City will continue to face a deficit in the GF absent significant reductions in GF expenditures, significant collections of GF revenues above forecast, or actions that would increase annual GF revenues by at least \$150 million.

If this permanent policy change is not accepted and is modified to only be a temporary measure, it is likely that the Council will return to this policy discussion again when considering an annual budget for 2025 (and possibly at this time next year if economic conditions worsen). From that perspective, it may be worth considering accepting this greater reliance on the JumpStart Fund for GF expenditures. On the other hand, given that the work to identify new sources of progressive revenues, and the work that the CBO is undertaking to identify efficiencies in department budgets through better oversight of budget to actual spending and work to better understand and control personnel budgets, the decision may not yet be ripe to make this policy change permanent.

Issue 6. Proposal to adjust the formula used to determine if or when the JumpStart Fund can be used to address projected deficits in the GF.

Options:

- A. Reject proposed change in policy. This could only be achieved if the Council identified \$85 million of cuts to GF expenditures in 2023 and \$84 million in 2024 or other resources to support those expenditures.
- B. Modify the proposed formula to calculate the maximum amount of JumpStart Funds that can be transferred to the GF. One options would be to set the maximum transfer amount at \$85 million (the amount proposed to be transferred in 2023 and 2024) and allow for some inflationary adjustment in the future.
- C. Add additional criteria about when the JumpStart Fund can be used and how or if it gets paid pack. This could include:
 - Modifying the proposed change to include a sunset date (e.g., only allow the transfer in 2023 and 2024).
 - Providing more specificity about only allowing JumpStart Funds to be used if there is no new spending, beyond inflation growth, in the GF.
 - Requiring that if GF revenues at year end come in above projections that the JumpStart fund is paid back first.
- D. Some combination of options B & C.
- E. Do pass as transmitted.

B. Resolution to adopt additional financial policies for the JumpStart Fund.

In addition to transmitting legislation to amend the codified JumpStart Fund policies, the executive transmitted a resolution that would provide additional guidance on the use and management of the JumpStart Fund. This includes references to existing policies codified in SMC 5.38.055 and/or included in Ordinance 126393, as well as new financial policies that would:

- Create a fund balance reserve of no less than 10 percent of Payroll Expense Tax Revenues.
- Add specific debt policies that explicitly allows use of Payroll Expense Tax Revenues for the payment of debt service for projects funded with bonds that are consistent with the spending plan for the JumpStart Fund.

Issue 7. Proposed fund balance reserve within the JumpStart Fund

Adopting policies that require maintain a fund balance reserve is not uncommon and given fluctuations in the economy, is advised. The JumpStart Payroll Expense Tax is a still a new revenue source and the Office of Economic and Revenue Forecasts is clear that there are a lot of assumptions and unknowns in their forecasts which may lead to fluctuations over time. The appropriate level for this reserve is a judgement call and 10 percent may or may not be the appropriate amount. As a counterpoint, the City's Revenue Stabilization Fund for the general fund is capped based a calculation that it does not exceed five percent of general fund tax revenues (so does not apply to all revenues deposited in the GF). But again, given the newness of the revenue stream, maintaining a larger reserve may be warranted if future forecasts for this revenue decline.

Options:

- A. Amend the resolution to decrease the proposed reserve to increase spending in the JumpStart categories.
- B. Adopt as transmitted.

Issue 8. Resolution to adopt additional financial policies for the JumpStart Fund.

It is current practice in many cases to adopted additional financial policies for certain funds via a noncodified resolution. While this is consistent with past practices, having certain policies included in the municipal code, and other policies adopted by a noncodified resolution, can make tracking the policies difficult. The Council could incorporate the proposed financial policies into the SMC 5.38.055.

Options:

- A. Reject the proposed resolution and incorporate the proposed financial policies into the bill that would amend SMC 5.38.055.
- B. Adopt as transmitted.

C. Proposed Spending from the JumpStart Fund by JumpStart Fund spending Category

The 2023-2024 Proposed Budget would authorize spending \$220.5 million (2023) and \$225.4 million (2024) of JumpStart Funds on the specific spending categories codified in the JumpStart Fund policies. Attachment F provides a more detailed description of the proposed spending from the JumpStart fund by category. Overall, the policy choices before the Council related to these proposals are not unique to the specific spending categories. The main policy considerations, that apply across the proposed spending, are described in Issues 9 and 10 with additional details in Attachment F.

Issue 9. Use of JumpStart Fund to Supplant GF.

The legislation transmitted with the proposed budget to amend the JumpStart Fund policies would remove the restriction that prohibits JumpStart funds to supplant appropriations from other funding sources. To date, Central Staff identified the following expenditures in the proposed budget that could only proceed if the Council accepts the Mayor's proposed changes to the JumpStart Fund policies that would allow JumpStart funds to supplant appropriations from other funds.

Table 16: Proposed Expenditures from the JumpStart Fund that Supplant GF Expenditures

JumpStart Category (amounts in \$1,000)	2023 Proposed	2024 Proposed
Economic Revitalization	\$691	\$866
CBO: Affordable Seattle - one existing position currently funded with \$175,000 of CLFR funding will also be moved to the Jump Start fund starting in 2024.		\$175
DON: This item shifts funding of two positions in DON from the General Fund (GF) to the JumpStart Payroll Expense Tax Fund to increase alignment of generational and community wealth with economic revitalization programs/	\$191	\$191
OED: \$500,000, previously funded (at least in part) by the GF to provide services in support of Transgender and gender nonconforming individuals, pivot education and training with the Seattle Colleges District toward evolving employer and employee needs and provide youth employment support services in workforce development and career connected learning programs related to OED's Key Industry sectors.	\$500	\$500
Equitable Development Initiative	\$280	\$280
OPCD: Transfer costs for some Equitable Development Initiative positions from the GF to the JumpStart Fund to help balance the GF.	\$280	\$280
Green New Deal	\$1,272	\$1,276
OSE: \$800,000 in JumpStart Fund appropriation for the Clean Heat Program, funding rebates for middle income households who convert from oil home heating to electric heat pumps. This funding replaces \$200,000 in baseline GF appropriation and \$200,000 in one-time JumpStart funding in the 2022 Adopted Budget and provides an additional \$400,000.	\$800	\$803
OSE: Transfers a position for Citywide Climate Transportation & Electrification from Seattle Department of Transportation (SDOT) to OSE and adds \$222,000 from the JumpStart Fund.	\$222	\$223

JumpStart Category (amounts in \$1,000)	2023 Proposed	2024 Proposed
OSE: Transfer funding and authority for the Duwamish Opportunity Fund from the Department of Neighborhoods to OSE. This was previously funded by the GF.	\$250	\$250
Housing & Services	\$456	\$456
Seattle Department of Construction and Inspections (SDCI): This ongoing item replaces \$455,985 of GF support for tenant services contracts with JumpStart Fund. This funding supports contracts that provide legal defense for tenants facing eviction.	\$456	\$456
Total	\$2,703	\$2,878

Options:

1. Reject the proposal to allow JumpStart Funds to supplant other funds and either:
 - a. Find an alternative source of funds for these proposed appropriations; or
 - b. Reduce or eliminate proposed appropriations for these uses.
2. No change.

Issue 10. Alignment with JumpStart Fund policies.

The programs and initiatives funded by the JumpStart Fund in the 2023-2024 Proposed Budget generally appear to meet the broad intent of the JumpStart Fund spending policy codified in ORD 126393 and further detailed in RES 31957. In many cases, whether the proposed expenditure aligns with the policy intent detailed in RES 31957 is in the eye of the beholder (many of the proposed expenditures under the economic revitalization category, for example, could easily be argued either way). There is only one proposed expenditure that staff identified that is clearly outside the scope of adopted policies, the proposed use of JumpStart funds to supplant GF support for contracts for eviction defense services in the Seattle Department of Construction and Inspections (SDCI).

The proposed spending in SDCI, and other areas of the budget, that may warrant additional scrutiny, acknowledging that all of these proposed efforts have merit, include the following:

Economic Revitalization

These programs are intended to support local businesses and tourism to spur the local economic recovery, and to provide economic stability for the city's workforce:

- *CBO: Affordable Seattle Expansion and Fund Change (\$1.4M in 2023 and 2024)*
The 2023 Proposed Budget includes \$290,000 and 1.0 FTE in CBO for the Expansion of the Affordable Seattle Program. This program is funded across three departments: CBO, OED and ITD, and is designed to reduce barriers for low-income residents to access programs such as utilities, childcare, transportation and food including through an online platform called civiForm. The 2023 Proposed Budget adds \$100,000 in CBO for community outreach and \$189,000 and 1.0 FTE to the Innovation & Performance Team. This work is supported by the Jump Start Fund. In addition, one existing position currently funded with \$175,000 of CLFR funding will also be moved to the Jump Start fund starting in 2024. The work led by CBO may be a better fit within the administration and evaluation spending plan category.

- *FAS: One Seattle Day of Service (\$250,000 in 2023 and 2024)*

The policies specify that Economic Revitalization investments are intended to support local businesses and tourism to spur the local economic recovery, and to provide economic stability for the city's workforce. A volunteer day of service and engagement to help build interpersonal community relationships is not a clear eligible use of the JumpStart economic revitalization funds.

- *Office of Planning and Community Development (OPCD): Regional Growth Center Subarea Plans (\$250,000 in 2023 and 2024)*

The City is required to develop subarea plans for regional growth centers designated by the Puget Sound Regional Council (PSRC). Per the PSRC's Regional Center's Framework, regional growth centers are areas that are intended to help the region maintain a competitive economic edge by offering employers locations that are well connected to a regional transportation network and are attractive and accessible to workers. Using that lens, subarea planning work for regional centers could easily align with economic revitalization strategies. However, it is unclear if the intent of that spending category was to support long range planning efforts that have historically been funded by the GF and are not direct programs or services that diversify the local economy and improve job quality.

Green New Deal

This category is intended for investments that advance Seattle's Green New Deal (GND) as described in Resolution 31895. Specific investment proposals are expected to be informed by recommendations from the GND Oversight Board and stakeholders representing (1) communities historically most harmed by economic, racial, and environmental injustice; and (2) workers who are in jobs that may be displaced as a result of implementation of this resolution, along with their unions, to work with them on just transition recommendations that have the objective of eliminating economic harm to affected workers:

- Office of Economic Development: Downtown Mobility Study (\$350,000 2023 only)
- OPCD: Sound Transit 3 Staffing (\$162,000 ongoing)
- SDOT: City Planning Efforts for Sound Transit's WSBLE Project (\$2.6 million 2023 and \$4.3 million 2024)

The Green New Deal Board did not identify transportation planning generally, or the WSBLE project specifically, as a funding priority for 2023. Additionally, it is unclear how these investments would accelerate Seattle's efforts to reduce climate emissions in the near term, nor how they focus on prioritizing people or neighborhoods that have experienced disproportionate environmental harms or risks due to the cumulative impacts from multiple stressors that have resulted from historic and ongoing economic, racial, and environmental injustices.

Housing & Services

SDCI: Change Funding Source for Eviction Legal Defense (ongoing)

The policy guiding investments in the Housing and Services spending category specify that those funds are for: investments in capital costs associated with the acquisition and construction of affordable rental housing; operating and service costs for those units; supporting affirmative marketing efforts and development and implementation of community preference plans; and, for investments to construct or acquire permanently affordable homeownership opportunities. Tenant services is not listed as an eligible use of the JumpStart funds allocated for housing and services.

There are likely other proposed expenditures that councilmembers may question the alignment with adopted policy and some that align with adopted policy but are not a priority for this Council. In all instances, if the Council disagrees with the investments as proposed, it could reduce or eliminate funding for one or more of the items and use that funding for other priorities investments or find an alternate source of funds to support these expenditures.

Options:

1. Reject the proposed use of JumpStart Funds for uses that do not align with the JumpStart Fund policies and:
 - a. Find an alternative source of funds for these proposed appropriations; or
 - b. Reduce or eliminate proposed appropriations for these uses.
2. Accept the proposed use of funds and amend the JumpStart Fund policies, if necessary, to align the policy with the proposed expenditures.
3. No Change.

Attachments:

- A. 2022 Year End Grant Acceptances
- B. 2022 Executive Expenditure Holds
- C. 2023-2024 Proposed GF Expenditure Reductions
- D. 2023-2024 Proposed GF Expenditure Increases
- E. 2023-2024 Proposed GF Expenditures Net Change
- F. 2023-2024 Proposed Expenditures by JumpStart Fund Category

2022 Year End Grant Acceptance Ordinance Summary Detail Table

Item #	Title	Description	Amount/FTE
Section 1 – Grant Acceptances			
1.1	Childcare Nutrition Grant Acceptance (Human Services Department)	This federally funded grant from Washington State Office of Superintendent of Public Instruction provides nutritious meals and snacks at Seattle childcare centers. The grant period is 10/1/22 - 9/30/23.	\$1,000,000
1.2	Farm to School Purchasing Grant (Human Services Department)	This grant from Washington State Department of Agriculture provides fresh produce to Seattle childcare centers.	\$9,847
1.3	Home Delivered Meals for Long Term Care Clients Grant (Human Services Department)	This grant from Washington State DSHS provides one-time funding for home delivered meals for clients in the state's long term care program. The grant period is 7/1/22-6/30/23.	\$242,858
1.4	Hospital Care Transitions State Grant (Human Services Department)	This grant from Washington State DSHS provides state funding for hospital care transitions services. The grant period is 7/1/22-6/30/23.	\$179,628
1.5	Hospital Care Transitions Federal Grant (Human Services Department)	This grant from Washington State DSHS provides federal funding for hospital care transitions services. The grant period is 7/1/22-6/30/23.	\$35,926
1.6	SFY23 Match for Older Adult ARPA Grant (Human Services Department)	This grant from Washington State DSHS provides the SFY23 match to the American Rescue Plan Act grant for older adult services. The grant period is 7/1/22-6/30/23.	\$531,793
1.7	Accept and Appropriate Grant from the U.S. Department of Transportation National Highway Traffic Safety Administration (NHTSA) (Law Department)	This grant will support a Traffic Safety Resource prosecutor in the department. This grant covers the period of October 1, 2022 to September 30, 2023 and does not have a matching requirement.	\$170,539

Item #	Title	Description	Amount/FTE
1.8	NCP annual DSHS award (Office of Immigrant and Refugee Affairs)	This grant supports the participation of State benefits recipients in the New Citizen Program, which provides assistance to income-qualified individuals to apply for naturalization using a case management model. Matching funding is not required, but is already budgeted from Seattle Housing Authority grant funding and a City General Fund allocation. The DSHS grant funding is for state fiscal year 2023 (July 2022 - June 2023).	\$685,000
1.9	Formula Grant from Dept of Commerce for Growth Management Act update (Office of Planning and Community Development)	The Washington State Department of Commerce awarded OPCD a total of \$325,000 over two years through a non-competitive formula grant to assist with the City's Growth Management Act (GMA) updates. Due to the state biennial split, one half of this funding is available to reimburse related periodic update project costs from July 1, 2022 to June 30, 2023 with the other half to follow; an appropriation increase for the second half of the grant is included in the 2023 Proposed Budget. No local match is required.	\$325,000
1.10	Climate Action Elements Grant from WA Dept of Commerce (Office of Planning and Community Development)	The Washington State Department of Commerce awarded OPCD these funds to contract with a consultant to conduct a vulnerability and risk assessment and to incorporate climate action elements into the City's periodic update of the Comprehensive Plan. All work associated with this grant must be complete by June 2023. No local match is required.	\$80,000
1.11	Middle Housing Grant Program (Office of Planning and Community Development)	The Washington State Department of Commerce awarded OPCD \$100,000 in grant funds and \$30,000 to subcontract with community-based organizations from the Middle Housing Grant Program. The 2022 Legislature created this grant program to support the adoption of middle housing types in the Puget Sound region, along with conducting a racial equity analysis and establishing anti-displacement policies. This funding will support these required components of the update to the housing element of the Comprehensive Plan. No local match is required.	\$130,000

Item #	Title	Description	Amount/FTE
1.12	Colman Dock Battery Energy Storage System (BESS) (Seattle City Light)	This grant will support the 60% level detailed design of a 10-25 MVA shore-side battery energy storage system (BESS) as a Seattle City Light distribution-system asset to serve Washington State Ferries (WSF) Colman Dock hybrid ferry terminal electrification and to potentially provide grid support to the City Light feeders serving the waterfront. SCL is providing a match mostly in the form of in-kind labor.	\$500,000
1.13	King County Metro DC Microgrid (Seattle City Light)	This grant will support conducting detailed design and engineering for a microgrid using second-use batteries from transit vehicles. The system will increase the resilience of electricity supply to an increasingly electrified public transit fleet as the city decreases diesel emissions in a community experiencing high levels of environmental health disparities. SCL will partner with King County Metro and Pacific Northwest National Laboratories on this project. SCL is providing a match mostly in the form of in-kind labor.	\$500,000
1.14	Seattle Center/Climate Pledge Arena Ecodistrict (Seattle City Light)	This grant will support a feasibility analysis and preliminary design to create a fully carbon neutral ecodistrict at the Seattle Center that could serve as a community emergency center during natural disasters. This project will explore technologies including battery storage, expanded on-site solar, waste heat capture, regenerative power systems, and more. The project is conducted in collaboration with Climate Pledge Arena and Seattle Monorail. SCL is providing a match mostly in the form of in-kind labor.	\$150,000
1.15	Seattle Central College Ecodistrict (Seattle City Light)	This grant will support the study of the potential for an Ecodistrict in the area surrounding Seattle Central College's (SCC) campus in the Capitol Hill neighborhood. The project would result in electrification of fossil-fueled space heating and domestic hot water heating and cooking and help SCL advance grid modernization in load and capacity management. SCL is providing a match mostly in the form of in-kind labor.	\$150,000
1.16	Grant Acceptance WA Arrearage Grant (Seattle City Light)	These funds are coming from Washington State to help customer arrearages accrued during the COVID-19 pandemic between March 1, 2020 and December 31, 2021.	\$21,000,000

Item #	Title	Description	Amount/FTE
1.17	15th Ave and Leary Way Local Bridges Grant Acceptance & Appropriation (Seattle Department of Transportation)	This item accepts and appropriates Federal grant funds from the Local Bridges grant program. This grant will fund the seismic retrofit of the 15th Avenue and Leary Way bridges.	\$4,517,300
1.18	Jose Rizal Bridge Painting Grant Acceptance and Appropriation (Seattle Department of Transportation)	This item accepts and appropriates a grant from the Local Bridges grant program. This grant will fund the lead abatement and painting of the Jose Rizal bridge. The grant requires a 13.5% local match, which has been budgeted.	\$5,000,000
1.19	S. Spokane Street Viaduct Local Bridges Grant Acceptance and Appropriation (Seattle Department of Transportation)	This item accepts and appropriates a grant from the Local Bridges grant program. This grant will fund work on the S. Spokane Street Viaduct. This project requires a 13.5% local match on design.	\$5,000,000
1.20	Acceptance and Appropriation of Additional FHWA Grant Funds for Route 40 TPMC (Seattle Department of Transportation)	This item accepts and appropriates a grant from the Federal Highway Administration's (FHWA's) Congestion Mitigation and Air Quality Improvement (CMAQ) Program. This grant will fund the Route 40 Transit-Plus Multimodal Corridor project's design phase. The project is currently in the design phase and the grant requires 13.5% local match, which will be covered by the project's budgeted Move Seattle Levy funds.	\$450,000
1.21	Acceptance and Appropriation of Additional FHWA Grant Funds for RapidRide J Line (Seattle Department of Transportation)	This item accepts and appropriates a grant from the Federal Highway Administration's (FHWA's) Surface Transportation Program (STP). This grant will fund the RapidRide J-Line project's construction phase. The project is currently in the design phase and the grant requires 13.5% local match, which will be covered by the project's budgeted local funds.	\$1,523,246

Item #	Title	Description	Amount/FTE
1.22	Acceptance and Appropriation of the Seattle Waterfront Loop Feasibility Grant (Seattle Department of Transportation)	This item accepts and appropriates a grant from the State's Connecting Washington program. The grant will support the Alaskan Way Protected Bike Lane (PBL) project, which will construct a PBL to address gaps and transitions in the waterfront bike network. The grant funding will be available July 1, 2023 to June 30, 2025. There is no match requirement.	\$5,000,000
1.23	USAR Emergency Taskforce Training FY2022 (Seattle Fire Department)	The funding, provided by the Federal Emergency Management Agency (FEMA) through Pierce County Office of Emergency Management provide funding for SFD members on the regional Urban Search and Rescue (USAR) Team to attend approximately 25 reimbursable mandatory emergency response trainings There are no positions or local match requirement associated with these reimbursements.	\$40,000
1.24	Basic Firefighter Training Grant FY2022 (Seattle Fire Department)	This grant from the Washington State Patrol-Office of the Fire Marshal will support the training of firefighters in Recruit Class #116 & 117 in FY 2022 to minimum safety requirements. There are no new positions associated with this project and no match required. Recruit Class #116 \$31,800+ RC #117 65@600 = 39,000; total = \$70,800	\$70,800
1.25	SAMHSA Grant for Health One (Seattle Fire Department)	The funding from the Federal Substance Abuse and Mental Health Services Administration will help expand the Health One program by providing funding for vehicles, consultant services provided by a registered nurse and HSD case managers. No SFD positions will be created and no match is required.	\$774,778
1.26	Private Grant Award - Medic One (Seattle Fire Department)	The grant funds received from the Medic One Foundation, will fund additional video laryngoscopes for Seattle Fire Department. There are no positions or match required for this grant. The period of performance is 07/12/2022 through 12/31/2022.	\$41,786
1.27	Spill, Prevention, Preparedness and Response Equipment Grant (SPPREG) FY 2022 (Seattle Fire Department)	This grant amendment from the Washington State Department of Ecology provides funding to SFD to purchase firefighting foam, hose, nozzles and associated equipment to support hazardous materials response. There are no new positions associated with this project and no match required.	\$209,900

Item #	Title	Description	Amount/FTE
1.28	BioWatch 2022-23 Continuation Grant (Seattle Fire Department)	This grant from the Department of Homeland Security provides for continuation of current BioWatch program activities in the Seattle area. This includes air-quality testing and monitoring for 18 collector sites and strengthening the area's response network with respect to biological terrorism. There are no new positions associated with this project and no match required.	\$1,696,999
1.29	Washington State Pre-Hospital Grant 2022 (Trauma) (Seattle Fire Department)	This grant from the Washington State Department of Health Trauma Care Fund provides reimbursement for medical supplies purchased by the SFD Medic One Program. There are no new positions associated with this project and no match required.	\$1,260
1.30	Reimbursement for Urban Search and Rescue Teams Deployments (Seattle Fire Department)	The funding from the Federal Emergency Management Agency (FEMA) of the Department of Homeland Security through the Pierce County Office of Emergency Management will reimburse for OT/BF and travel costs incurred by the SFD deployment of qualified members who serve on the regional Urban Search and Rescue Team who were deployed to emergency and disaster sites as needed in 2022. The period of performance for these deployments is from August through December 2022. No positions will be created and no match is required.	\$25,000
1.31	Digital Equity Administrative Specialist (Seattle Information Technology Department)	YWCA has agreed to fund 1 full time employee, an Administrative Specialist for the Digital Equity Program totaling \$107,000 which will be direct billed.	\$107,000
1.32	South Park Campus Improvement King County Grant (Seattle Parks and Recreation)	This King County Grant grant supports the South Park Campus Improvements Project (MC-PR-21013), and will be used towards renovation of the South Park Playground, Spray Park, and Playfield. This is a reimbursable grant, requiring a match which the total project budget satisfies. The grant expiration date will be established when a contract is signed.	\$500,000
1.33	Medgar Evers King County Grant (Seattle Parks and Recreation)	This King County Grant grant supports the Major Maintenance Backlog project (MC-PR-41001), and will be used for pre-design work at Medgar Evers Pool. This grant does not require a match. The grant expiration date will be established when a contract is signed.	\$90,000

Item #	Title	Description	Amount/FTE
1.34	South Park Plaza King County Healthy Communities Grant (Seattle Parks and Recreation)	This King County Grant supports the Develop 14 New Parks at Land-Banked Sites project (MC-PR-21003), and will be used towards cultural elements at South Park Plaza. This is a reimbursable grant, requiring a match which the total project budget satisfies. The grant expiration date will be established when a contract is signed.	\$185,150
1.35	Burke Gilman Playground Park Department of Commerce Grant (Seattle Parks and Recreation)	This Washington State Department of Commerce Grant supports the Burke Gilman Playground Park Renovation project (MC-PR-41073), and will be used towards renovation of the existing park. This is a reimbursable grant, requiring a match which the project budget satisfies. The grant expiration date is 6/30/23.	\$194,000
1.36	Burke Gilman Playground Park King County Levy Grant (Seattle Parks and Recreation)	This King County Grant supports the Burke Gilman Playground Park Renovation project (MC-PR-41073), and will be used towards renovation of the existing park. This is a reimbursable grant, requiring a match which the project budget satisfies. The grant expiration date will be established when a contract is signed.	\$500,000
1.37	North Rainier Park Development King County Levy Grant (Seattle Parks and Recreation)	This King County Grant supports the Develop 14 New Parks at Land-Banked Sites project (MC-PR-21003), and will be used towards renovation of the existing North Rainier Landbank Site. This is a reimbursable grant, requiring a match which the project budget satisfies. The grant expiration date will be established when a contract is signed.	\$500,000
1.38	North Rainier Park Development RCO Grant (Seattle Parks and Recreation)	This grant from the WA State Recreation and Conservation Office (RCO) supports the Develop 14 New Parks at Land-Banked Sites project (MC-PR-21003), and will be used towards renovation of the existing North Rainier Landbank Site. This is a reimbursable grant, requiring a match which the project budget satisfies. The grant expiration date is 01/31/26.	\$1,460,430
1.39	Maple Wood Play Area RCO Grant (Seattle Parks and Recreation)	This grant from the WA State Recreation and Conservation Office (RCO) supports the Major Maintenance Backlog project (MC-PR-41001), and will be used for improvements to Maple Wood Playfield. This is a reimbursable grant, requiring a match which the project budget satisfies. The grant expiration date will be established when a contract is signed.	\$1,310,430

Item #	Title	Description	Amount/FTE
1.40	Youth Outdoor Leadership Opportunities RCO Grant (Seattle Parks and Recreation)	This grant from the WA State Recreation and Conservation Office (RCO) supports the Environmental Learning Master Project (MO-PR-51007), and will be used within the Camp Long ELC project. This is a reimbursable grant, requiring a match which the project budget satisfies. The grant expiration date is 06/30/23.	\$70,524
1.41	FY22 DHS Securing the Cities Grant (Seattle Police Department)	This funding supports the establishment of a multi-jurisdictional radiological and nuclear detection program. The funding will be used for personnel costs as well as supplies and travel. The term of this agreement runs from July 1, 2022 to June 30, 2023, with anticipated annual renewal until October 30, 2029.	\$950,000
1.42	FY22-23 Sexual Assault Kit (SAK3) Grant (Seattle Police Department)	This item from the Washington Association of Sheriffs and Police Chiefs provides funding to process previously unsubmitted sexual assault DNA kits and to support multidisciplinary community response teams engaged in seeking a just resolution to sexual assault cases resulting from that evidence. The contract term runs from July 1, 2022 to June 30, 2023. There are no matching requirements or capital improvement projects associated with this item.	\$100,000
1.43	FY2023 SPD Impaired Driving Training Grant (Seattle Police Department)	This item from the Washington Traffic Safety Commission under the Impaired Driving Training Grant program provides funding to facilitate impaired driving training for the Seattle Police Department and surrounding agencies. The term of this grant runs from October 1, 2022 to September 30, 2023. There are no matching requirements or capital improvement projects associated with this item.	\$65,000
1.44	Grant Acceptance for Fauntleroy Creek Culvert Replacement at California Ave SW (Seattle Public Utilities)	This item provides authorization for SPU to develop and enter into an agreement with King County Flood Control District to provide for the Fauntleroy Creek Culvert Replacement at California Ave SW. The agreement is for a term of five years beginning in 2021 and ending in 2022 and will reimburse SPU for up to \$1.1 million in costs.	\$1,084,000

Item #	Title	Description	Amount/FTE
1.45	Acceptance of Federal Earmark Funds (Office of Housing)	This item accepts a grant of \$400,000 in the Office of Housing, in the Low-Income Housing Fund 16400, Homeownership & Sustainability Budget Control Level (BO-HU-2000), representing a federal earmark of funds from Congresswoman Pramila Jayapal. This 2022 earmark was passed in the federal budget for the purpose of the oil to electric heat conversion program, and must be spent by February 2023. All funds will be used for capital expenses. The corresponding authority for this grant was included in the Q2 supplemental ordinance.	\$400,000
1.46	Acceptance of CHIP Grant (Office of Housing)	This item accepts the Connecting Housing to Infrastructure Program (CHIP) grant in the Office of Housing. The 2021 State Legislature created this grant program to facilitate the development of affordable housing construction. Funding for this program is provided from two accounts: 1) For waived system development charges, funds are from the State Building Construction Account and costs must be incurred by June 30, 2023; and 2) For infrastructure improvements, funds are from the state's allocation of federal American Rescue Plan Act (ARPA) stimulus funding and expenses must be obligated by December 30, 2024. Five multifamily capital projects and one homeownership capital project have been awarded funding from this grant, totaling \$6,210,036. The corresponding authority for this grant is included in another item of the Q3 supplemental ordinance.	\$6,210,036
1.47	2022 Casey Family Programs grant to support public safety (Office of the Mayor)	This request appropriates grant funds received from Casey Family Programs to support 3.0 temporary FTE for research, planning, and implementation of programming related to public safety.	\$500,000

Attachment B: 2022 Executive Expenditure Holds (by Department)		
<i>Details provided by the City Budget Office - 10.7.2022</i>		
Department	2022 Change Request	Total
Community Police Commission	CPC-200 - Funding for Pilot Community Police Oversight Young Leader Internship & Fellowship Program	32,044
Community Police Commission Total		32,044
Community Safety and Communications Center	CSCC-001-B-001 - Add \$879,000 GF and 26 positions to CSCC to address the CSCC's existing dispatch operational needs	879,219
	CSCC-102 - Fund a Technical and Operational Study for 911 Center	150,000
Community Safety and Communications Center Total		1,029,219
Department of Finance and Administrative Services	FAS-001-A-001 - Add \$200,000 in FAS for study of public-safety staffing on waterways	150,000
	FAS-005-C-001 - Add \$110,000 GF to FAS and \$250,000 GF and 1.0 FTE senior grants and contracts specialist to HSD for a Victim Compensation Fund and community-based organizational support	110,000
Department of Finance and Administrative Services Total		260,000
Finance General	FG-000 Misc Departmental Underspend	2,000,000
	FG-005-B-001 - Add \$1 million GF to FG Reserves for two permanent public toilets, and add \$400,000 GF to SPU for temporary portable toilets	500,000
Finance General Total		2,500,000
Human Services Department	HSD-005-C-001 - Add \$5.1 million to HSD to sustain 2021 levels of food and nutrition program funding, add 1.0 FTE Senior Grants and Contracts Specialist (term-limited), and impose a proviso	1,100,000
	HSD-014-B-001 - Add \$1.0 million GF to HSD for a senior center and clinic	1,000,000
	HSD-021-B-001 - Add \$500,000 GF to HSD for restorative justice programs and impose a proviso	500,000
	HSD-022-B-001 - Add \$750,000 GF and a strategic adviser 2 position to HSD for expanded pre-filing diversion contracts with community-based organizations	650,000
	HSD-025-C-001 - Add \$50,000 GF to HSD to contract with an organization to survey national best practices on interrupting gun violence	50,000
	HSD-050-C-001 - Add \$500,000 GF in one-time funding to HSD to expand behavioral health services	500,000
	HSD-053-B-001 - Add \$2.5 million GF to HSD to expand mobile mental and behavioral health crisis services	1,700,000
	HSD-056-A-001 - Add \$200,000 GF to HSD for a survey to inform the design of a new behavioral health facility	200,000
	HSD-199 - Investments to Address AAPI Hate Crimes	400,000
	HSD-ECI22_4 - Farm to Table (Equitable Communities Initiative)	200,000

Attachment B: 2022 Executive Expenditure Holds (by Department)		
<i>Details provided by the City Budget Office - 10.7.2022</i>		
Department	2022 Change Request	Total
Human Services Department Total		6,300,000
Law Department	LAW-100 - Criminal Case Management System (CCMS) Licensing and Maintenance	175,000
	LAW-106 - Civil Division Attorney Staffing	455,423
Law Department Total		630,423
Office of Arts and Culture	ARTS-003-B-002-2022 - Rescind ARTS-003-B-001, add \$1 million GF to ARTS for organizations that did not qualify for Shuttered Venue Operators Grant funding	500,000
	ARTS-004-B-001 - Add \$50,000 GF to ARTS to fund restoration and repainting of a community mural at N 63rd St. under Aurora Ave. and locating a free graffiti wall	25,000
Office of Arts and Culture Total		525,000
Office of Economic Development	OED-005-B-001 - Add \$50,000 payroll expense tax to OED to support new and emerging businesses in Lake City	25,000
	OED-CLFR7 - Maritime Workforce Development	25,000
Office of Economic Development Total		50,000
Office of Emergency Management	OEM-001-A-001 - Add \$100,000 GF to OEM for a community climate resilience plan	100,000
Office of Emergency Management Total		100,000
Office of Housing	OH-006-A-002 - Add \$200,000 GF to OH for the Home for Good Program	200,000
	OH-007-B-002 - Add \$250,000 GF to OH for pre-development costs for an affordable housing project at North Seattle College	250,000
Office of Housing Total		450,000
Office of Labor Standards	OLS-105a - Independent Contractor Legislation Resourcing	61,057
Office of Labor Standards Total		61,057
Seattle City Light	SCL-001-B-001 - Add \$160,00 GF to SCL for installation of new streetlights an impose a proviso	160,000
Seattle City Light Total		160,000
Seattle Department of Construction and Inspections	SDCI-007-C-001 - Add \$145,000 GF to SDCI for consultant support for a rental market study	144,814
Seattle Department of Construction and Inspections Total		144,814
Seattle Department of Human Resources	SDHR-101 - Restore Career Quest Scholarships and Implement Central Mentorship Tracking	150,000
	SDHR-102 - Reinstate the City Leadership Academy Program	249,239
	SDHR-104 Add position to support Community Service Preference Points	62,153

Attachment B: 2022 Executive Expenditure Holds (by Department)		
<i>Details provided by the City Budget Office - 10.7.2022</i>		
Department	2022 Change Request	Total
Seattle Department of Human Resources Total		461,392
Seattle Department of Transportation	SDOT-003-B-001-2022 - Add \$25,000 of GF to SDOT for adaptive cycle programs	25,000
	SDOT-112 - TNC Tax Funding for ReSET O&M Programs	150,000
	SDOT-209 - TNC Tax Funding for ReSET Capital Programs	400,000
	SDOT-210 - Center City Connector Project Development Update	2,400,000
Seattle Department of Transportation Total		2,975,000
Seattle Fire Department	SFD-104 - Triage Team Response Program	1,201,596
Seattle Fire Department Total		1,201,596
Seattle Information Technology Department	ITD-001-B-001 - Add \$250,000 GF to ITD for a Digital Navigators Program	250,000
	ITD-002-A-001 - Add \$300,000 GF to ITD for the Technology Matching Fund	200,000
Seattle Information Technology Department Total		450,000
Seattle Public Library	SPL 111 - Restore Operating Budget	300,000
	SPL-002-A-002 - Add \$1.7 million GF to the SPL to provide air conditioning as a climate adaptation measure in the Northeast and Southwest Branch Libraries	1,742,730
Seattle Public Library Total		2,042,730
Seattle Public Utilities	FG-005-B-001 - Add \$1 million GF to FG Reserves for two permanent public toilets, and add \$400,000 GF to SPU for temporary portable toilets	400,000
Seattle Public Utilities Total		400,000
Grand Total		19,773,275

Attachment C. 2023-2024 Proposed GF Expenditure Reductions

Department	2023			% of Base GF	2024			% of Base GF
	Ongoing	One-Time	Total		Ongoing	One-time	Total	
Office of Housing	(135,831)		(135,831)	-102.8%	(135,831)		(135,831)	-108.0%
Office of Arts and Culture	(1,400)		(1,400)	-100.0%	(1,400)		(1,400)	-100.0%
Finance General	(2,661,316)	(16,403,611)	(19,064,927)	-9.0%	(2,171,567)	(5,153,611)	(7,325,178)	-3.5%
Seattle Police Department	(14,951,504)	(13,605,496)	(28,557,000)	-7.8%	(12,123,504)	(11,605,496)	(23,729,000)	-6.4%
Department of Neighborhoods	(1,014,341)		(1,014,341)	-6.5%	(1,013,826)		(1,013,826)	-6.4%
Community Safety and Communications Center	(1,392,144)		(1,392,144)	-6.4%	(1,392,144)		(1,392,144)	-6.3%
Seattle Department of Construction and Inspections	(605,229)		(605,229)	-6.4%	(605,229)		(605,229)	-6.4%
Office of Planning and Community Development	(408,000)	(128,000)	(536,000)	-6.1%	(408,000)	(128,000)	(536,000)	-6.0%
Office of Economic Development	(585,987)		(585,987)	-5.0%	(585,987)		(585,987)	-5.0%
Seattle Department of Transportation	(912,485)	(1,861,230)	(2,773,715)	-4.0%	(942,093)	(1,718,829)	(2,660,922)	-3.8%
Human Services Department	(4,890,860)	(2,185,401)	(7,076,261)	-3.8%	(4,859,082)	(2,185,401)	(7,044,483)	-3.6%
Community Police Commission	(59,885)		(59,885)	-3.1%	(59,885)		(59,885)	-3.1%
Office of Emergency Management	(89,800)		(89,800)	-3.1%	(89,800)		(89,800)	-3.1%
Office of Inspector General for Public Safety	(117,965)		(117,965)	-3.1%	(117,965)		(117,965)	-3.1%
Seattle Municipal Court	(1,126,702)	(150,000)	(1,276,702)	-3.1%	(1,126,702)	(150,000)	(1,276,702)	-3.0%
City Attorney's Office	(1,242,240)		(1,242,240)	-3.0%	(1,242,240)		(1,242,240)	-3.0%
Department of Finance and Administrative Services	(1,044,671)	(327,544)	(1,372,215)	-2.8%	(1,042,328)	(327,544)	(1,369,872)	-2.8%
Seattle Department of Human Resources	(658,427)		(658,427)	-2.7%	(658,427)		(658,427)	-2.7%
Office of Sustainability and Environment	(200,513)		(200,513)	-2.6%	(200,513)		(200,513)	-2.6%
Office of Intergovernmental Relations	(68,000)		(68,000)	-2.1%	(68,000)		(68,000)	-2.1%
Department of Education and Early Learning	(400,000)		(400,000)	-2.5%	(200,000)		(200,000)	-1.3%
Seattle Fire Department	(1,342,596)	(2,500,000)	(3,842,596)	-1.4%	(1,342,596)		(1,342,596)	-0.5%
Office for Civil Rights		(92,014)	(92,014)	-1.2%		(93,298)	(93,298)	-1.2%
Seattle Center	(153,000)		(153,000)	-1.0%	(153,000)		(153,000)	-1.0%
Seattle Parks and Recreation	(28,071)		(28,071)	0.0%	(27,958)		(27,958)	0.0%
Seattle Public Library			-	0.0%			-	0.0%
Office of Labor Standards			-	0.0%			-	0.0%
City Budget Office			-	0.0%			-	0.0%
Civil Service Commissions			-	0.0%			-	0.0%
Ethics and Elections Commissions			-	0.0%			-	0.0%
Legislative Department			-	0.0%			-	0.0%
Office of Economic and Revenue Forecasts			-	0.0%			-	0.0%
Office of Hearing Examiner			-	0.0%			-	0.0%
Office of the City Auditor			-	0.0%			-	0.0%
Office of the Employee Ombud			-	0.0%			-	0.0%
Office of the Mayor			-	0.0%			-	0.0%
Seattle Public Utilities			-	0.0%			-	0.0%
Seattle Information Technology Department			-	0.0%			-	0.0%
Office of Immigrant and Refugee Affairs			-	0.0%			-	0.0%
Grand Total	(34,090,966)	(37,253,296)	(71,344,263)	-4.5%	(30,568,076)	(21,362,179)	(51,930,255)	-3.3%

Attachment C. 2023-2024 Proposed GF Expenditure Reductions

Department/Item	2023			2024		
	Ongoing	One-Time	Total	Ongoing	One-time	Total
Community Police Commission						
Internship Program Reduction	(32,044)		(32,044)	(32,044)		(32,044)
Non-personnel Reductions to Meet 3% Reduction	(27,841)		(27,841)	(27,841)		(27,841)
Community Police Commission - Subtotal	(59,885)		(59,885)	(59,885)		(59,885)
Community Safety and Communications Center						
Remove \$879k funding for 26 add'l positions	(879,219)		(879,219)	(879,219)		(879,219)
Assume Vacancy Rate of 2.6%	(512,925)		(512,925)	(512,925)		(512,925)
Community Safety and Communications Center - Subtotal	(1,392,144)	-	(1,392,144)	(1,392,144)	-	(1,392,144)
Department of Education and Early Learning						
General Fund Reduction - CCAP Program Savings	(400,000)		(400,000)	(200,000)		(200,000)
Department of Education and Early Learning - Subtotal	(400,000)	-	(400,000)	(200,000)	-	(200,000)
Department of Finance and Administrative Services						
Operations Reductions	(527,948)		(527,948)	(525,605)		(525,605)
Facility Maintenance and Nightlife Regulatory Enforcement Programming Reductions	(50,000)		(50,000)	(50,000)		(50,000)
City Finance Position Adjustments		(327,544)	(327,544)		(327,544)	(327,544)
City Finance Reductions	(466,723)		(466,723)	(466,723)		(466,723)
Department of Finance and Administrative Services - Subtotal	(1,044,671)	(327,544)	(1,372,215)	(1,042,328)	(327,544)	(1,369,872)
Department of Neighborhoods						
Shift Re-imagination and Recovery Funding from GF to PETF	(190,776)		(190,776)	(190,776)		(190,776)
Eliminate BLMSKC Property Lease Funding	(360,000)		(360,000)	(360,000)		(360,000)
Transfer DROF to OSE	(249,799)		(249,799)	(249,799)		(249,799)
Recognize Loss of WSBLE Funding from SDOT	(213,766)		(213,766)	(213,251)		(213,251)
Department of Neighborhoods - Subtotal	(1,014,341)		(1,014,341)	(1,013,826)		(1,013,826)
Finance General						
Appropriations to Special Funds	(2,661,316)	(16,403,611)	(19,064,927)	(2,171,567)	(5,153,611)	(7,325,178)
Finance General - Subtotal	(2,661,316)	(16,403,611)	(19,064,927)	(2,171,567)	(5,153,611)	(7,325,178)
Human Services Department						
Provider Contract Inflation - 4% Cap	(3,840,699)		(3,840,699)	(3,808,921)		(3,808,921)
Delay Full Implementation of Mobile Crisis Services Expansion		(1,783,290)	(1,783,290)		(1,783,290)	(1,783,290)
Reduce Funding for Public Awareness Campaign	(250,000)		(250,000)	(250,000)		(250,000)
Reduce Funding for Program Evaluation		(100,000)	(100,000)		(100,000)	(100,000)
Reduce Statewide Poverty Action Network Contract	(27,866)		(27,866)	(27,866)		(27,866)
Reduce Master Home Environmentalist Contract	(167,755)		(167,755)	(167,755)		(167,755)
Reduce Tax Preparation Assistance Contract	(100,192)		(100,192)	(100,192)		(100,192)
Youth Violence Program Data System	(87,348)		(87,348)	(87,348)		(87,348)
Reduce Funding Addressing Anti-Asian Hate Crimes	(167,000)		(167,000)	(167,000)		(167,000)
Reduce Restorative Justice Funding	(250,000)		(250,000)	(250,000)		(250,000)
Reduce Funding for Youth & Young Adult RFP Award		(177,111)	(177,111)		(177,111)	(177,111)
Reduce Seattle Neighborhood Group Contract		(125,000)	(125,000)		(125,000)	(125,000)
Human Services Department - Subtotal	(4,890,860)	(2,185,401)	(7,076,261)	(4,859,082)	(2,185,401)	(7,044,483)
Law Department						
Administration Division Target Reduction	(125,405)		(125,405)	(125,405)		(125,405)
Civil Division Target Reduction	(144,000)		(144,000)	(144,000)		(144,000)
Criminal Division Target Reduction	(144,000)		(144,000)	(144,000)		(144,000)
Abrogate Paralegal for Environmental MOA	(120,973)		(120,973)	(120,973)		(120,973)
Abrogation of Mayor's Office Counsel Position	(190,689)		(190,689)	(190,689)		(190,689)
Pre-Filing Diversion Program Contract Reduction	(294,225)		(294,225)	(294,225)		(294,225)
CCMS Project Costs Reallocation	(222,948)		(222,948)	(222,948)		(222,948)
Law Department - Subtotal	(1,242,240)		(1,242,240)	(1,242,240)		(1,242,240)
Office for Civil Rights						
Unfund Title VI Coordinator		(92,014)	(92,014)		(93,298)	(93,298)
Office for Civil Rights - Subtotal		(92,014)	(92,014)		(93,298)	(93,298)
Office of Arts and Culture						
Revenue Adjustment	(1,400)		(1,400)	(1,400)		(1,400)

Attachment C. 2023-2024 Proposed GF Expenditure Reductions

Office of Arts and Culture - Subtotal	(1,400)		(1,400)	(1,400)		(1,400)
Office of Economic Development						
Seattle Jobs Initiative Reduction	(100,000)		(100,000)	(100,000)		(100,000)
Workforce Development Realignment	(485,987)		(485,987)	(485,987)		(485,987)
Office of Economic Development - Subtotal	(585,987)		(585,987)	(585,987)		(585,987)
Office of Emergency Management						
OEM 2023 Budget Reduction	(89,800)		(89,800)	(89,800)		(89,800)
Office of Emergency Management - Subtotal	(89,800)		(89,800)	(89,800)		(89,800)
Office of Housing						
Oil to Electric Heat Conversions	(123,465)		(123,465)	(123,474)		(123,474)
GF Clean Up	(12,366)		(12,366)	(12,357)		(12,357)
Office of Housing - Subtotal	(135,831)		(135,831)	(135,831)		(135,831)
Office of Inspector General for Public Safety						
Reduction at 3%	(117,965)		(117,965)	(117,965)		(117,965)
Office of Inspector General for Public Safety - Subtotal	(117,965)		(117,965)	(117,965)		(117,965)
Office of Intergovernmental Relations						
Reduce State Lobbying Contracts	(68,000)		(68,000)	(68,000)		(68,000)
Office of Intergovernmental Relations - Subtotal	(68,000)		(68,000)	(68,000)		(68,000)
Office of Planning and Community Development						
Vacancy Rate Salary Savings	(128,000)		(128,000)	(128,000)		(128,000)
Replace GF Staffing Costs with FTA Grant Funding		(128,000)	(128,000)		(128,000)	(128,000)
Payroll Expense Tax Funding for EDI Labor	(280,000)		(280,000)	(280,000)		(280,000)
Office of Planning and Community Development	(408,000)	(128,000)	(536,000)	(408,000)	(128,000)	(536,000)
Office of Sustainability and Environment						
Oil Home Heating Conversions	(200,000)		(200,000)	(200,000)		(200,000)
Building Emissions Performance Standards	(513)		(513)	(513)		(513)
Office of Sustainability and Environment - Subtotal	(200,513)		(200,513)	(200,513)		(200,513)
Seattle Center						
Abrogate .5 FTE SA3 (6% G/F reduction)	(153,000)		(153,000)	(153,000)		(153,000)
Seattle Center - Subtotal	(153,000)		(153,000)	(153,000)		(153,000)
Seattle Department of Construction and Inspections						
GF Reduction – Fleets Budget Transfer	(80,415)		(80,415)	(80,415)		(80,415)
GF Reduction – Code Compliance Half-time Position	(68,829)		(68,829)	(68,829)		(68,829)
Change Funding Source for Eviction Legal Defense	(455,985)		(455,985)	(455,985)		(455,985)
Seattle Department of Construction and Inspections - Subtotal	(605,229)		(605,229)	(605,229)		(605,229)
Seattle Department of Human Resources						
Eliminate the City Leadership Academy Program	(250,539)		(250,539)	(250,539)		(250,539)
Eliminate 1.0 FTE Executive 3 pocket	(247,998)		(247,998)	(247,998)		(247,998)
Remove Alternative Dispute Resolution program from SDHR	(94,339)		(94,339)	(94,339)		(94,339)
Eliminate Community Preference Points Support Position	(65,551)		(65,551)	(65,551)		(65,551)
Indirect Cost Balancing - June submittal	(0)		(0)	(0)		(0)
Seattle Department of Human Resources - Subtotal	(658,427)		(658,427)	(658,427)		(658,427)
Seattle Department of Transportation						
Changes to Parking Revenues		(467,000)	(467,000)		(483,345)	(483,345)
Administrative Budget Reductions	(910,235)		(910,235)	(942,093)		(942,093)
General Fund Non-Labor Reductions Less than 15% of Program Budgets		(908,198)	(908,198)		(939,984)	(939,984)
General Fund Swap in Signal Maintenance		(295,500)	(295,500)		(295,500)	(295,500)
CIP Budget Reductions		(190,532)	(190,532)			
SDOT Debt Service Technical Adjustment	(2,250)		(2,250)	-		-
Seattle Department of Transportation - Subtotal	(912,485)	(1,861,230)	(2,773,715)	(942,093)	(1,718,829)	(2,660,922)
Seattle Fire Department						
Cut Triage Team Response Program	(1,201,596)		(1,201,596)	(1,201,596)		(1,201,596)
Abrogate Nurse Consultant	(141,000)		(141,000)	(141,000)		(141,000)
Overtime Savings		(2,500,000)	(2,500,000)			
Seattle Fire Department - Subtotal	(1,342,596)	(2,500,000)	(3,842,596)	(1,342,596)		(1,342,596)

Attachment C. 2023-2024 Proposed GF Expenditure Reductions

Seattle Municipal Court						
Reduce salary without abrogating corresponding positions	(275,953)		(275,953)	(275,953)		(275,953)
Eliminate vacant half-time Magistrate position	(89,126)		(89,126)	(89,126)		(89,126)
Eliminate 3 vacant Administrative Specialist 2 in Court Ops	(292,181)		(292,181)	(292,181)		(292,181)
Transfer of General Fund Positions to MCIS 2.0 Bond Fund		(150,000)	(150,000)		(150,000)	(150,000)
Reduce UA Testing by Half	(48,000)		(48,000)	(48,000)		(48,000)
Reduce Operating Expense Lines Items by Half	(100,000)		(100,000)	(100,000)		(100,000)
Eliminate a Vacant Administrative Specialist 2 Position Designated for a Diversity, Equity, Inclusion Strategic Advisor	(97,393)		(97,393)	(97,393)		(97,393)
Eliminate Probation Director Position	(224,049)		(224,049)	(224,049)		(224,049)
Seattle Municipal Court - Subtotal	(1,126,702)	(150,000)	(1,276,702)	(1,126,702)	(150,000)	(1,276,702)
Seattle Parks and Recreation						
Project Adjustments (Budget Neutral)	(28,071)		(28,071)	(27,958)		(27,958)
Seattle Parks and Recreation - Subtotal	(28,071)		(28,071)	(27,958)		(27,958)
Seattle Police Department						
SPD General Fund Reduction		(11,448,496)	(11,448,496)		(11,448,496)	(11,448,496)
OPA General Fund Reduction		(157,000)	(157,000)		(157,000)	(157,000)
Additional Salary Savings	(14,951,504)	(2,000,000)	(16,951,504)	(12,123,504)	-	(12,123,504)
Seattle Police Department - Subtotal	(14,951,504)	(13,605,496)	(28,557,000)	(12,123,504)	(11,605,496)	(23,729,000)
Grand Total	(34,090,966)	(37,253,296)	(71,344,263)	(30,568,076)	(21,362,179)	(51,930,255)

Attachment D. 2023-2024 Proposed GF Expenditure Increases

Department	2023			% of Base GF	2024			% of Base GF
	Ongoing	One-time	Total		Ongoing	One-time	Total	
Office of Hearing Examiner	92,186	1,900,000	1,992,186	171.3%	92,186	900,000	992,186	83.4%
Office of Housing		125,000	125,000	94.6%				0.0%
Civil Service Commissions	175,212		175,212	24.3%	175,212		175,212	23.6%
Seattle Public Utilities	4,728,364	195,000	4,923,364	20.9%	5,836,728	-	5,836,728	24.8%
Seattle Department of Transportation	11,682,312		11,682,312	16.7%	13,840,838		13,840,838	19.7%
Department of Finance and Administrative Services	6,779,563	9,600	6,789,163	13.7%	8,574,478		8,574,478	17.3%
Human Services Department	16,812,860	6,753,506	23,566,366	12.6%	21,710,544	335,000	22,045,544	11.3%
Office of the Mayor	500,953	650,000	1,150,953	12.4%	501,636	-	501,636	5.3%
Office of Planning and Community Development		667,500	667,500	7.6%		430,000	430,000	4.8%
Finance General	6,962,898	2,898,808	9,861,706	4.6%	11,485,776	3,476,087	14,961,863	7.1%
Seattle Police Department	14,296,019	2,055,000	16,351,019	4.5%	14,957,508		14,957,508	4.0%
Seattle Department of Construction and Inspections	297,031		297,031	3.1%	297,031		297,031	3.1%
Seattle Department of Human Resources	595,023		595,023	2.4%	595,023		595,023	2.4%
Community Police Commission	35,197		35,197	1.8%	35,197		35,197	1.8%
Seattle Parks and Recreation	1,963,960		1,963,960	1.7%	1,912,841		1,912,841	1.6%
Office of Economic Development	190,776		190,776	1.6%	190,776		190,776	1.6%
Office of Economic and Revenue Forecasts	10,626		10,626	1.5%	11,576		11,576	1.7%
City Attorney's Office	502,685	6,000	508,685	1.2%	504,020		504,020	1.2%
Seattle Municipal Court	284,649	187,000	471,649	1.1%	854,508	187,000	1,041,508	2.4%
Seattle Fire Department	303,102	2,199,093	2,502,195	0.9%	606,203		606,203	0.2%
Department of Education and Early Learning	142,951		142,951	0.9%	291,621		291,621	1.8%
Office for Civil Rights	51,731		51,731	0.7%	51,731		51,731	0.6%
Department of Neighborhoods	77,300		77,300	0.5%	77,300		77,300	0.5%
Seattle Center	4,392	70,529	74,921	0.5%	24,884	70,529	95,413	0.6%
Office of the City Auditor	10,000		10,000	0.4%	10,000		10,000	0.4%
Community Safety and Communications Center		-	-	0.0%		248,468	248,468	1.1%
Seattle Public Library			-	0.0%			-	0.0%
Office of Labor Standards			-	0.0%			-	0.0%
Office of Arts and Culture			-	0.0%			-	0.0%
City Budget Office			-	0.0%			-	0.0%
Ethics and Elections Commissions			-	0.0%			-	0.0%
Legislative Department			-	0.0%			-	0.0%
Office of Emergency Management			-	0.0%			-	0.0%
Office of Immigrant and Refugee Affairs			-	0.0%			-	0.0%
Office of Inspector General for Public Safety			-	0.0%			-	0.0%
Office of Intergovernmental Relations			-	0.0%			-	0.0%
Office of Sustainability and Environment			-	0.0%			-	0.0%
Seattle Information Technology Department			-	0.0%			-	0.0%
Office of the Employee Ombud			-	0.0%			-	0.0%
Grand Total	66,499,790	17,717,036	84,216,827	5.4%	82,637,616	5,647,084	88,284,700	5.5%

Attachment D. 2023-2024 Proposed GF Expenditure Increases

Department/ Item	2023			2024		
	Ongoing	One-time	Total	Ongoing	One-time	Total
Civil Service Commissions						
Strategic Advisor to increase capacity and improve services	175,212		175,212	175,212		175,212
Civil Service Commissions - Subtotal	175,212		175,212	175,212		175,212
Community Police Commission						
Executive Assistant Salary Adjustment	35,197		35,197	35,197		35,197
Community Police Commission - Subtotal	35,197		35,197	35,197		35,197
Community Safety and Communications Center						
CSCC Versaterm Compatibility		-	-		153,539	153,539
Improve Fire CAD to CSCC CAD Compatibility		-	-		94,929	94,929
Community Safety and Communications Center - Subtotal		-	-		248,468	248,468
Department of Education and Early Learning	142,951		142,951	291,621		291,621
Contract Inflation	142,951		142,951	291,621		291,621
Department of Education and Early Learning - Subtotal	142,951		142,951	291,621		291,621
Department of Finance and Administrative Services						
Online Licensing Portal (Accela) Resources	354,500		354,500	354,500		354,500
Unified Care Team Customer Service Support	209,832	9,600	219,432			
Increase to Jail Services	2,900,000		2,900,000	3,900,000		3,900,000
Increase to Indigent Defense Services	3,000,000		3,000,000	4,000,000		4,000,000
Park District Animal Control Officer Positions	315,231		315,231	319,978		319,978
Department of Finance and Administrative Services - Subtotal	6,779,563	9,600	6,789,163	8,574,478		8,574,478
Department of Neighborhoods						
Provide Program Expenses for Indigenous Advisory Council	27,300		27,300	27,300		27,300
Revenue adjustments	50,000		50,000	50,000		50,000
Department of Neighborhoods - Subtotal	77,300		77,300	77,300		77,300
Finance General						
Update Recurring Reserve Amounts	1,393,000	(791,192)	601,808	2,383,000	(213,913)	2,169,087
Transfer to Judgment and Claims Fund		3,200,000	3,200,000		3,200,000	3,200,000
Debt Service Adjustment	2,777,608		2,777,608	4,423,581		4,423,581
City Hall Security Reserve		490,000	490,000		490,000	490,000
Insurance Premium Cost Increase	2,083,340		2,083,340	3,083,340		3,083,340
Reserve for Alternative 911 Response	708,950		708,950	1,595,855		1,595,855
Finance General - Subtotal	6,962,898	2,898,808	9,861,706	11,485,776	3,476,087	14,961,863
Human Services Department						
Seattle Community Safety Initiative	4,318,786		4,318,786	4,487,219		4,487,219
Continued Funding for Finance Capacity	486,720		486,720	486,720		486,720
Continue Sr. Finance Analyst Position for Safe Communities BSL	148,690		148,690	148,690		148,690
Continue Sr. Grants & Contracts Specialist for Safe Communities BSL	118,894		118,894	118,894		118,894
Northwest Abortion Access	250,000		250,000	250,000		250,000
System Navigators Team Expansion	979,733		979,733	979,733		979,733
Healthy Seattle Initiative – Community Health Workers		335,000	335,000		335,000	335,000
Group Violence Intervention Technical Consultant		50,000	50,000			
King County Regional Peacekeepers	1,500,000		1,500,000	1,500,000		1,500,000
Strategic Advisor for Victim Support Advocate	176,186		176,186	176,186		176,186
Strategic Advisor for Case Conferencing	176,186		176,186	176,186		176,186
Continue Funding for Southend THV	750,022		750,022	779,273		779,273
Sustain Funding for SODO Shelter in 2024				4,700,000		4,700,000
McKinney/CoC Contract Inflation		643,506	643,506		-	-
Unified Care Team Support	295,053	5,000	300,053	295,053		295,053
Continue one-time funding for operations at Camp Second Chance THV	498,000		498,000	498,000		498,000
Maintain LEAD/CoLEAD services and open Tiny House Villages for CoLEAD Clients	1,250,000	1,250,000	2,500,000	1,250,000		1,250,000
Start-Up and Operating Costs for 50 new THV units	1,520,000	870,000	2,390,000	1,520,000		1,520,000
Increase Capacity for the Crime Survivors Services Unit	325,565		325,565	325,565		325,565
Senior Meal Delivery	100,000		100,000	100,000		100,000
Equity Action Plan	250,000		250,000	250,000		250,000
Programing and Operations for Safe Lots	3,375,000		3,375,000	3,375,000		3,375,000
Capital Funding for Seattle Indian Health Board Detox Facility		800,000	800,000			
Rise Above		200,000	200,000			

Attachment D. 2023-2024 Proposed GF Expenditure Increases

Continue 2022 Q2 Supplemental Changes	294,025		294,025	294,025		294,025
Safe Parking - Stand Up		2,600,000	2,600,000			
Human Services Department - Subtotal	16,812,860	6,753,506	23,566,366	21,710,544	335,000	22,045,544
Law Department						
Increased Staffing for Domestic Violence Unit	315,290	4,000	319,290	315,290		315,290
Add Victim Advocate - Non Domestic Violence	116,517	2,000	118,517	116,517		116,517
Office of Housing MOA - Add Paralegal	70,877		70,877	72,212		72,212
Law Department - Subtotal	502,685	6,000	508,685	504,020		504,020
Office for Civil Rights						
Appropriation for Position Reclassification	51,731		51,731	51,731		51,731
Office for Civil Rights - Subtotal	51,731		51,731	51,731		51,731
Office of Economic and Revenue Forecasts						
Expenditure Adjustments	10,626		10,626	11,576		11,576
Office of Economic and Revenue Forecasts - Subtotal	10,626		10,626	11,576		11,576
Office of Economic Development						
Venue Services Coordinator	190,776		190,776	190,776		190,776
Office of Economic Development - Subtotal	190,776		190,776	190,776		190,776
Office of Hearing Examiner						
Case Management Replacement	92,186	1,900,000	1,992,186	92,186	900,000	992,186
Office of Hearing Examiner - Subtotal	92,186	1,900,000	1,992,186	92,186	900,000	992,186
Office of Housing		125,000	125,000			
Multifamily Electrification Fine		25,000	25,000			
Pre-development costs for affordable housing projects		100,000	100,000			
Office of Housing - Subtotal		125,000	125,000	-	-	-
Office of Planning and Community Development						
Equitable Development Initiative CDBG Allotment 2023 and 2024		430,000	430,000		430,000	430,000
Formula Grant from Dept of Commerce for Growth Management Act update		162,500	162,500			
Census Challenge Consultant		75,000	75,000			
Office of Planning and Community Development - Subtotal		667,500	667,500		430,000	430,000
Office of the City Auditor						
Retention/Equity Increase for Utilities Auditor	10,000		10,000	10,000		10,000
Office of the City Auditor - Subtotal	10,000		10,000	10,000		10,000
Office of the Mayor					-	
Align Budget with Anticipated Costs	282,264		282,264	282,947		282,947
Transfer Mayor's Counsel position from LAW to MO	190,689		190,689	190,689		190,689
2023 Casey Family Programs grant to support public safety		650,000	650,000		-	-
Mayor's Fellow Program	28,000		28,000	28,000		28,000
Office of the Mayor - Subtotal	500,953	650,000	1,150,953	501,636	-	501,636
Seattle Center						
Add General Fund to BSL BO-SC-65000 McCaw Hall	4,392		4,392	24,884		24,884
Balancing Campus Revenues & Expenses		70,529	70,529		70,529	70,529
Seattle Center - Subtotal	4,392	70,529	74,921	24,884	70,529	95,413
Seattle Department of Construction and Inspections						
Economic Displacement Relocation Ordinance Payouts	50,000		50,000	50,000		50,000
Add Inspections Capacity in Code Compliance	54,961		54,961	54,961		54,961
Overhead Technical Adjustment	192,070		192,070	192,070		192,070
Seattle Department of Construction and Inspections - Subtotal	297,031		297,031	297,031		297,031
Seattle Department of Human Resources						
2022 Added Positions for SPD Recruitment & Hiring Services	595,023		595,023	595,023		595,023
Seattle Department of Human Resources - Subtotal	595,023		595,023	595,023		595,023
Seattle Department of Transportation						
SDOT Staffing Needed to Support Existing Commitments	-		-	-		-
Clean Seattle SDOT Investments	3,621,866		3,621,866	3,621,866		3,621,866
TNC Support for Debt Service	5,745,344		5,745,344	6,034,053		6,034,053
2022 Q2 Supplemental Ongoing O&M Items	103,110		103,110	103,110		103,110

Attachment D. 2023-2024 Proposed GF Expenditure Increases

2022 Q2 Supplemental AWI Increment	960,739		960,739	960,739		960,739
SDOT O&M Technical Adjustment	1,251,253		1,251,253	3,121,070		3,121,070
Seattle Department of Transportation - Subtotal	11,682,312		11,682,312	13,840,838		13,840,838
Seattle Fire Department						
Add funding for 30 additional FF recruits		2,199,093	2,199,093			
Add funding for additional paramedic students	303,102		303,102	606,203		606,203
Seattle Fire Department - Subtotal	303,102	2,199,093	2,502,195	606,203		606,203
Seattle Municipal Court						
TCIA Transfer to Add OCM Strategic Advisor		187,000	187,000		187,000	187,000
MCIS 2.0/C-Track O&M Costs	141,258		141,258	704,861		704,861
Judicial Salary Technical Adjustment	27,650		27,650	27,650		27,650
Fully Fund Mental Health Clinician Contract With King County	115,741		115,741	121,997		121,997
Seattle Municipal Court - Subtotal	284,649	187,000	471,649	854,508	187,000	1,041,508
Seattle Parks and Recreation						
SAAM Agreement Inflation	25,000		25,000	25,000		25,000
Zoo Agreement Inflation	368,000		368,000	316,000		316,000
Utilities and Enhanced Maintenance	1,242,889		1,242,889	1,243,883		1,243,883
City Hall Park planning & activation	300,000		300,000	300,000		300,000
Position Adjustments (Budget Neutral)	28,071		28,071	27,958		27,958
Seattle Parks and Recreation - Subtotal	1,963,960		1,963,960	1,912,841		1,912,841
Seattle Police Department						
Recruitment and Retention Initiatives	4,202,030	50,000	4,252,030	4,869,268		4,869,268
Mental Health Practitioner	490,591		490,591	486,648		486,648
Relational Policing	441,143	5,000	446,143	442,223		442,223
Gunfire Detection System	1,000,000		1,000,000	1,000,000		1,000,000
Police Equipment	780,000	550,000	1,330,000	780,000		780,000
Data Analytics, Compliance and Enterprise Risk Management	1,500,000	1,450,000	2,950,000	1,500,000		1,500,000
OPA Assistant Counsel & Legal Writer	168,290		168,290	164,401		164,401
SPMA Annual Wage Increases	2,731,307		2,731,307	2,731,307		2,731,307
Harbor Patrol Augmentation	250,000		250,000	250,000		250,000
Transfer 1.0 FTE from ITD to SPD	132,658		132,658	133,661		133,661
Add Overtime for Special Events, Patrol Augmentation and Emphasis Patrols	2,600,000		2,600,000	2,600,000		2,600,000
Seattle Police Department - Subtotal	14,296,019	2,055,000	16,351,019	14,957,508		14,957,508
Seattle Public Utilities						
Clean Cities Fleets		195,000	195,000		-	-
Clean City Graffiti Abatement FTEs	441,382		441,382	460,821		460,821
Technical Adjustments	2,241,982		2,241,982	3,330,907		3,330,907
Unified Care Team Appropriations for Seattle Public Utilities	2,045,000		2,045,000	2,045,000		2,045,000
Seattle Public Utilities - Subtotal	4,728,364	195,000	4,923,364	5,836,728	-	5,836,728
Grand Total	66,499,790	17,717,036	84,216,827	82,637,616	5,647,084	88,284,700

Attachment E. 2023-2024 Proposed GF Expenditures Net Change

Department	2023				2024			
	Cut	Shift	Add	Total	Cut	Shift	Add	Total
Office of Hearing Examiner	-		1,992,186	1,992,186	-		992,186	992,186
Office of Arts and Culture	(1,400)		-	(1,400)	(1,400)		-	(1,400)
Office of Housing	(135,831)		2,395,529	2,259,699	(135,831)		2,301,214	2,165,383
Civil Service Commissions	-		175,212	175,212	-		175,212	175,212
Seattle Public Utilities	-		4,923,364	4,923,364	-		5,836,728	5,836,728
Seattle Department of Transportation	(2,773,715)	(19,987,262)	11,682,312	(11,078,665)	(2,660,922)	(20,545,145)	13,840,838	(9,365,229)
Department of Finance and Administrative Services	(1,372,215)		6,908,441	5,536,226	(1,369,872)		8,692,279	7,322,408
Human Services Department	(7,076,261)		24,427,913	17,351,653	(7,044,483)		22,907,091	15,862,608
Office of the Mayor	-		1,150,953	1,150,953	-		501,636	501,636
Office of Planning and Community Development	(536,000)		667,500	131,500	(536,000)		430,000	(106,000)
Finance General	(19,064,927)		9,861,706	(9,203,221)	(7,325,178)		14,961,863	7,636,685
Seattle Police Department	(28,557,000)	20,346,939	16,351,019	8,140,958	(23,729,000)	20,906,718	14,957,508	12,135,226
Seattle Department of Construction and Inspections	(605,229)		297,031	(308,198)	(605,229)		297,031	(308,198)
Seattle Department of Human Resources	(658,427)		595,023	(63,403)	(658,427)		595,023	(63,403)
Community Police Commission	(59,885)		35,197	(24,688)	(59,885)		35,197	(24,688)
Seattle Parks and Recreation	(28,071)		1,963,960	1,935,889	(27,958)		1,912,841	1,884,883
Office of Economic Development	(585,987)		782,565	196,578	(585,987)		582,565	(3,422)
Office of Economic and Revenue Forecasts	-		10,626	10,626	-		11,576	11,576
City Attorney's Office	(1,242,240)	(290,770)	508,685	(1,024,325)	(1,242,240)	(290,770)	504,020	(1,028,990)
Seattle Municipal Court	(1,276,702)		471,649	(805,053)	(1,276,702)		1,041,508	(235,194)
Seattle Fire Department	(3,842,596)		2,502,195	(1,340,401)	(1,342,596)		606,203	(736,393)
Department of Education and Early Learning	(400,000)		142,951	(257,049)	(200,000)		291,621	91,621
Office for Civil Rights	(92,014)		51,731	(40,283)	(93,298)		51,731	(41,567)
Department of Neighborhoods	(1,014,341)		249,001	(765,339)	(1,013,826)		249,001	(764,824)
Seattle Center	(153,000)		74,921	(78,079)	(153,000)		95,413	(57,587)
Office of the City Auditor	-		10,000	10,000	-		10,000	10,000
Community Safety and Communications Center	(1,392,144)	(67,423)	-	(1,459,567)	(1,392,144)	(67,423)	248,468	(1,211,099)
City Budget Office	-		818,974	818,974	-		1,169,397	1,169,397
Ethics and Elections Commissions	-		-	-	-		-	-
Legislative Department	-		200,000	200,000	-		200,000	200,000
Office of Emergency Management	(89,800)		-	(89,800)	(89,800)		-	(89,800)
Office of Immigrant and Refugee Affairs	-		-	-	-		-	-
Office of Inspector General for Public Safety	(117,965)		-	(117,965)	(117,965)		-	(117,965)
Office of Intergovernmental Relations	(68,000)		-	(68,000)	(68,000)		-	(68,000)
Seattle Public Library	-		-	-	-		-	-
Office of Labor Standards	-		-	-	-		-	-
Office of Sustainability and Environment	(200,513)		328,524	128,011	(200,513)		347,377	146,864
Seattle Information Technology Department	-		-	-	-		-	-
Office of the Employee Ombud	-		-	-	-		-	-
Total	(71,344,263)	1,484	89,579,170	18,236,391	(51,930,255)	3,380	93,845,528	41,918,653

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

Administration

The JumpStart Fund policies allocate up to five percent of revenues for administration and evaluation expenses associated with implementing and administering the JumpStart Fund. Consistent with the JumpStart Fund policies, the 2023-2024 Proposed Budget transfers funds from the JumpStart Fund to the GF for these purposes. The Proposed Budget allocates about four percent of the JumpStart funds, after deducting the authorized transfer from the JumpStart fund for GF purposes, to this category. Table A provides details about how those funds are allocated across City departments, which includes both departments that are responsible for implementing specific programs and services supported by the JumpStart Fund and those internal service departments (e.g., SDHR).

The proposed allocation for administration is below the maximum allowed per the existing policies and therefore staff did not identify any issues with these proposed expenditures. However, if JumpStart revenues decline in future years, or if an increased level of JumpStart revenues are used in the future to balance the GF, the positions supported by funds under the administration category would no longer be justified.

Table A: JumpStart Administration and Evaluation Spending Category

	2023 Proposed	2024 Proposed
FG (JumpStart Fund Transfer to the GF)	(\$8,603)¹	(\$8,809)
City Budget Office	\$818,974	\$1,169,397
Additional Staffing Capacity with New Funds	\$309,550	\$309,550
JumpStart Evaluation Staff and Capacity	\$509,424	\$509,424
Transition of CLFR Eval Staff in 2024 Endorsed to JumpStart Fund	-	\$350,424
Department of Finance and Administrative Services	\$119,278	\$117,801
FAS Administrative Support with Alternative Funding	\$119,278	\$117,801
Department of Neighborhoods	\$576,272	\$768,460
Funding Source Correction for Position in Base Budget	\$171,701	\$171,701
Citywide Adjustments for Standard Cost Changes	\$67,099	\$259,286
Appropriations for 2022 Annual Wage Increase (AWI)	\$337,472	\$337,472
Finance General	\$352,797	\$364,664
Appropriations to Special Funds for FAS Admin Work	\$352,797	\$364,664
Legislative Department	\$200,000	\$200,000
Leg JumpStart Policy Work	\$200,000	\$200,000
Office of Economic Development	\$591,790	\$391,790
JumpStart Programs - Administration	\$591,790	\$391,790
Office of Housing	\$2,270,529	\$2,301,214
Continuation of 2022 Stand Alone Staffing Legislation	\$2,270,529	\$2,301,214
Office of Sustainability and Environment	\$328,524	\$347,377
Add Finance and Budget Capacity	\$186,186	\$186,186
Funding and Staffing Support for Climate Justice	\$142,338	\$161,191
Seattle Department of Human Resources	\$861,547	\$861,547
JumpStart Resources for SDHR	\$861,547	\$861,547
General / Central Costs (FG)	\$2,483,102	\$2,286,938
Total	\$8,602,813	\$8,809,188

¹ Includes a baseline adjustment related to DON.

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

Housing and Services

The JumpStart Fund policies allocate 62 percent of revenues for investments in affordable housing and services. The guidance specifies that these investments should be allocated to three subcategories as follows:

- 82 percent for acquisition and development of affordable rental housing (including services);
- 13 percent for acquisition and development of affordable rental housing in areas at risk of displacement; and
- 5 percent for investments in affordable homeownership in areas at risk of displacement.

The Proposed Budget allocates a total of \$138.2 million in 2023 and \$141 million in 2024 of JumpStart Funds for investments in housing and services. Most of the funds are included in the Office of Housing's (OH) 2023-2024 Proposed Budget. As described in the OH Budget Overview Paper, that will be discussed at the October 12 meeting of the Budget Committee, the Proposed Budget does not include the correct distribution of funds within OH's budget. Since transmittal, Executive staff have confirmed this was not an intentional change in policy and worked with Central Staff to identify the correct allocations; Central Staff will work with the Budget Chair on a technical amendment.

In addition to the proposed expenditures within the Housing and Services category in OH's budget, there is a proposal to use JumpStart Funds to supplant an ongoing GF expenditure in the Seattle Department of Construction and Inspections' budget for tenant services. The policy guiding investments in the Housing and Services spending category specify that those funds are for: investments in capital costs associated with the acquisition and construction of affordable rental housing, operating and service costs for those units, to support affirmative marketing efforts and development and implementation of community preference plans and for investments to construct or acquire permanently affordable homeownership opportunities. Tenant services is not listed as an eligible use of the JumpStart funds allocated for housing and services. Further, the JumpStart Fund is not allowed to supplant other funding sources. Please see issues 9 and 10 in the memo for options to consider.

Green New Deal

The JumpStart Fund policies allocate nine percent of revenues for investments that advance Seattle's Green New Deal as described in [Resolution 31895](#), adopted by the Council in September 2019. The goals of the Green New Deal are to:

- A. Make Seattle free of climate pollutants, meaning those that cause shifts in climate patterns, including carbon dioxide, black carbon, methane, nitrogen oxides, and fluorinated gases, by 2030;
- B. Prioritize investment in communities historically most harmed by economic, racial, and environmental injustice;
- C. Advance an equitable transition from an economy based on extraction and exploitation to one based on regeneration and cooperation, ensuring that those with the least amount of power and wealth are positioned to lead during this transition and are not left behind; and
- D. Create stable, well-paying jobs that prioritize local hire and are protected by Project Labor Agreements and Labor Harmony Agreements to ensure high-quality work and fair treatment of workers.

As companion legislation to the resolution establishing the goals for the Green New Deal, the Council also passed [Ordinance 125926](#) to create a Green New Deal Oversight Board (Board) that would monitor

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

progress towards meeting the goals of Seattle’s Green New Deal. Due to the expansive nature of the Green New Deal, which intersects with myriad issues (e.g., energy sources, housing, land use and buildings, transportation, workforce development), a key task for the Board was to narrow the scope and provide the City with budget recommendations that support these priorities. In June 2022, the Board released its [budget recommendations](#) and Table B below presents their criteria for prioritizing the use of JumpStart Green New Deal funds.

Table B. Green New Deal Oversight Board budget prioritization criteria

Criterion	Description
Equity	- The activity is likely to reduce environmental, health, and economic disparities linked to the root causes and impacts of climate change. - The activity should focus on ensuring benefits for frontline communities in focus areas as defined by the Green New Deal Oversight Board. - The activity is led by organizations with authentic connections to the community that is the focus of the activity. The organization’s leadership and staff reflect the culture and demographics of the focus community and seek to incorporate feedback from the community it serves.
Community Interest	The activity is appropriate for or can be adapted to fit the needs, assets, and preferences of frontline communities.
Impact	- The issue or activity is likely to exert a sustained, powerful positive influence on the desired outcomes of the Green New Deal. - The issue or activity is likely to lay the groundwork for impactful policies, programs, projects, or additional investments that inform longer term and sustained efforts. - The issue or activity activates key industries, sectors, and institutions to contribute to and support the long-term work of advancing the goals of a Green New Deal. - The issue or activity has a meaningful effect on people it reaches and reaches many people in the focus population (impact = reach x effect). - Information is available to show that the activity is effective (“it works to produce the desired outcome”). Information can include data and experience from community activities such as participatory research, program evaluations, traditional Indigenous science & knowledge etc.
Builds Capacity	- The activity builds and strengthens the capacity of community leaders, organizations, the Oversight Board, and city staffing to lead, develop, implement, and sustain solutions to improve economic, health and environmental outcomes linked to addressing the root causes and impacts of climate change. - Addresses current gap, need and/or builds on community assets. - The activity complements existing activities – it fills a gap in existing activities and does not duplicate existing activities, or the activity builds on existing community assets.
Feasibility	- The resources from the GND allocation of the JumpStart Fund are sufficient to support the activity. - The expertise to implement the activity exists among those likely to conduct the activity. - The program or project is scalable.

Appendix 1 is a crosswalk between the Board’s budget recommendations, the appropriations included in the Green New Deal Opportunity Fund ([Ordinance 126675](#)) passed by the Council in September 2022, related items in the 2022 Adopted Budget, and Green New Deal investments in the 2023 Proposed Budget.

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

Table C shows the list of all proposed appropriations identified as JumpStart Green New Deal efforts, which total \$20.7 million in 2023.

Table C: JumpStart Green New Deal Spending Category

		2023 Proposed	2024 Proposed
DEPT	Economic Revitalization	20,731	20,826
FAS	Debt Service Payments for Bond Financed Electric Vehicle Capital Projects	\$147	\$1,286
FAS	Charles Street Fleet Hub Electrification	\$500	\$0
OED	Downtown Mobility Study	\$350	\$0
OH	Oil to Electric Heat Conversions	\$1,851	\$1,879
OPCD	Sound Transit 3 Staffing	\$162	\$162
OSE	Appropriations for 2022 Annual Wage Increase (AWI)	\$4	\$4
OSE	Tree Canopy Equity & Resilience Plan	\$150	\$0
OSE	Climate Justice Workforce Development Advisor	\$160	\$186
OSE	Continue Duwamish Green Workforce and Business Support	\$200	\$400
OSE	Citywide Climate Transportation & Electrification Position Transfer	\$222	\$223
OSE	Duwamish River Opportunity Fund Transfer	\$250	\$250
OSE	Greening Industrial Properties in Equity Focus Areas	\$300	\$300
OSE	Continue Environmental Justice Fund Increase	\$550	\$550
OSE	Oil Home Heating Conversions	\$800	\$803
OSE	Building Emissions Performance Standards	\$829	\$5,797
OSE	Continue Clean Energy PreApprenticeship Scholarships	\$1,000	\$1,000
OSE	Incentives for Heavy Duty Electric Vehicles	\$1,000	\$1,000
OSE	OSE Building Performance Standards Application	\$1,981	\$2,015
SDOT	City Planning Efforts for Sound Transit's WSBLE Project	\$2,555	\$4,250
SPL	Library Branch Resilience Hubs	\$3,500	\$0
SPR	Climate Resilience Hubs + Climate Conscious Buildings	\$3,500	\$0
OSE	Other	\$720	\$720
FAS	Debt Service Payments for Bond Financed Electric Vehicle Capital Projects	\$147	\$1,286
FAS	Charles Street Fleet Hub Electrification	\$500	\$0
OED	Downtown Mobility Study	\$350	\$0
OH	Oil to Electric Heat Conversions	\$1,851	\$1,879
OPCD	Sound Transit 3 Staffing	\$162	\$162

While most of the proposed investments in the 2023-2024 Proposed Budget have a clear nexus with the goals of the Green New Deal and the Board's recommendations and prioritization criteria, several items do not have obvious alignment, specifically:

- \$350,000 (one-time) in 2023 to OED for downtown mobility planning outreach.

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

- \$162,000 in 2023 and 2024 to the Office of Planning and Community Development for three-year term-limited 1.0 FTE Strategic Advisor 1 to support planning efforts related to the West Seattle Ballard Link Light Rail Extensions (WSBLE) project.
- \$2.55 million in 2023 and \$4.16 million in 2024 to the Seattle Department of Transportation to fund 12.0 FTE to support the WSBLE project's station area planning and design, community engagement, environmental review, and efforts to streamline the permitting process.

The Board did not identify transportation planning generally, or the WSBLE project specifically, as a funding priority for 2023. Additionally, it is unclear how these investments would accelerate Seattle's efforts to reduce climate emissions in the near term, nor do they focus on prioritizing people or neighborhoods that have experienced disproportionate environmental harms or risks due to the cumulative impacts from multiple stressors that have resulted from historic and ongoing economic, racial, and environmental injustices.

The proposed funding for the WSBLE project may be appropriately scaled for this massive long-term effort (see the SDOT Budget Overview Paper for additional discussion), but the proposed use of JumpStart Green New Deal funds may not be consistent with existing policy. While the WSBLE project will impact priority communities (e.g., Chinatown-International District and Delridge) and also expand transit access and increase opportunities for transit-oriented development (in alignment with actions identified in Resolution 31895), the proposed use of JumpStart Fund support would provide wide-ranging support for the City's planning and preparation efforts that extend well beyond those communities and actions.

The proposed use of the JumpStart Fund for the WSBLE project would dedicate 13.1 percent of JumpStart Green New Deal funds in 2023 and 20.9 percent in 2024 for this purpose. Further, the financial plan for the JumpStart Payroll Expense Tax shows that funding for this effort is anticipated to increase to \$6.5 million in 2025, which would commit 21.8 percent of anticipated revenues for Green New Deal investments to this purpose, assuming JumpStart Fund policies revert to the original allocations. Using this amount of JumpStart Green New Deal funds for the WSBLE project over the next few years would reduce the amount of funding available to scale up existing programs or establish new community-led initiatives to reduce greenhouse gas emissions or otherwise address the needs of priority communities.

If the Council rejects this interpretation of the priorities for the Green New Deal, the options are either to identify an alternative source of funds, or to reduce or eliminate proposed funding for downtown mobility planning and outreach and WSBLE project support.

Options:

1. Reject the proposed use of JumpStart Funds for uses that do not align with Green New Deal priorities and:
 - a. Find an alternative source of funds for these proposed appropriations; or
 - b. Reduce or eliminate proposed appropriations for these uses.
2. No change.

Economic Revitalization

The JumpStart Fund policies state that "fifteen percent of the annual JumpStart Fund revenue total is to support local businesses and tourism to spur the local economic recovery, and to provide economic stability for the city's workforce." Related, the 2022 Adopted Budget included \$650,000 of JumpStart Fund appropriations to the Office of Economic Development (OED) to develop an Economic

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

Revitalization Implementation Plan and a Workforce Development Strategic Plan to guide the use of JumpStart Payroll Expense Tax revenues allocated for economic revitalization. The development of these plans is underway and will be completed in 2023.

As the first phase of this effort, OED contracted with a consultant to engage with its partner organizations to assess what they believe the City's priorities for inclusive economic growth should be (see the OED Budget Overview Paper for more information about feedback from OED's partner organizations). In order of priority, these organizations identified the following key areas:

1. Investing in **Talent and Building our Workforce** including diversifying talent pipelines and creating internships and apprenticeships for early career workers.
2. Support **Women and Minority-Owned Businesses (WMBE)** access to early-stage capital, creating contracting opportunities with large employers, and training and support.
3. **Small Business Supports** including ensuring affordable commercial real estate, access to capital, and improving neighborhood facilities where small businesses operate.
4. **Asset Ownership** includes enabling BIPOC business owners to purchase leased property.
5. **Place-based Investments** including investing in downtown revitalization and neighborhood commercial corridors.
6. **Inclusive Employer Practices** include identifying career pathways for employee advancement and setting clear, measurable diversity, equity, and inclusion goals.
7. **Growing Business and Industry** including identifying business locations and building innovative industry clusters.

Table C shows the list of all proposed appropriations identified as JumpStart Economic Revitalization efforts, which total \$32.6 million in 2023. Half of this funding would be appropriated to OED and the remainder would be appropriated to nine other departments and Finance General.

Table D: JumpStart Economic Revitalization Spending Category

		2023 Proposed	2024 Proposed
DEPT	Economic Revitalization	\$32,655	\$34,123
CBO	Affordable Seattle Expansion and Fund Change	\$290	\$465
CEN	Economic Revitalization	\$100	\$100
DEEL	Child Care Hiring and Retention Bonuses	\$5,300	\$0
DON	Shift Reimagination and Recovery Funding from GF to JumpStart	\$191	\$191
FAS	One Seattle Day of Service	\$250	\$250
FAS	Women and Minority Owned Business Technical Assistance	\$300	\$300
FG	Reserve for MO Equitable Economic Opportunity Program	\$1,850	\$0
FG	Economic Revitalization Strategy Implementation Reserve	\$0	\$13,100
HSD	Continued Funding for ReEntry Programs for BIPOC Communities	\$1,400	\$1,400
HSD	Facility Funding for Rainier Valley Early Learning Campus	\$5,000	\$0
ITD	Affordable Seattle/CiviForm Expansion and Fund Change	\$548	\$1,042
OED	Special Event and Film Permit Review	\$150	\$150
OED	Cannabis Needs Assessment	\$200	\$0

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

		2023 Proposed	2024 Proposed
OED	Seattle Sports Commission	\$200	\$0
OED	Seattle Export Accelerator Initiative	\$250	\$250
OED	Seattle Jobs Center	\$250	\$750
OED	Workforce Development Council	\$250	\$250
OED	Affordable Seattle Expansion	\$312	\$312
OED	Language Access and Outreach	\$333	\$333
OED	Workforce Development Realignment	\$500	\$500
OED	Centralized Contracts Team	\$672	\$672
OED	Business Technical Assistance	\$800	\$800
OED	Small Business Development Capital	\$2,750	\$2,750
OED	Downtown and Neighborhood Economic Recovery	\$2,775	\$2,775
OED	Commercial Affordability	\$7,000	\$7,000
OIRA	Workforce Policy and Partnerships Manager	\$163	\$163
OPCD	Regional Growth Center Subarea Plans	\$821	\$571

Because the Economic Revitalization Implementation and Workforce Development Strategic plans was not completed prior to the release of the 2023-2024 Proposed Budget, OED established guiding principles to evaluate proposed JumpStart Economic Revitalization investments in 2023, as follows:

- Investments should sustain existing critical and successful programs and services that support economic revitalization.
- Investments should emphasize equity and support of BIPOC and other communities disproportionately impacted by COVID-19.
- Investments should emphasize systems development or systems change, should catalyze or leverage other investment, and should not primarily support ongoing program operational costs.
- Investments should support innovation or fill service gaps not being funded by other sources.
- Investments consider potential impact of downside risks to other ongoing City-sponsored economic revitalization investments and/or other economic impacts.
- Major new investments should be vetted through the planning process with the goal of potential funding in 2024.

OED also developed the following prioritization criteria to help identify which investments should be included in the 2023-2024 Proposed Budget:

- Investments that are consistent with most or all of the guiding principles.
- Continuation of programs and services for which there is no other potential source of funding, especially those that support disproportionately impacted (COVID-19) communities, fill gaps in services, or are needed to sustain an existing service delivery infrastructure.
- Investments that are time-critical and cannot wait for the completion of the Economic Revitalization Implementation Plan.
- General Fund investments that have lost funding due to budget reductions, and that otherwise meet the other criteria for funding.

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

The 2023 Proposed Budget is intended to lay the groundwork for the forthcoming Economic Revitalization Implementation and Workforce Development Strategic plans based on priorities identified by OED's partner organizations and OED's guiding principles and prioritization. The 2024 Proposed Budget is anticipated to be informed by these plans.

The programs and initiatives funded by the JumpStart Economic Revitalization allocation in the 2023-2024 Proposed Budget generally appear to meet the broad intent of the JumpStart Fund's economic revitalization language and OED's guiding principles and prioritization criteria. However, a few proposals are less clearly connected, such as funding for Affordable Seattle evaluation work (CBO), One Seattle Day of Service (FAS), and Regional Growth Center Subarea Plans (OPCD). While all of these efforts have merit, they may be more appropriately supported by alternative funding sources (e.g., GF or JumpStart Fund administration).

The Council may want to consider whether these specific investments align with its interpretation of economic revitalization. If the Council disagrees with the investments as proposed, it could reduce or eliminate funding for one or more of the items and use that funding for other priorities related to economic revitalization.

Options:

1. Decrease or eliminated proposed funding for one or more JumpStart Economic Revitalization investments and/or find an alternative source of funds for these proposed appropriations.
2. No change.

Equitable Development Initiative

The JumpStart Fund policies allocate nine percent of revenues for the equitable development Initiative (EDI). The City's EDI supports community-based organizations' projects to mitigate displacement and increase access to opportunity for Black, Indigenous, and people of color (BIPOC) communities. EDI funding is provided for organizational capacity building, property acquisition, and capital expenses. The Proposed Budget allocates a total of \$20.1 million in 2023 and \$20.5 million in 2024 of JumpStart Funds for investments in EDI as shown (see Table D). The EDI funds are included in the Office of Planning and Community Development's 2023-2024 Proposed Budget.

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

Appendix 1. Green New Deal Oversight Board Budget Recommendations and the 2023 Proposed Budget Overview

The Mayor's Proposed Budget includes \$20.7 million in 2023 JumpStart Green New Deal investments. In September 2022, the Council appropriated an additional \$6.5 million for Green New Deal investments that were held in reserve in Finance General via [Ordinance 126675](#).

The table below provides descriptions and funding amounts (\$ in 1,000s) for JumpStart Green New Deal investments included in Ordinance 126675, the 2022 Adopted Budget, and the Mayor's Green New Deal investments in the 2023 Proposed Budget, and compares these with the Board's recommendations.

	ORD 126675	2023 Proposed	Board Recommendations	
			2022	2023
Oversight Board Support - The 2023 Proposed Budget provides \$142,000 to the Office of Sustainability and Environment (OSE) for additional staff support and funding for community outreach and engagement. - ORD 126675 included \$276,198 for community health and resilience indicators and \$100,000 for community engagement around climate element of the Comprehensive Plan Update (both appropriated to OSE).	\$376	\$142	\$350	\$800
Clean Heat Program The 2023 Proposed Budget provides \$2.6 million, split between the Office of Housing (\$1.8 million) and OSE (\$800,000), an increase from \$1.7 million in the 2022 Adopted Budget.		\$2,600	\$2,000	\$4,000
Indigenous-Led Sustainability Projects The 2023 Proposed Budget does not directly provide additional funding for Indigenous-Led Sustainability Projects. However, several ongoing bodies of work currently address Indigenous-Led Sustainability Projects in 2022 and 2023: - The 2022 Adopted Budget included \$180,000 GF for sustainability projects with the Duwamish Longhouse. The Duwamish Valley Program anticipates signing an MOA in late 2022. - The 2022 Adopted Budget included \$500,000 for Duwamish Valley Affordable Housing Coalition to develop the former Unity Electric Site (part of a larger \$2.3 million investment in sustainability projects through the Duwamish Valley Program). Duwamish Tribal Services is participating in these discussions and is involved in site and building planning. - The Equitable Development Initiative awarded \$1.1 million to United Indians of All Tribes for rehabilitation of the Daybreak Star Indian Cultural Center in Discovery Park in June 2022. - ORD 126675 provided \$430,000 for OSE to conduct resilience hub planning, which will involve engaging with Indigenous communities and the Indigenous Advisory Council on resiliency projects and funding.			\$400	\$400

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

	ORD 126675	2023 Proposed	Board Recommendations	
			2022	2023
Climate Resilience Hubs - The 2023 Proposed Budget includes funding to transition community centers and public libraries away from fossil fuels and make weatherizing retrofits, facilitating the development of resilience hubs. - ORD 126675 provided \$1.7 million to the Seattle Public Library to decarbonize its buildings, \$610,000 to the Department of Finance and Administrative Services (FAS) for decarbonizing municipal buildings (focusing on those used by the public), \$1.3 million to the Office of Planning and Community Development (OPCD) for sustainability projects in the Duwamish Valley, and \$430,000 for OSE to identify needs and placement of potential resilience hubs.	\$4,040	\$7,000	\$2,000	\$4,000
Environmental Justice Fund The 2023 Proposed Budget makes ongoing the \$550,000 expansion of the Environmental Justice Fund in OSE, bringing the total to \$750,000.	\$550	\$550	\$850	\$850
Workforce Development – Trainings and Pre-Apprenticeships with a Focus on Priority Hire for Clean Energy Jobs The 2023 Proposed Budget adds ongoing funding to OSE to continue Clean Energy Pre-Apprenticeship Scholarships.		\$1,000	\$250	\$1,000
Clean Energy Program and Workforce Strategic Advisor The 2023 Proposed Budget includes funding for a Climate Justice Workforce Strategic Advisor in OSE to lead Citywide coordination on clean energy jobs and work with community organizations, industry, and labor to facilitate jobs pathways for current and emerging “green jobs,” with a focus on BIPOC and historically disadvantaged communities.		\$160	\$70	\$140
Clean Building Accelerator The 2023 Proposed Budget includes \$220,000 (ongoing) for the Accelerator in OSE, and an additional \$880,000 to staff and implement Building Performance Standards and \$1.8 million to develop a customer-facing technology platform.		\$3,030	\$70	\$4,640
Create One-Stop Shop for Homeowners Below 120% AMI There is no funding for this in the 2023 Proposed Budget. City departments, including OSE, OH, and Seattle City Light, will assess feasibility and scope using existing resources in 2023. Funding could be proposed for 2024.			\$150	\$2,000
Research Support for Single Family Rentals OSE will evaluate this and other ideas to scale and expand the Clean Heat Program, including expanding support for small multifamily buildings, single family rentals, and natural gas to electric heat pump conversions.			\$150	\$150
Climate Resilience Projects and Capacity Building The 2023 Proposed Budget includes: \$150,000 (one-time) to OSE for a Tree Canopy Equity and Resilience Plan to evaluate strategies for tree planting and expanding the urban canopy in equity-focus areas of the city. \$300,000 (ongoing) to OSE for greening industrial properties in the Duwamish Valley and other equity-focus neighborhoods.		\$450		\$1,200

Attachment F: 2023-2024 Proposed Expenditures by JumpStart Fund Category

	ORD 126675	2023 Proposed	Board Recommendations	
			2022	2023
Electrify Seattle Fleet The 2023 Proposed Budget includes ongoing funding for FAS to develop charging stations for the Seattle City Fleet.		\$647		\$500
Incentives for Gas/Diesel Electric Vehicles Replacements The 2023 Proposed Budget includes ongoing funding to OSE for rebates for heavy duty industrial and commercial vehicles.		\$1,000		\$1,000
Education and Awareness Campaign The 2023 Proposed Budget does not fund this item.				\$1,000
Not included in the Board's recommendations – aligns with Green New Deal goals				
OH – Electrifying Affordable Housing ORD 126675 funded engineering analyses and capital costs required to convert affordable housing projects currently in development to fully electrified cooking and climate control systems (currently in planning).	\$2,000			
SDOT – Transportation Electrification Planning ORD 126675 funded data collection to track progress towards meeting the City's climate goals.	\$25			
Duwamish River Opportunity Fund The 2023 Proposed Budget transfers this existing program from the Department of Neighborhoods to OSE, who co-leads the Duwamish Valley Program with OPCD.		\$250		
OSE – Duwamish Valley Youth Leadership The 2023 Proposed Budget continues support for youth capacity building in the Duwamish Valley.		\$500		
OSE – Duwamish Valley Workforce & Business Support The 2023 Proposed Budget continues support for small and industrial businesses in the Duwamish Valley.		\$200		
OSE – Position Transfer The 2023 Proposed Budget transfers the Citywide Coordinator for Citywide Initiatives from SDOT to OSE.		\$190		
Not included in the Board's recommendations – unclear alignment with Green New Deal goals				
SDOT – Sound Transit West Seattle and Ballard Link Extensions (WSBLE) Planning The 2023 Proposed Budget funds 12.0 FTE to support planning, design, and other preparatory work for the WSBLE project.		\$2,555		
OPCD – Sound Transit Planning The 2023 Proposed Budget funds 1.0 FTE to support planning efforts associated with the WSBLE project.		\$162		
OED – Outreach for Downtown Mobility Planning The 2023 Proposed Budget adds funding for outreach related to downtown mobility needs.		\$350		
TOTAL	\$6,491	\$20,694	\$6,290	\$21,680