



SEATTLE CITY COUNCIL

Finance and Housing Committee

Agenda

Tuesday, August 3, 2021

9:30 AM

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

Teresa Mosqueda, Chair
Lisa Herbold, Vice-Chair
M. Lorena González, Member
Andrew J. Lewis, Member
Dan Strauss, Member
Tammy J. Morales, Alternate

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

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<http://seattle.gov/cityclerk/accommodations>.



SEATTLE CITY COUNCIL
Finance and Housing Committee
Agenda
August 3, 2021 - 9:30 AM

Meeting Location:

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

Committee Website:

<http://www.seattle.gov/council/committees/finance-and-housing>

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

In-person attendance is currently prohibited per Washington State Governor's Proclamation 20-28.15, until the COVID-19 State of Emergency is terminated or Proclamation 20-28 is rescinded by the Governor or State legislature. Meeting participation is limited to access by telephone conference line and online by the Seattle Channel.

Register online to speak during the Public Comment period at the 9:30 a.m. Finance and Housing Committee meeting at <http://www.seattle.gov/council/committees/public-comment>.

Online registration to speak at the Finance and Housing Committee meeting will begin two hours before the 9:30 a.m. meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Submit written comments to Councilmember Mosqueda at Teresa.Mosqueda@seattle.gov

Sign-up to provide Public Comment at the meeting at <http://www.seattle.gov/council/committees/public-comment>

Watch live streaming video of the meeting at <http://www.seattle.gov/council/watch-council-live>

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

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Please Note: Times listed are estimated

A. Call To Order

B. Approval of the Agenda

C. Public Comment

D. Items of Business

1. Response Letter to Domestic Workers Standards Board Recommendations

Supporting Documents: [Response Letter](#)

Briefing and Discussion

Presenter: Karina Bull, Council Central Staff

2. [CB 120131](#) AN ORDINANCE amending Ordinance 126237, which adopted the 2021 Budget; changing appropriations to various departments and budget control levels, and from various funds in the Budget; lifting provisos; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Supporting Documents: [Summary and Fiscal Note](#)
[Summary Att A – Equitable Communities Initiative Task Force Recommendations](#)
[Presentation](#)
[Central Staff Memo](#)
[Amendment 1](#)
[Amendment 2](#)

Briefing, Discussion, and Possible Vote

Presenter: Dan Eder, Council Central Staff

3. [CB 120150](#) **AN ORDINANCE** related to the City’s response to the COVID-19 crisis; amending Ordinance 126237, which adopted the 2021 Budget, including the 2021-2026 Capital Improvement Program (CIP); accepting funding from non-City sources; changing appropriations to various departments and budget control levels, and from various funds in the 2021 Budget; revising project allocations for certain projects in the 2021-2026 CIP; imposing provisos; and ratifying and confirming certain prior acts.

Supporting Documents:

[Summary and Fiscal Note](#)
[Presentation](#)

Briefing, Discussion, and Possible Vote

Presenters: Emily Alvarado, Director, Office of Housing; Julie Dingley, City Budget Office; Aly Pennucci and Traci Ratzliff, Council Central Staff

4. [CB 120147](#) **AN ORDINANCE** relating to the financing of the General Fund; authorizing interfund loans up to a total amount of \$205,000,000 from multiple City Funds to the General Fund as bridge financing to be repaid from future tax proceeds and other anticipated revenues; and ratifying and confirming certain prior acts.

Supporting Documents:

[Summary and Fiscal Note](#)
[Presentation](#)
[Central Staff Memo](#)

Briefing, Discussion, and Possible Vote

Presenters: Ben Noble, Director, City Budget Office; Glen Lee, Director, City Finance and Administrative Services; Aly Pennucci and Tom Mikesell, Council Central Staff

5. [CB 120111](#) AN ORDINANCE authorizing, in 2021, acceptance of funding from non-City sources; authorizing the heads of the Executive Department, Human Services Department, City Light Department, Department of Transportation, Seattle Fire Department, and Seattle Parks and Recreation to accept specified grants, private funding, and subsidized loans and to execute, deliver, and perform corresponding agreements; and ratifying and confirming certain prior acts.

Supporting Documents:

[Summary and Fiscal Note](#)

[Summary Att A – 2021 2Q Grant Acceptance Ordinance Summary Detail Table](#)

[Central Staff Memo \(updated; 7/20/21\)](#)

Briefing and Discussion

Presenters: Aly Pennucci and Tom Mikesell, Council Central Staff

6. [CB 120112](#) AN ORDINANCE amending Ordinance 126237, which adopted the 2021 Budget, including the 2021-2026 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; revising project allocations for certain projects in the 2021-2026 CIP; creating positions; modifying positions; abrogating positions; modifying or adding provisos; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Supporting Documents:

[Summary and Fiscal Note](#)

[Summary Att A - 2021 Second Quarter Supplemental Ordinance Summary Detail Table](#)

[Central Staff Memo \(updated; 7/20/21\)](#)

[Seattle Police Department Memo](#)

Briefing and Discussion

Presenters: Aly Pennucci and Tom Mikesell, Council Central Staff

7. **Multifamily Tax Exemption (MFTE) Annual Report**

Supporting Documents:

[MFTE Annual Report](#)
[Office of Housing Memo](#)
[Presentation](#)

Briefing and Discussion

Presenters: Emily Alvarado, Director, Jennifer LaBrecque, and Joy Hunt, Office of Housing; Traci Ratzliff, Council Central Staff

E. Adjournment



Legislation Text

File #: Inf 1858, **Version:** 1

Response Letter to Domestic Workers Standards Board Recommendations



SEATTLE CITY COUNCIL

August 3, 2021

Dear Members of the Domestic Workers Standards Board,

Re: Response to the Domestic Workers Standards Board Recommendations

The Finance and Housing Committee (Committee) welcomes the opportunity to respond to the Domestic Workers Standards Board (Board) recommendations to improve the standard of domestic work for tens of thousands of domestic workers who provide vital services in the Seattle community.

On May 18, 2021, the [Board presented their recommendations](#) for implementing the Domestic Workers Ordinance, Seattle Municipal Code (SMC) 14.23, to the Committee. The Board presented [ten recommendations](#) that focused on the following areas:

- Investing in community expertise and building trust.
- Providing more materials and resources to domestic workers and hiring entities.
- Implementing policy changes to improve the Domestic Workers Ordinance.
- Mandating portable benefits for domestic workers.

The Committee appreciates the Board's work with the domestic worker community to identify the most pressing needs facing domestic workers and craft a set of recommendations that supports collaboration, increased awareness of domestic worker rights, accountability, and stronger protections.

The Committee has carefully considered the Board's recommendations with deference to the Board's expertise, thoughtful evaluation of financial impacts, consideration of the relationships with other City policies and Seattle labor standards and implementation challenges, attention to feedback from the Office of Labor Standards (OLS), and in consultation with the City Attorney's Office.

The Committee intends this response to provide general guidance to the Board by indicating areas of support and identifying opportunities for further exploration. With deep respect for the Board's expertise and judgment, the Committee seeks to provide a broad framework for next steps rather than prescriptive action. The Committee looks forward to proposals that reflect the Board's priorities for implementation and analysis of relevant issues.

In addition, please know that the Committee's encouragement to submit certain budget or legislative proposals does not guarantee the City Council's (Council's) ultimate adoption of the proposal. However, the Committee is eager to consider these proposals and indicate our support for the Board's work.

Within this context, and under the governing procedure of SMC 14.23.030, the Committee responds to the Board's ten recommendations with the following guidance for each recommendation by suggesting Options A-E:

- A. The Committee supports the submission of a proposal (e.g., budget request, legislation) to Council.
- B. The Committee requests further information from the Board.
- C. The Committee requests the Board to develop alternatives.
- D. The Committee rejects the proposal with reasons for the rejection.
- E. The Committee requests a longer timeline.

Board Recommendations and Committee Response:

1. **Fund community organizations** – The Committee appreciates the Board’s interest in expanding funding for community organizations to build on the trust of community partners who can reach vulnerable groups and close communication gaps, such as those within the African and Asian Pacific Islander community. The Committee recognizes the difficulties inherent in reaching out to this group of workers and hiring entities, some of whom may still operate without knowledge of their rights as workers or responsibilities as employers. The Committee also understands that community organizations are best positioned to conduct this type of outreach in communities where trust in government institutions may be lacking. The Committee recognizes the Board’s ongoing work in partnership with OLS to determine priority actions that require further funding. The Committee recognizes and appreciates the steps OLS has taken to help identify specific organizations that may benefit from further funding and looks forward to reviewing proposals as a part of the 2022 Budget Process.

Committee response – Option A: The Committee supports the submission of a Board and/or OLS proposal (e.g., budget request) to fund community organizations.

2. **Compensate workers for their expertise** – The Committee recognizes that the participation of domestic workers is vital to the Board’s work and that numerous barriers can prevent worker involvement. The Committee supports meaningful and equitable participation of domestic workers and other community members to shape the City’s policy development. To this end, the Committee is appreciative of the steps OLS has taken to identify a path forward that is within their existing budget to compensate workers on the Board. Separately, the Committee will endeavor to work directly with the Law Department, Central Staff and City partners to learn about compensation policies for other community members and possible implications of this recommendation for other boards and advisory groups across the City, such as concerns around the gift of public funds prohibition and implications on other similarly situated Boards and commissions.

Committee response – Option B: The Committee requests further information from the Board pending the results of OLS’s process.

3. **Fund development of new outreach materials and expand language access** – The Committee appreciates the Board’s interest in developing new outreach materials in a wider range of languages to increase awareness of the Domestic Worker Ordinance for domestic workers, hiring entities and the public. The Committee understands the fundamental challenges associated with identifying appropriate spaces to provide relevant materials to both domestic workers and employers and supports the Board’s desire to work with consultants to develop effective strategies for targeted

outreach approaches. The Committee would be interested in partnership opportunities with City departments that currently utilize mass mailing as an outreach approach and other means for widely spreading information. The Committee looks forward to reviewing proposals to fund development of outreach materials.

Committee response – Option A & E: The Committee supports the submission of a Board and/or OLS proposal (e.g., budget request) to fund outreach materials and is possibly interested in considering this request on a longer timeline pending the Board’s consideration of consultant recommendations.

- 4. Fund improvement of the domestic workers section on the OLS website** – The Committee recognizes the importance of a user-friendly website and appreciates the suggestion to enhance OLS’s online information about the Domestic Workers Ordinance, including improving access to information on domestic worker rights and hiring entity obligations, templates, outreach materials, enforcement options and other aspects of implementation. The Committee appreciates OLS’s recognition of the importance of these improvements and initiative in beginning this process. The Committee agrees that enhancements to this section of OLS’s website is a priority and looks forward to reviewing proposals as more information is available.

Committee response – Option A & E: The Committee supports the submission of a Board and/or OLS proposal (e.g., budget request) to fund website enhancements, and is interested in considering this on a longer timeline pending further conversation between OLS and the Board and as more information regarding the scope of the project is available.

- 5. Ensure third-party platform compliance with the Domestic Workers Ordinance** – The Committee understands the value of using strategic enforcement initiatives to ensure third-party platform compliance with the Domestic Workers Ordinance. The Committee would welcome the opportunity to learn from the Board where compliance is lacking and would consider joining efforts with the Board and/or OLS to pursue innovative compliance strategies, including but not limited to signing a compliance letter to third-party platforms.

Committee response – Option B & E: The Committee requests further information and is interested in considering this on a longer timeline pending stakeholder engagement.

- 6. Address the devastating impact of lack of healthcare for domestic workers** – The Committee recognizes the urgent need for healthcare for many domestic workers. The Committee appreciates the opportunity to consider a proposal on providing resources for hiring entities to understand worker healthcare options and convening City departments to further explore healthcare options. The Committee appreciates OLS’s suggestion of convening an Interdepartmental Team (IDT) to discuss access to healthcare for domestic workers and would consider participating in an IDT. The Committee also would support advocating for a statewide affordable healthcare option for all.

Committee response – Option A & E: The Committee supports the request to support legislative changes in the State Legislature to expand access to healthcare and will work to support its inclusion in the 2022 Legislative agenda. The Committee is also interested in considering this

recommendation for city legislative action on a longer timeline pending results of a potential IDT and further stakeholder engagement.

- 7. Require hiring entities to provide domestic workers with information about their rights and conditions of work** – The Committee understands that the Board is currently gathering feedback from domestic workers and hiring entities on the benefits and risks of mandating a notice of rights. The Committee is interested in learning about the outcomes of this engagement, is supportive of this requirement, and looks forward to hearing the results of stakeholder engagement.

Committee response – Option A: The Committee supports the submission of Board and/or OLS proposal (e.g., legislation) for consideration to put before the Council in 2022.

- 8. Eliminate the exclusion of publicly funded home care workers from the Domestic Workers Ordinance** – The Committee recognizes that recent state law has changed the landscape of publicly funded work. The Service Employees International Union (SEIU) 775, as part of the coalition who originally supported the drafting and passage of the legislation, had requested they not be included. Given the changing state law and pending additional outreach and engagement on this proposal with SEIU 775 and others, the Committee would be interested in reviewing a proposal or legislation at a later date, pending results of stakeholder engagement.

Committee response – Option A: The Committee supports the submission of Board and/or OLS proposal (e.g., legislation) for consideration to put before the Council in 2022 pending stakeholder engagement.

- 9. Eliminate the “interference standard” for joint hiring liability** – The Committee is interested in learning more about the Board’s recommendation to simplify hiring entity coverage by removing the “interference” standard for individuals or households that contract with a separate hiring entity for domestic worker services. The Committee requests more information on the benefits and risks of this recommendation, the interplay with other laws, and the outcomes of stakeholder engagement.

Committee response – Option E: The Committee is interested in considering this recommendation on a longer timeline pending stakeholder engagement, further research, and Board prioritization of this issue.

- 10. Develop a portable benefits program for domestic workers that would allow workers to access paid leave for sick days, rest days, and other uses** – The Committee supports the goal of providing domestic workers with portable paid time off (PTO) benefits and recognizes the complexity of developing this type of program. To this end, the Committee would support the introduction of a Resolution and/or a statement of legislative intent (SLI) that includes additional resources/funding, requesting OLS to collaborate with the Board, community partners, and Council to research policy related to a portable PTO benefits program and submit legislation to Council to establish the policy jointly for consideration by the Council.

Committee response – Option A: The Committee supports the submission of a proposal for the 2022 Budget that funds OLS to develop a portable benefits policy, in collaboration with the Board and community partners, for Council’s review of legislation in 2022.

In close, the Committee reiterates our gratitude to the Board for their thorough and inspired work on these recommendations. The Committee looks forward to hearing more from the Board in the coming months and year.

Sincerely,

Finance and Housing Committee

Councilmember Teresa Mosqueda, Chair

Councilmember Lisa Herbold, Vice Chair

Council President M. Lorena González

Councilmember Andrew Lewis

Councilmember Dan Strauss

Attachment 1: Summary by Board Recommendation

Attachment 2: Summary by Committee Response

Attachment 1: Summary by Board Recommendation.

Board Recommendations		Committee Response
Invest in community expertise and build trust.		
1	<p>Fund community organizations.</p> <ul style="list-style-type: none"> • Build on trust of community partners who can reach vulnerable populations. • Close existing communication gaps, such as within the African and Asian Pacific Islander communities. 	A. The Committee supports the submission of a Board and/or OLS proposal (e.g., budget request) to fund community organizations.
2	<p>Compensate domestic workers for their expertise.</p> <ul style="list-style-type: none"> • Pay Board members for their board commitments. • Pay domestic workers who participate in surveys. 	B. The Committee requests further information from the Board pending the results of OLS's process.
Provide more materials and resources to domestic workers and hiring entities.		
3	<p>Fund development of new outreach materials and expand language access.</p>	<p>A. The Committee supports the submission of Board and/or OLS proposal (e.g., budget request) to fund development of outreach materials.</p> <p>E. The Committee is possibly interested in considering this recommendation on a longer timeline pending the Board's consideration of consultant recommendations.</p>
4	<p>Fund improvement of the domestic worker section on the OLS website.</p>	<p>A. The Committee supports the submission of Board and/or OLS proposal (e.g., budget request) to fund website enhancements.</p> <p>E. The Committee is interested in considering this recommendation on a longer timeline pending further conversation between OLS and the Board and as more information regarding the scope of this project is available.</p>
5	<p>Ensure third-party platform compliance with the Domestic Workers Ordinance.</p>	<p>B. The Committee requests further information pending stakeholder engagement.</p> <p>E. The Committee is interested in considering this recommendation on a longer timeline pending stakeholder engagement. The Committee would be interested in signing a compliance letter the third-party platforms.</p>

Board Recommendations		Committee Response
6	<p>Address the devastating impact of lack of healthcare for domestic workers.</p> <ul style="list-style-type: none"> • Provide resources for hiring entities to understand worker healthcare options. • Convene City departments to discuss creative options and program assistance for workers to gain access to healthcare. • Push state legislature to adopt a statewide affordable health insurance option. 	<p>A. The Committee supports the request to support legislative changes in the State Legislature to expand access to healthcare and will work to support its inclusion in the 2022 Legislative agenda.</p> <p>E. The Committee is interested in considering this recommendation for city legislative action on a longer timeline pending results of a potential IDT and further stakeholder engagement.</p>
Implement policy changes to improve the Domestic Workers Ordinance		
7	<p>Require hiring entities to provide domestic workers with information about their rights and conditions of work.</p>	<p>A. The Committee supports the submission of Board and/or OLS proposal (e.g., legislation) for consideration to put before the Council in 2022.</p>
8	<p>Eliminate the exclusion of publicly funded home care workers from the Domestic Workers Ordinance.</p>	<p>A. The Committee supports the submission of Board and/or OLS proposal (e.g., legislation) for consideration to put before the Council in 2022 pending stakeholder engagement.</p>
9	<p>Eliminate the “interference” standard for joint hiring entity liability.</p> <ul style="list-style-type: none"> • Establish third party liability for ordinance violations for those who contract with a separate hiring entity that employs the domestic worker to provide domestic services. 	<p>E. The Committee is interested in considering this recommendation on a longer timeline pending stakeholder engagement, further research, and Board prioritization of this issue.</p>
Mandate portable benefits for domestic workers		
10	<p>Develop a portable benefits program for domestic workers.</p> <ul style="list-style-type: none"> • Enable workers to access paid leave for sick days, rest days, and other uses. • Center the program on portability of benefits, centralized accounting system, third-party administration, universal coverage, enhanced enforceability, stakeholder engagement, and outreach/education. 	<p>A. The Committee supports the submission of a proposal for the 2022 Budget that funds OLS to develop a portable benefits policy, in collaboration with the Board and community partners, for Council’s review of legislation in 2022.</p>

Attachment 2: Summary by Committee Response.

Summary of Committee Response
A. The Committee supports the submission of proposal to Council.
Budget proposal <ul style="list-style-type: none">• Fund community organizations.• Fund development of new outreach materials and expand language access.• Fund improvement of the Domestic Worker section on the OLS website.
Legislative proposal <ul style="list-style-type: none">• Address lack of healthcare for domestic workers by supporting legislative changes at the State level.• Require hiring entities to provide domestic workers with information about their rights and conditions of work.• Eliminate the exclusion of publicly funded home health care workers from the Domestic Workers Ordinance, pending stakeholder engagement.• Develop a portable paid time off benefits program.
B. The Committee requests further information from the Board.
<ul style="list-style-type: none">• Compensate workers for their expertise, pending results of OLS’s process.• Ensure third-party platform compliance with the Domestic Workers Ordinance, pending stakeholder engagement.
E. The Committee requests a longer timeline.
<ul style="list-style-type: none">• Fund development of new outreach materials, pending Board’s consideration of consultant recommendations.• Fund improvement of the Domestic Worker section on the OLS website, pending further conversation between OLS and the Board and as more information regarding the scope of the project is available.• Ensure third-party platform compliance with the Domestic Workers Ordinance, pending results of stakeholder engagement.• Address devastating impact of lack of healthcare for domestic workers, pending results of potential IDT and further stakeholder engagement.• Eliminate “interference standard” for join hiring liability pending stakeholder engagement, further research, and Board prioritization.



Legislation Text

File #: CB 120131, **Version:** 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE amending Ordinance 126237, which adopted the 2021 Budget; changing appropriations to various departments and budget control levels, and from various funds in the Budget; lifting provisos; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

WHEREAS, in 2020, in the wake of the murders of George Floyd, Breonna Taylor, and many other African-Americans at the hands of law enforcement, Mayor Jenny Durkan announced a \$100 million fund to “focus on up-stream investments for Black, Indigenous, and people of color (BIPOC) communities to address disparities and make meaningful changes that can be measured by community progress,” known as the Equitable Communities Initiative; and

WHEREAS, during the 2021 Adopted Budget process, the City Council reduced that funding to \$30 million and placed two provisos on funds in Finance General, pending the recommendations of the Equitable Communities Initiative Task Force, in Council Budget Action FG-003-B-002; and

WHEREAS, the Equitable Communities Initiative Task Force is comprised of 26 community leaders representing diverse constituencies with backgrounds in nonprofit, religious, labor, climate justice, health care and community; and

WHEREAS, the Equitable Communities Initiative Task Force met more than 30 times between December 2020 to June 2021 to make recommendations for investments that begin to address generations of systemic and government sanctioned racism and oppression against communities of color and the resulting disparities related to housing and generational wealth, health and environmental justice, education, and small businesses;

WHEREAS, the Equitable Communities Initiative Task Force collaborated with nine City departments in May and June 2021 to refine their recommendations and develop specific programmatic investments, including new City programs and expansions or modifications to existing programs, to implement the recommendations; and

WHEREAS, the Task Force has made its final recommendations and it is now time to lift the proviso on the funds and to appropriate them to the relevant departments to carry out the work recommended by the Task Force; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The restrictions imposed by the following budget provisos, which limit spending on the following item, are removed because the conditions set forth in the provisos have been satisfied and they are no longer restrictions for any purpose, including those set forth in subsection 1(b) of Ordinance 126237:

Item	Department	2021 CBA	Proviso	Budget Summary Level
1.1	Finance General	FG-003 -B-002	“Of the appropriation in the 2021 budget for Finance General Reserves, \$29,500,000 is appropriated solely to fund the Equitable Communities Initiative and actions recommended to the City by the Equitable Communities Task Force and may be spent for no other purpose. Furthermore, none of the money so appropriated may be spent until authorized by future ordinance. The Council anticipates that such authority will not be granted until the Executive submits to the Council a plan for spending the funds that describes how the allocations were informed. The Council expects that there will be alignment between the Task Force and the Participatory Budgeting process to ensure that investments are coordinated.” “Of the appropriation in the 2021 budget for Finance General Reserves, \$400,000 is appropriated solely to fund develop a robust facilitation process and convene community for the purpose of providing recommendations for the Equitable Communities Initiative and may be spent for no other purpose.”	General Purpose (BO-FG-2QD00)

Section 2. In order to pay for necessary costs and expenses incurred or to be incurred, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time of making the 2021 Budget, appropriations for the following items in the 2021 Budget are modified as follows:

Item	Department	Fund	Budget Summary Level	Amount
2.1	Finance General	General Fund (00100)	General Purpose (00100-BO-FG-2QD00)	(\$21,000,000)
2.2	Executive (Office of Arts and Culture)	Arts and Culture Fund (12400)	Arts and Cultural Programs (12400-BO-AR-VA160)	\$2,000,000
2.3	Department of Education and Early Learning	General Fund (00100)	K-12 Programs (00100-BO-EE-IL200)	\$4,000,000
2.4	Department of Neighborhoods	General Fund (00100)	Community Grants (00100-BO-DN-I3400)	\$750,000
2.5	Department of Neighborhoods	General Fund (00100)	Community Building (00100-BO-DN-I3300)	\$1,800,000
2.6	Finance and Administrative Services	Finance and Administrative Services Fund (50300)	City Purchasing and Contracting Services (50300-BO-FA-CPCS)	\$1,000,000
2.7	Human Services Department	General Fund (00100)	Promoting Public Health (00100-HS-H7000)	\$2,500,000
2.8	Human Services Department	General Fund (00100)	Supporting Affordability & Livability (00100-BO-HS-H1000)	\$200,000
2.9	Human Services Department	General Fund (00100)	Supporting Safe Communities (00100-BO-HS-H4000)	\$1,500,000
2.10	Executive (Office of Economic Development)	General Fund (00100)	Business Services (00100-BO-ED-X1D00)	\$9,700,000
2.11	Executive (Office of Housing)	Office of Housing Fund (16600)	Leadership and Administration (16600-BO-HU-1000)	\$1,375,000
2.12	Executive (Office of Housing)	Low Income Housing Fund (16400)	Homeownership and Sustainability (16400-BO-HU-2000)	\$4,625,000

2.13	Executive (Office of Sustainability and Environment)	General Fund (00100)	Office of Sustainability & Environment (00100-BO-SE-X1000)	\$550,000
Total				\$9,000,000

Unspent funds so appropriated shall carry forward to subsequent fiscal years until they are exhausted or abandoned by ordinance.

Section 3. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 4. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by a 3/4 vote of all the members of the City Council the _____ day of _____, 2021, and signed by me in open session in authentication of its passage this _____ day of _____, 2021.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2021.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2021.

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Mayor’s Office	Christina Ghan/684-8816	Jeanette Blankenship/615-0087

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE amending Ordinance 126237, which adopted the 2021 Budget; changing appropriations to various departments and budget control levels, and from various funds in the Budget; lifting provisos; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: This legislation lifts two budget provisos placed on funds in Finance General pending the recommendations of the Equitable Communities Initiative Task Force (FG 003-B-002). The 2021 Adopted Budget includes approximately \$30 million to support these efforts. Council adopted two provisos on these funds which state:

“Of the appropriation in the 2021 budget for Finance General Reserves, \$29,500,000 is appropriated solely to fund the Equitable Communities Initiative and actions recommended to the City by the Equitable Communities Task Force and may be spent for no other purpose. Furthermore, none of the money so appropriated may be spent until authorized by future ordinance. The Council anticipates that such authority will not be granted until the Executive submits to the Council a plan for spending the funds that describes how the allocations were informed. The Council expects that there will be alignment between the Task Force and the Participatory Budgeting process to ensure that investments are coordinated.”

“Of the appropriation in the 2021 budget for Finance General Reserves, \$400,000 is appropriated solely to fund develop a robust facilitation process and convene community for the purpose of providing recommendations for the Equitable Communities Initiative and may be spent for no other purpose.”

The Equitable Communities Initiative Task Force released its recommendations for the use of these funds on June 3, 2021 and this legislation reflects their recommendations. Namely:

- \$9,700,000 for the Office of Economic Development for business financing support and technical assistance for small and micro businesses, including those impacted by COVID-19 and prioritizing those with inequitable access to capital, and to create pathways for youth to explore and enter the healthcare field and create opportunities to increase access, advancement, and retention of BIPOC workers in professional jobs in healthcare.
- \$1,000,000 for Finance and Administrative Services to provide technical assistance for women and minority owned businesses (WMBE) to prepare for doing business with the City, offer wrap-around services to support construction apprenticeship training, and support retention of BIPOC apprentices and journey workers.
- \$1,500,000 for the Human Services Department to connect formerly incarcerated BIPOC with meaningful employment pathways, including support services, culturally responsive education, and technical and academic programs.

- \$4,000,000 for the Department of Education and Early Learning to advance equity in education through culturally specific and responsive programming and curriculum development, family support and engagement, and teacher accreditation and retention supports.
- \$2,000,000 for the Office of Arts and Culture for cultural education for youth and families, including programs both inside and outside of school and awards for youth who want to engage in arts and culture on their own terms.
- \$1,800,000 for the Department of Neighborhoods to develop generational wealth resources, including financial education and a web portal for education, information, and support on financial issues.
- \$1,375,000 for the Office of Housing to provide homeownership resources related to stabilization and property development assistance, to study the feasibility of scalable lease-to-own program, and to identify potential housing strategies and supports for apprenticed and pre-apprenticed occupations.
- \$4,625,000 to the Office of Housing to provide homeownership supports, including capital for affordable homeownership development and targeted outreach to BIPOC households for ownership opportunities and homebuyer readiness activities.
- \$750,000 for the Department of Neighborhoods to increase access to healthy food options for BIPOC communities through the Healthy Food Fund.
- \$550,000 for the Office of Sustainability and Environment to advance environmental sustainability through community-led projects through the Environmental Justice Fund.
- \$200,000 for the Human Services Department to increase access to nutrition education, healthy food, and local farms for youth in lower-income households through the Farm to Table program.
- \$2,500,000 for the Human Services Department to increase access to appropriate, desired, impactful health care for communities of color and provide innovative and alternative ways to achieve health and healing.

Appropriations in the 2021 Adopted Budget are modified to allocate reserves in the Finance General Department to Departments listed above. The reserve in Finance General is \$30 million, however appropriations for the Department of Finance and Administrative Services, Office of Arts and Culture and Office of Housing are double-appropriated. There are \$9 million of remaining appropriations in Finance General to transfer General Funds to these proprietary Funds.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes **X** No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? **X** Yes ___ No

Please see the bill text for BCL and Fund information. Descriptions for each item are above.

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
No.

Is there financial cost or other impacts of *not* implementing the legislation?
No.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
Yes, this legislation increases appropriations in eight City departments to carry out the recommendations of the Equitable Communities Initiative Task Force.
- b. Is a public hearing required for this legislation?**
No.
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- d. Does this legislation affect a piece of property?**
No.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
The community-led ECI Task Force recommended investments that begin to address generations of systemic and government sanctioned racism and oppression against communities of color. These investments are targeted towards improving outcomes for the Black, Indigenous, and people of color communities where disparate treatment and impacts are evident. The investments target four priority areas identified by the Task Force: Health, Education, Business, and Housing.
- Each targeted programmatic investment explicitly focuses on increasing racial equity and has outcomes to monitor and measure success. Many of the investments will be implemented by a Request-for-Proposals (RFP) or similar type of award or contract. Each department will center the needs of community as they design, issue, and review the RFP to reduce barriers to access and will prioritize or otherwise focus investments on reaching affected communities of color.
- f. Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**
No.

2. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

No.

- g. **If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s).**

As a package, these investments are intended to begin to address systemic, historical underinvestment in communities of color in Seattle and the resulting disparities. Many of these investments involve either creating a new program or an expansion of an existing program. For each investment, City departments have identified specific outcomes to monitor and measure success – see Summary Attachment A.

List attachments/exhibits below:

Summary Attachment A – Equitable Communities Initiative Task Force Recommendations

Equitable Communities Initiative Task Force: Implementation

July 12, 2021



Overview of Task Force Process

- 26-member community-led Task Force
- Over 30 weekly meetings from December 2020 to June 2021

Dec/Jan	Task Force convened, developed governance structure, and selected facilitation team
Feb	Identified four priority focus areas (pillars)
March	Researched disparities and existing City programs and resources
April	Engaged peer organizations, community members, and other leaders Developed recommendations, presented them to Mayor and CM Juarez
May/June	Worked with City departments to identify how recommendations will be implemented, released recommendations

Task Force Recommendations

- 4 priority areas for \$30m investment
 - Business
 - Education
 - Health
 - Housing
- 9 Recommendations to produce a collective impact

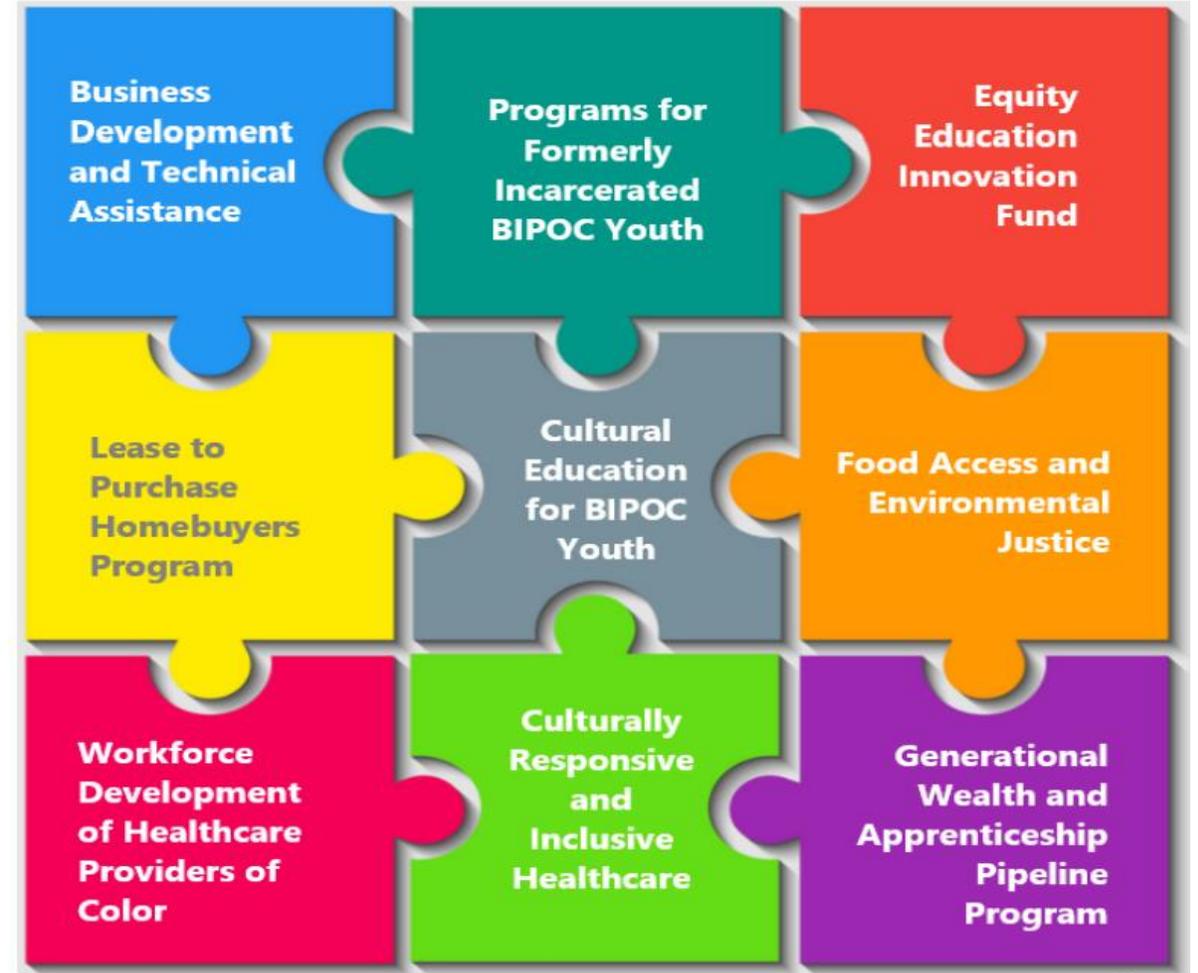


Image credit: The Profitable Nonprofit & Sankofa Consulting

Implementation of the Task Force's recommendations

TF Focus Area	Title	Amount	Dept
Business	Equitable Small and Micro Business Capital	\$5m	OED
	Small Business Technical Assistance	\$2.5m	OED
Education	Equity in Education	\$4m	DEEL
	Cultural Education	\$2m	Arts
	Re-entry Programs for Formerly Incarcerated	\$1.5m	HSD
Health	Healthy Food Fund	\$750k	DON
	Farm to Table	\$200k	HSD
	Environmental Justice Fund	\$550k	OSE
	Direct Culturally Responsive & Inclusive Healthcare	\$1.5m	HSD
	Access to Culturally Responsive & Inclusive Healthcare	\$1m	HSD
	Professional Careers in Healthcare	\$1.7m	OED
	Youth Healthcare Careers	\$500k	OED
Housing	Homeownership Development and Homebuyer Supports	\$4.625m	OH
	Ownership Retention	\$875k	OH
	Lease to Own Program	\$250k	OH
	Housing Strategies Apprenticeships	\$250k	OH
	Priority Hire and WMBE	\$1m	FAS
	Generational Wealth Education	\$1.8m	OH

BUSINESS - \$7.5M

Task Force

Invest in business financing/capital and technical assistance strategies to support small and micro businesses

Strategy	Equitable capital for micro and small businesses
Department	Office of Economic Development
Amount	\$5m
Types of Activities Funded	<ul style="list-style-type: none"> • Grants and subsidized loans to micro and small businesses ranging from \$7,500 to \$100,000 • Focused on those impacted by COVID-19 and prioritizing those with historical inequitable access to capital (BIPOC owners, women owners, located in disadvantaged areas)
Outcomes	<ul style="list-style-type: none"> • Businesses show increased revenue • Jobs retained or created • Businesses report feeling more stable

BUSINESS - \$7.5M

Task Force

Invest in business financing/capital and technical assistance strategies to support small and micro businesses

Strategy	Technical assistance for micro and small businesses
Department	Office of Economic Development
Amount	\$2.5m
Types of Activities Funded	<ul style="list-style-type: none"> • One-on-one financial health counseling on operational issues (e.g. financial statements/projections, credit counseling, marketing, business plan development) • Consultant support on construction (e.g. permitting, design) and legal education (e.g. human resources, commercial leases, evictions, and insurance) • Consultant support on digital tools such as website development and effective use of social media & E-commerce strategies
Outcomes	<ul style="list-style-type: none"> • Businesses see positive growth

EDUCATION - \$7.5M

Invest in strategies designed to benefit BIPOC youth impacted by systemic inequities in education

Strategy	Equity in Education
Department	Department of Education and Early Learning
Amount	\$4m
Types of Activities Funded	<ul style="list-style-type: none">• Technical assistance and capacity building for BIPOC-led organizations implementing youth, family, and educator diversity programming• Culturally specific and responsive programming and curriculum development focused on academics, college and career readiness, identity development, and youth leadership• Family support and engagement, such as language access and interpretation services, to bridge diverse communities and schools• Teacher accreditation and retention supports
Outcomes	<ul style="list-style-type: none">• Increase on-time high school completion for BIPOC youth• Increase college readiness and higher educational attainment for BIPOC youth• Increase racial diversity of educators in educational environments

EDUCATION - \$7.5M

Invest in strategies designed to benefit BIPOC youth impacted by systemic inequities in education

Strategy	Cultural education for youth and families
Department	Office of Arts and Culture
Amount	\$2m
Types of Activities Funded	<ul style="list-style-type: none"> • Culturally-relevant youth and family programming and classroom residencies with BIPOC-centered cultural institutions, museums, and other informal learning spaces during school day • Cultural education programs outside of school (e.g. exploring cultural identities via visual art, film, spoken word, dance, etc) by BIPOC-led creative youth development organizations who've built trust and relationships among youth and families • Awards for BIPOC youth who want to engage in arts & culture on their own terms (e.g. buying instruments + individual lessons)
Outcomes	<ul style="list-style-type: none"> • Increased leadership, empowerment, and positive self-esteem for BIPOC youth • Increased cultural relevancy of content and curriculum during the school day • Increased youth access to in- and after-school arts & cultural education programs

EDUCATION - \$7.5M

Invest in culturally supportive reentry programs for formerly incarcerated BIPOC to reduce recidivism

Strategy	Cultural supportive reentry programs
Department	Human Services Department
Amount	\$1.5m
Types of Activities Funded	<ul style="list-style-type: none">• Meaningful employment pathways, including support services, culturally responsive education, and technical and academic programs• Intentional partnerships between education-focused and culturally relevant community-based groups
Outcomes	<ul style="list-style-type: none">• Reduce recidivism• Attain informal and formal education• Gain meaningful employment• Experience meaningful reentry into the community

HEALTH - \$6.2M

Invest in strategies focused on food access & environmental justice

Strategy	Healthy Food Fund
Department	Department of Neighborhoods
Amount	\$750k
Types of Activities Funded	<ul style="list-style-type: none">• BIPOC-centered, community-led projects and programs focused on education, awareness, and sustainable access to healthy food options and food security• Could include youth engagement, community/small business partnerships, hands-on community garden sustainability, emergency food assistance, and educational events
Outcomes	<ul style="list-style-type: none">• Increased participation in healthy food centered youth and family activities• Increased access to healthy, culturally appropriate food options• Increased awareness of healthier food options and food education



HEALTH - \$6.2M

Invest in strategies focused on food access & environmental justice

Strategy	Farm to Table
Department	Human Services Department
Amount	\$200k
Types of Activities Funded	<ul style="list-style-type: none">• Nutritional education & access to healthy foods for BIPOC youth• Hands-on nutritional education, cooking, and field trips to BIPOC-owned farms
Outcomes	<ul style="list-style-type: none">• Increased # of children accessing healthy foods• Increased revenue for Black & Brown farmers• Reduced food waste & increased connection to farmers, lands & new foods



HEALTH - \$6.2M

Invest in strategies focused on food access & environmental justice

Strategy	Environmental Justice Fund
Department	Office of Sustainability and Environment
Amount	\$550k
Types of Activities Funded	<ul style="list-style-type: none">• Community-led projects to advance environmental sustainability, such as community education, air quality, green jobs, and youth capacity building.• Promote capacity building, peer learning & leadership development of grantees through learning circles & intentional relationship development.
Outcomes	<ul style="list-style-type: none">• Support 6-8 additional BIPOC organizations• Increased leadership capacity of BIPOC organizations working to advance environmental justice through policy change• Increased # of BIPOC, low-income residents engaged and taking action on an environmental justice issue directly impacted their lives



HEALTH - \$6.2M

Invest in strategies to deliver culturally responsive inclusive healthcare

Strategy	Direct Culturally Responsive, Inclusive Healthcare
Department	Human Services Department
Amount	\$1.5m
Types of Activities Funded	<ul style="list-style-type: none">• Community Health Centers, in partnership with community-based organizations, provide innovative/alternative ways to achieve health/healing, including non-western medical modes, such as traditional medicines and food and healing circles and other practices• Care will focus on the whole person and include physical, behavioral and spiritual health
Outcomes	<ul style="list-style-type: none">• BIPOC individuals are connected with their desired health care provider and are satisfied with their care• Individuals will see improvement in selected health care measurement



HEALTH - \$6.2M

Invest in strategies to deliver culturally responsive inclusive healthcare

Strategy	Access to Culturally Responsive, Inclusive Healthcare
Department	Human Services Department
Amount	\$1m
Types of Activities Funded	<ul style="list-style-type: none">• Assessment of populations not accessing health care with specific focus on BIPOC communities• Community health boards, community-based organizations and Public Health-Seattle & King County provide individuals/families access and entry to appropriate, desired and impactful health care• Technical assistance to health care providers focused on the needs of specific communities
Outcomes	<ul style="list-style-type: none">• Increase in the number of people connected to healthcare coverage & desired care provider• Increase in patient satisfaction with provider and type of care provided



HEALTH - \$6.2M

Invest in strategies to expand career pathways & representation in the healthcare field

Strategy	Professional Careers in Healthcare
Department	Office of Economic Development
Amount	\$1.7m
Types of Activities Funded	<ul style="list-style-type: none">• Stakeholder process lead by BIPOC consultant to identify barriers in access to professional jobs (e.g. Doctors, Social Workers) and potential solutions• Awards for programs addressing barriers and opening career pathways
Outcomes	<ul style="list-style-type: none">• BIPOC workers start and retain professional careers in the healthcare field• Healthcare employers hire and retain BIPOC professionals



HEALTH - \$6.2M

Invest in strategies to expand career pathways & representation in the healthcare field

Strategy	Youth Healthcare Careers
Department	Office of Economic Development
Amount	\$500k
Types of Activities Funded	<ul style="list-style-type: none">• Career exploration activities, mentorships, internships, partnerships and apprenticeship pathways for BIPOC students (e.g. a short, employer-driven apprenticeship pathway program with a stipend)• Activities could include job shadows, field trips, and mentoring for healthcare careers
Outcomes	<ul style="list-style-type: none">• Black/African American youth are connected to careers in healthcare• Employer partners participate in programs to help BIPOC youth select career pathways in healthcare

HOUSING - \$8.8M

Invest in the development of new, permanently affordable homes and supports for BIPOC homebuyers

Strategy	Homeownership project development and homebuyer supports
Department	Office of Housing
Amount	\$4.625m
Types of Activities Funded	<ul style="list-style-type: none">• Development of new, permanently affordable homes• Targeted outreach to BIPOC households for ownership opportunities• Homebuyer readiness activities and homeowner support services
Outcomes	<ul style="list-style-type: none">• New, place-based, affordable homeownership developments• Land ownership retained by historically-rooted, BIPOC-led organizations through lease structure• BIPOC, low-income households who have experienced displacement or are at risk of displacement are able to purchase affordable homes in Seattle



HOUSING - \$8.8M

Task Force

Invest in anti-displacement strategy by supporting existing homeowners

Strategy	Ownership Retention
Department	Office of Housing
Amount	\$875k
Types of Activities Funded	<ul style="list-style-type: none"> • Stabilization resources to help existing homeowners stay in their home, such as connections to home repair, energy efficiency & clean heat, and property tax discount • Property development assistance, such as technical assistance on property development & rental operations, pre-development sources, construction loans, and design/permitting services
Outcomes	<ul style="list-style-type: none"> • Homeowners have tools and supports to remain in their property • Homeowners successfully connect to stabilization resources • Homeowners receive education, technical assistance and financial support to develop their property & own rental property



HOUSING - \$8.8M

Invest in strategies that support homeownership, including a lease-to-purchase homebuyer program

Strategy	Lease to Own Program
Department	Office of Housing
Amount	\$250k
Types of Activities Funded	<ul style="list-style-type: none">• Consultant to study feasibility of scalable lease-to-own program, including legal research, policy barriers, solutions to consumer risk, the financial resources needed to implement such a program.
Outcomes	<ul style="list-style-type: none">• Consultant report to guide future program/policy development/investments to support equitable access to homeownership

HOUSING - \$8.8M

Invest in strategies that support generational wealth building for BIPOC communities

Strategy	Housing for apprentice occupations
Department	Office of Housing
Amount	\$250k
Types of Activities Funded	<ul style="list-style-type: none"> • Consultant work to develop potential housing strategies/supports for apprenticed and pre-apprenticed occupations • Could include strategies for employer-supported housing strategies, that build upon or complement existing City rental housing and homeowner stabilization programs, and that align housing support with other place-based community needs
Outcomes	<ul style="list-style-type: none"> • Consultant report to guide future program/policy development and investments, including research and evaluation of strategies focused on housing low- and moderate income apprentices and joint effort between City and labor partners to promote housing strategies to key healthcare stakeholders and employers in other sectors

HOUSING - \$8.8M

Invest in strategies that support generational wealth building for BIPOC communities

Strategy	WMBE and Priority Hire
Department	Finance and Administrative Services
Amount	\$1m
Types of Activities Funded	<ul style="list-style-type: none"> • Technical assistance to WMBE firms to prepare for doing business with the City, such as how to identify and respond to City contracting opportunities and understand City contracting requirements (e.g. insurance and social equity), business development (e.g. financial literacy) and other services. • Wrap-around services to support construction apprenticeship training, such as childcare and other supports needed • Opportunities for retention of BIPOC apprentices and journey workers, including mentorship
Outcomes	<ul style="list-style-type: none"> • # WMBE firms assisted • # BIPOC construction workers supported • Retention rate of BIPOC construction workers supported

HOUSING - \$8.8M

Invest in strategies that support generational wealth building for BIPOC communities

Strategy	Generational Wealth Education Program & Resource Portal
Department	Department of Neighborhoods
Amount	\$1.8m
Types of Activities Funded	<ul style="list-style-type: none">• Generational wealth education for BIPOC residents, artists and business owners about financial topics, including homeownership, property taxes, and asset management• Scoping, potential consultant work, and development of an online tool, such as a one-stop shop portal for public to find education, information, and support on financial issues, building on lessons learned from the Affordability Portal
Outcomes	<ul style="list-style-type: none">• People receive information or support at in-person engagements or curriculum events• People receive connections to information and services through the online platform



Equitable Communities Initiative Task Force

Council Finance & Housing Committee

July 20, 2021



Introductions

- Donna Moodie, Marjorie Restaurant & Community Roots Housing
- Dr. Sheila Edwards Lange, Seattle Central College
- Steven Sawyer, POCAAN
- Chris Lampkin, Service Employees International Union (SEIU) 1199NW
- Sharon Nyree Williams, CD Forum for Arts & Ideas

Overview of Task Force Process

- 26-member community-led Task Force
- Over 30 weekly meetings from December 2020 to June 2021

Dec/Jan	Task Force convened, developed governance structure, and selected facilitation team
Feb	Identified four priority focus areas (pillars)
March	Researched disparities and existing City programs and resources
April	Engaged peer organizations, community members, and other leaders Developed recommendations, presented them to Mayor and CM Juarez
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Task Force Recommendations

- 4 priority areas for \$30m investment
 - Business
 - Education
 - Health
 - Housing
- 9 Recommendations to produce a collective impact, with 18 strategies for implementation

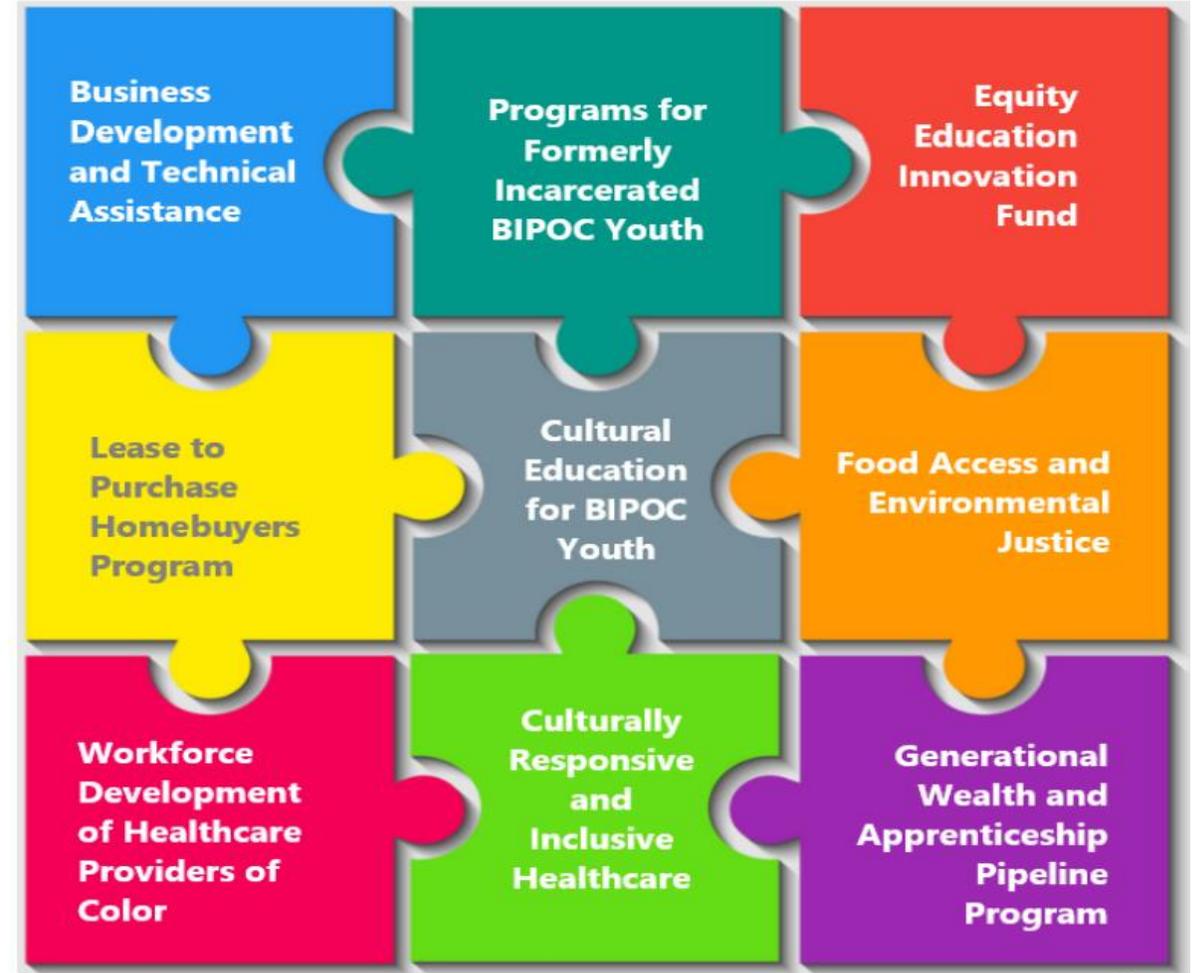


Image credit: The Profitable Nonprofit & Sankofa Consulting

BUSINESS - \$7.5M

Invest in business financing/capital and technical assistance strategies to support small and micro businesses.

Who are we Reaching?

Small and micro-businesses, focused on those impacted by COVID-19 and prioritizing those with historical inequitable access to capital

What are we Funding?

- Grants & subsidized loans to micro & small businesses (\$5M)
- Expert support on operational issues, construction, legal education, and digital access (\$2.5M)

What is Our Impact?

- Businesses experience positive growth and increased revenue
- Jobs are created and/or retained
- Businesses report feeling more stable

EDUCATION - \$7.5M

Invest in strategies designed to benefit BIPOC youth impacted by systemic inequities in education & targeted, culturally supportive reentry programs to reduce recidivism for BIPOC individuals.

Who are we Reaching?

BIPOC youth and families who are impacted by systemic inequities in education & BIPOC individuals reentering the community

What are we Funding?

- Increased equity in education, through capacity building, curriculum development, family support, and teacher accreditation & retention supports (\$4M)
- Opportunities for youth & families to engage in BIPOC-centered cultural education both inside the classroom and outside of school (\$2M)
- Culturally responsive education & support services that expand meaningful employment pathways for BIPOC individuals reentering the community (\$1.5M)

What is Our Impact?

- More BIPOC youth complete high school on-time & ready for higher education
- We see an increase in the racial diversity of educators in educational environments
- BIPOC youth have opportunities to develop leadership & positive self-esteem
- Youth have greater access to cultural education opportunities inside and outside of school
- More people gaining meaningful employment & supportive community re-entry after incarceration



HEALTH - \$6.2M

Invest in strategies focused on food access & environmental justice, expand career pathways & representation in the healthcare field, and deliver culturally responsive inclusive healthcare

Who are we Reaching?

BIPOC community members seeking services and opportunities related to health & healthcare

What are we Funding?

- Expand programs focused on education and sustainable access to health food options (\$750K)
- Increase access for youth to healthy food & hands-on experiences at BIPOC-owned farms (\$200K)
- Advance environmental sustainability & peer learning through community-led projects (\$550K)
- Expand innovative/alternative healthcare options, including non-western & traditional practices (\$1.5M) & expand access and technical assistance opportunities for healthcare providers (\$1M)
- Increase opportunities for BIPOC youth to explore healthcare careers (\$500K) and identify solutions to address barriers in access to professional healthcare careers (\$1.7M)

What is Our Impact?

- Youth have access to healthy, culturally appropriate food & nutritional education, Black & Brown farmers see increased revenue, and we reduce food waste
- More BIPOC organizations and residents take action on environmental justice
- More people are connected to desired healthcare provider and coverage, and report satisfaction with care
- More youth are connected to healthcare careers and workers start & retain professional healthcare careers



HOUSING- \$8.8M

Invest in new options and supports for BIPOC homebuyers, anti-displacement strategies by for existing homeowners, and generational wealth building for BIPOC communities

Who are we Reaching?

BIPOC community members seeking housing & generational wealth development opportunities

What are we Funding?

- Expand affordable housing development and homebuyer readiness & ownership supports (\$4.625M) and invest in stabilization resources that support people to maintain their homes (\$875K)
- Expand technical assistance & wrap-around services for WMBE firms & BIPOC apprentices and journey workers (\$1M) and invest in financial and generational wealth education for BIPOC residents (\$1.8M)
- Engage consultants to study feasibility of a scalable lease-to-own program (\$250K) and develop housing strategies/supports for apprenticed and pre-apprenticed occupations (\$250K)

What is Our Impact?

- Increase affordable homeownership options, including retaining land ownership by historically-rooted, BIPOC-led organizations, and expand ownership supports to purchase and remain in their property.
- More WMBE firms & BIPOC apprentices & journey workers receive development and retention supports
- More people receive information & connections to generational wealth development supports
- Expert research to guide future program/policy development for equitable access to homeownership



Implementation of the Task Force's recommendations

TF Focus Area	Title	Amount	Dept
Business	Equitable Small and Micro Business Capital	\$5m	OED
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	Housing Strategies Apprenticeships	\$250k	OH
	Priority Hire and WMBE	\$1m	FAS
	Generational Wealth Education	\$1.8m	DON

Next Steps

Following Council vote to lift the proviso, departments will begin implementation, including:

- Designing and issuing RFPs for community investments
 - Scoping new programs and/or consultant studies
 - Other work necessary to advance recommendations this summer and fall
- Goal is to have funds available by end of year

Task Force Members

Andrea Caupain

Esther Lurcero

Pastor Lawrence Willis

Beto Yarce

LaNesha DeBardelaben

Paulina Lopez

Carolyn Riley-Payne

Maggie Angel Cano

Ray Williams

Chris Lampkin

Mahnaz K. Eshetu

Rizwan Rizwi

Christina Wong

Michael Tulee

Sean Bagsby

Donna Moodie

Michelle Merriweather

Sharon Nyree Williams

Dr. Sheila Edwards Lange

Ollie Garrett

Steven Sawyer

Estela Ortega

Pastor Carey Anderson

Trish Milnes-Dziko

For more information on the Task Force please visit <http://www.seattle.gov/equitable-communities-initiative#2021>

August 2, 2021

MEMORANDUM

To: Finance & Housing Committee
From: Dan Eder, Interim Director
Subject: CB 120131 – Equitable Communities Initiative Task Force Recommendations

On August 3, 2021, the Finance & Housing Committee will discuss and may vote on [Council Bill \(CB\) 120131](#) that would lift two provisos on a cumulative \$29.9 million in Finance General Reserves. CB 120131 would also authorize spending \$30 million on a variety of purposes that support recommendations from the Equitable Communities Initiative (ECI) Task Force, a group of stakeholders convened by the Mayor that included Councilmember Juarez as an ex-officio member.

Background

ECI Task Force

In 2020, the Mayor convened the ECI Task Force in recognition of the “need to address the many disparities across housing, health, education, criminal legal system, and wealth that disproportionately impacts [sic] communities of color, particularly the Black and Indigenous community.”¹

The 2020 3rd Quarter Supplemental ([Ordinance 126210](#)) amended the 2020 Adopted Budget to add \$100,000 for facilitation costs related to deliberations by the ECI Task Force. The 2021 Adopted Budget included \$29.9 million in Finance General Reserves to be used for funding based on the ECI Task Force’s recommendations.

The 2021 Adopted Budget imposed the following two provisos on the \$29.9 million related to the ECI Task Force recommendations:

“Of the appropriation in the 2021 budget for Finance General Reserves, \$29,500,000 is appropriated solely to fund the Equitable Communities Initiative and actions recommended to the City by the Equitable Communities Task Force and may be spent for no other purpose. Furthermore, none of the money so appropriated may be spent until authorized by future ordinance. The Council anticipates that such authority will not be granted until the Executive submits to the Council a plan for spending the funds that describes how the allocations were informed. The Council expects that there will be alignment between the Task Force and the Participatory Budgeting process to ensure that investments are coordinated.”

¹ [Background - Equitable Communities Initiative | seattle.gov](#)

“Of the appropriation in the 2021 budget for Finance General Reserves, \$400,000 is appropriated solely to fund develop a robust facilitation process and convene community for the purpose of providing recommendations for the Equitable Communities Initiative and may be spent for no other purpose.”

At the July 20, 2021 meeting of the Finance & Housing Committee, members of the ECI Task Force presented [recommendations](#) for how the City should spend \$30 million. The recommendations addressed four spending categories: Business, Education, Health, and Housing.

Black Brilliance Research Project

On November 18, 2020, the Council entered into a \$3 million contract with the Freedom Project to conduct research and make recommendations regarding a process, approach, and proposed spending priorities for Participatory Budgeting to promote public safety informed by community needs.

The Freedom Project delivered its [final report](#) to the City on February 20, 2021. In brief, the report recommended that Participatory Budgeting provide input to the City for investing in the following spending categories: Housing and Physical Spaces, Mental Health, Youth and Children, Crisis and Wellness, and Economic Development.

Participatory Budgeting

The 2021 Adopted Budget included \$28.3 million for a Participatory Budgeting process. The 2021 Adopted Budget included a proviso limiting spending the \$28.3 million pending the Council’s review of a spending plan and approach for Participatory Budgeting.

On March 30, 2021, Deputy Mayor Washington sent a letter to the City Council outlining two potential models for proceeding with Participatory Budgeting (see Attachment 1). Deputy Mayor Washington’s letter identified a number of potential concerns. Specifically, the letter indicated that:

“Because the work [of the Black Brilliance Research Project] was conducted independently ... it proceeded without the usual input from the City Attorney’s Office and City departments regarding legal and implementation factors that impact the design, timing, and implementation of the [investments that will be made through a future Participatory Budgeting] program. These include issues relating to timeline, staffing, budget, voting, and legal impacts of contracting, hiring, I-200 and the gift of public funds” (emphasis added).

On June 1, 2021, the City Council passed [CB 120087](#) which lifted the spending restrictions on a portion of the \$28.3 million for Participatory Budgeting. Specifically, the Council authorized spending \$1,050,900 for the Seattle Office for Civil Rights to proceed with a Request for Proposals for implementing a Participatory Budgeting process.

Race & Social Justice Initiative Considerations

CB 120131 would fund efforts to address systemic and government-sanctioned racism by improving outcomes for Black, Indigenous, and people of color communities (BIPOC).

The 2021 Adopted Budget included significant funding for several related initiatives intended to bolster the City's support for the needs of BIPOC communities in a variety of ways. For example, the budget included \$29.9 million for the ECI Task Force recommendations and \$28.3 million for the Participatory Budgeting process. Both these initiatives are City efforts to solicit input from representatives of BIPOC communities and BIPOC individuals who have been directly affected by systemic and government-sanctioned racism.

Policy Considerations

1. Coordination with Participatory Budgeting

One of the two provisos that CB 120131 would lift includes the following statement: "The Council expects that there will be alignment between the [ECI] Task Force and the Participatory Budgeting process to ensure that investments are coordinated."

The Black Brilliance Research Project's final report identifies spending priorities that have common ground with the spending categories identified by the ECI Task Force. For instance, both recommend prioritizing Housing and Economic Development investments. However, final decisions will not be made until after the City receives Participatory Budgeting recommendations in the future. The two processes are on different timelines; and it is not yet clear whether and how the spending priorities will align, overlap, or diverge.

2. \$30M vs. \$29.9M

CB 120131 would lift provisos related to \$29.9 million and then appropriate \$30 million to support the program spending recommendations from the ECI Task Force. The 2021 Adopted Budget included only \$29.9 million for implementing the ECI Task Force recommendations. The source for the proposed additional \$100,000 (the difference between \$30 million in CB 120131 and the \$29.9 million in the 2021 Adopted Budget) is underspend in Finance General that – if not spent for ECI Task Force purposes – would be available to support other municipal priorities.

3. Staffing – FTEs and costs

In order to implement the proposed spending in CB 120131, the City will incur administrative costs, including City staffing for coordination of Requests for Proposals, contract oversight, and other purposes. If these administrative costs are paid for from the \$30 million proposed to be spent through CB 120131, then the balance would be available for direct spending on community investments.

4. New Revenues and Ongoing Funding

The Mayor's website for the ECI Task Force indicates that the "Mayor intends to work with communities to develop a long-term, sustainable, and progressive revenue source for the [\$29.9 million that was included in the 2021 Adopted Budget related to the ECI Task Force recommendations]." ²

There is currently no public-facing proposal for a long-term, sustainable, and progressive revenue source for this purpose. It is not yet resolved how the City would support ongoing investments that were included in the ECI Task Force's recommendations. Assuming approval of CB 120131, the 2022 budget will address whether and how to fund continuing investments in 2022.

A 2020 [Central Staff memo](#) concluded that the Mayor's proposal for the 2021 ECI Task Force investments and other expenditures with similar policy objectives were supported by one-time use of the City's fiscal reserves and other one-time General Fund revenues. Fiscal reserves are significantly reduced from their 2020 levels, generally support emergency expenditures, and backfill revenue shortfalls during recessions.

Base 2021 General Fund revenues included \$214 million from the ongoing JumpStart Seattle payroll expense tax revenues. Council passed a spending plan and took other actions that may not be consistent with using JumpStart Seattle revenues for some of the ongoing programs that are included in CB 120131. On July 6, 2020, the Council passed Ordinance [126109](#) establishing authorized uses for the JumpStart Seattle payroll expense tax; and on July 15, 2020, Council adopted [Resolution 31957](#) which included spending details by year and program area. These actions allowed for a portion of the new payroll expense tax revenues to be used in 2021 to support General Fund services that would otherwise have been reduced due the economic recession caused by the Covid-19 pandemic. These actions will fully allocate the JumpStart Seattle payroll expense tax revenues to new purposes beginning in 2022.

The Council subsequently passed [CB 120118](#) which created a JumpStart Fund and requires that spending in 2022 and beyond be consistent with the spending plan included in Resolution 31957 and Ordinance 126109. Recognizing that General Fund revenues may not have returned to pre-pandemic levels, CB 120118 allows a portion of the payroll expense tax proceeds to be transferred to the General Fund to backfill 2022 revenues in line with pre-pandemic forecasts.

Some of the ECI Task Force recommendations appear to be in alignment with the investment categories included the JumpStart spending plan and JumpStart Fund purposes. For example, \$4.6 million is proposed to fund development of permanently affordable homes that will be marketed to BIPOC households. Other ECI Task Force recommendations

² [Background - Equitable Communities Initiative | seattle.gov](#)

do not appear to align with these priorities, raising questions about whether and how the City would be able to continue funding for these ongoing expenditures. For example, the ECI Task Force proposes to spend \$6.2 million for a variety of investments in ongoing health programs. Since this initiative does not appear to be included in the JumpStart spending plan, it is not yet clear how any ongoing investments would be funded in the Mayor's 2022 Proposed Budget.

5. Legal Constraints

In the event the Council votes to pass CB 120131, the Executive will need to ensure that the City navigates the same constraints that Deputy Mayor Washington's letter highlighted about Participatory Budgeting. In particular, the City would need to ensure that it complies with all the "legal impacts of contracting, hiring, I-200 and the gift of public funds."

The Council might consider requesting that the Executive provides information to the Council identifying approaches and processes to implement the ECI Task Force recommendations. The Executive will have valuable information highlighting the City's future steps for remaining within the legal constraints on these and other contracting requirements. This information could inform how the City proceeds with future investments through the Participatory Budgeting program.

6. Timing

It is possible that some of the \$30 million proposed in CB 120131 will not be spent in the remaining months of 2021. In that event, CB 120131 includes language that would automatically carry forward any unspent appropriations into 2022.

Potential Amendments

Councilmember Mosqueda may be interested in moving two potential amendments as attached and summarized below.

- **Amendment #1** would add a new section to the bill with findings about ongoing disparities and a declaration about the City's intent to remedy those disparities.
- **Amendment #2** would add a new section to the bill that memorializes the Council's intent that implementation steps be consistent with all applicable legal limitations.

Next Steps

If the Finance & Housing Committee votes on CB 120131 on August 3, 2021, then the Council could vote on the bill as soon as August 9, 2021.

Attachments

1. Deputy Mayor Washington's Letter to Council

cc: Aly Pennucci, Policy and Budget Manager



Dear Council President Gonzalez and Councilmember Morales:

In 2020, you appropriated \$3 million dollars directly to City Council to "fund a community-led process to create a roadmap to life without policing." The Council then passed a final budget for 2021 that redesigned the Executive's proposed \$100 million investment in BIPOC communities to designate and additional \$30 million of the funds to a participatory budgeting process.

The Council entered into a \$3 million in a direct contract with the Freedom Project, which was entitled "The King County Equity Now (KCEN) Community Research Project." This contract funded the Freedom Project, KCEN, and the Black Brilliance Research Project, which delivered a report to Council and presented the report at Council on February 26, 2021. The funding was to be formally appropriated by follow-up action by the City Council after the research project was complete.

The project, powered by young black community leaders, intentionally included the experience, and input from a range of community organizations and individuals often not centered in government deliberations. This has great benefit in our mutual work to redesign community safety alternatives that respond to community needs and experience.

Because the work was conducted independently, however, it proceeded without the usual input from the City Attorney's Office and City departments regarding legal and implementation factors that impact the design, timing, and implementation of the program. These include issues relating to timeline, staffing, budget, voting, and legal impacts of contracting, hiring, I-200 and the gift of public funds.

The Mayor's Office and Executive Departments have met with some of the project leaders and Councilmember Morales to discuss the findings and recommendations; they also have reviewed the Black Brilliance Research Project's final report. Those conversations have yielded two potential options for Council to consider in its legislation authorizing the \$30 million for a Participatory Budgeting process. Each has pros and cons. Both will need further input from the City Attorney's Office to resolve legal and implementation issues as Council considers its ordinance.

We are mindful that Council decided that it wanted to control and approve the framework for this process and believe Council can detail into an ordinance the process, budget, and timeline with this feedback.

The following table outlines the two possible options including potential roles and timelines. Option One tracks the BBP recommendations, but avoids significant issues raised by hiring steering committee members as city employees. Option Two attempts to capture key input and elements, while ensuring more funding for the projects themselves. Under both options, all phases, including steering committee selection, voting and project/contract approval will have to follow state and city laws. As noted below, the process envisioned by the report results in approximately \$4.8 million less actually going into projects, and more into conducting the process. We appreciate Council may have additional alternatives envisioned for their ordinance too.

Chart 1: Two Options for administration of Participatory Budget Process

<p style="text-align: center;">Option 1: Third Party Administration (as proposed by the BBP)</p>	<p style="text-align: center;">Option 2: City Administration via DON & multi-department IDT</p>
<ul style="list-style-type: none"> • Third-Party Administrator (TPA) hires and manages a 26-person Steering Committee for one year with each committee member earning a recommended \$112,000 inclusive of benefits. • Administrator manages funds to reduce barriers to participation, including digital equity initiatives (\$2.6 million) and youth fellowships (\$450,000) • City provides administrative, data and logistical support as requested. (up to \$375,000) 	<ul style="list-style-type: none"> • DON administers a community-driven process as outlined by Black Brilliance Research the Participatory Budgeting Project, to advertise and identify a paid 15-person independent contractor Steering Committee (this budget assumes each member earning \$75/hr. based on input)

<p>Timeline (5-8 months to launch; 6-10 months for process):</p> <ul style="list-style-type: none"> • Step One - DON drafts and releases an RFP for the TPA and a vendor is selected. (3-6 months) • Step Two – DON negotiates, develops, and signs contract with selected TPA. (1 month) • Step Three – TPA hires 26-person steering committee according to process laid out in their contract. (1-2 months) • Step Four – TPA leads engagement, proposal development, voting, implementation, evaluation (6-10 months) 		<p>Timeline (3-4 months to launch; 6-10 months for process):</p> <ul style="list-style-type: none"> • Step One – Based on Council and community input, DON advertises, develops scoring criteria and selection process to select the 15-members committee. (1-2 months) • Step Two – DON identifies and secures contracts with 15 independent contractors to serve on the steering committee. (1-2 months) • Step Three – DON onboards steering committee. (1 month) • Step Four – DON leads engagement, proposal development, voting, implementation, evaluation (6-10 months) 	
Total Budget:	\$7,475,000	Total Budget:	\$2,630,000
Remaining for Project Proposals:	\$20,825,000	Remaining for Project Proposals:	\$25,170,000

Third party administration: items to address as part of the ordinance:

- RSJI considerations, citywide representation, and legal issues regarding selection criteria for Steering Committee members. Some of the criteria suggested by the report may not be legal or inclusive enough.
- Internal pay equity to ensure that the 26 new “hires” for the Steering Committee salaries are fair and equitable in comparison to other staff that may be doing or supporting the work.
- Internal capacity of an organization to hire and onboard 26 new, qualified staff within a short amount of time, develop rules and procedures, and conduct training and sufficient oversight. It typically takes a CBO 1-3 months to hire one person.
- Identifying required resources such as such as space, equipment, transportation, etc.
- Required resources and time to design and implement a citywide participatory budgeting process, that complies with state and city laws.

- Depending on design, projects that are selected by “vote” may still need to go through city contracting process, including RFP or other competitive bid process.
- Legal risks around eligibility of voting and gift of public funds.

City administration: issues that need to be addressed as part of the ordinance:

- Legal Guidance on the proposed Steering Committee qualifications criteria and consistency with city consultant procurement processes which because of I-200 must be race neutral. Some of the criteria suggested by the report may not be legal or inclusive enough. At least one is discordant with established relationships with sovereign Tribal governments.
- Ensure that the steering committee members have the required documentation to operate as independent contractors (business license, WA state ID, SS card, insurance, ability to set aside funds for required taxes, etc.)
- Realistic implementation timeline.
- Potential legal risk related to employment status and scope of work if the independent contractors are performing work and acting in a capacity that is essentially a City employer and employee relationship.
- The RSJI and other unintended legal and budget consequences of not equitably compensating other volunteer city boards and commission members at a similar rate.
- Legal risks around eligibility of voting and gift of public funds.
- Process for evaluation of projects ahead of voting. This is particularly important given the need to be guided by community voice.

As the City Council determines the next steps on the Participatory Budgeting process, we stand ready to discuss any issues that must be addressed as part of City Council's ordinance. Mayor Durkan, the city Departments, and I are very supportive of participatory budget and want to see the ordinance passed as soon as possible. However, I know we all are equally committed to ensuring they are implemented in a thoughtful and legal manner that maximizes our ability to change outcomes and disparities while being transparent using \$30 million of public resources.

Sincerely,



Tiffany Washington

CC: Councilmember Herbold
Councilmember Sawant
Councilmember Pedersen
Councilmember Juarez
Councilmember Strauss
Councilmember Lewis
Councilmember Mosqueda
Senior Deputy Mayor Fong
Stephanie Formas
Kylie Rolf
Ben Noble
Adrienne Thompson
Director Andres Mantilla

Dan Eder
Date: July 29, 2021
Version: 1

Amendment 1
to
CB 120131 - Equitable Communities Initiative Task Force Proviso Lift
Sponsor: CM Mosqueda
Findings

At p. 4 beginning on line 4, add a new section to the bill as follows (and renumber the other sections accordingly):

Section 3: The City Council finds that ongoing disparities within the City of Seattle related to housing and generational wealth, health and environmental justice, education, and small businesses are contrary to the welfare of the people of the City of Seattle. The City Council therefore finds and declares that it is a fundamental governmental function of the City of Seattle to remedy those disparities as allowed by state and federal law.

Effect:

The amendment adds a new section to the bill that would add findings about ongoing disparities and a declaration about the City's intent to remedy those disparities.

Dan Eder
Date: July 29, 2021
Version: 1

Amendment 2
to
CB 120131 - Equitable Communities Initiative Task Force Proviso Lift
Sponsor: CM Mosqueda
Consistency with Legal Limitations

At p. 4 beginning on line 4, add a new section to the bill as follows (and renumber the other sections accordingly):

Section 4: It is the City Council’s intent that funds appropriated in Section 2 will be implemented through contracts and programs that are aligned with the recommendations of the Equitable Communities Initiative Task Force to the extent consistent with applicable legal limitations.

Effect:

The amendment adds a new section to the bill that would memorialize the Council’s intent that implementation steps be consistent with all applicable legal limitations.



Legislation Text

File #: CB 120150, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE related to the City’s response to the COVID-19 crisis; amending Ordinance 126237, which adopted the 2021 Budget, including the 2021-2026 Capital Improvement Program (CIP); accepting funding from non-City sources; changing appropriations to various departments and budget control levels, and from various funds in the 2021 Budget; revising project allocations for certain projects in the 2021-2026 CIP; imposing provisos; and ratifying and confirming certain prior acts.

WHEREAS, the World Health Organization (WHO) has declared that the Coronavirus Disease 2019 (COVID-19) is a global pandemic, which is particularly severe in high-risk populations such as people with underlying medical conditions and the elderly, and the WHO has raised the health emergency to the highest level requiring dramatic interventions to disrupt the spread of this disease; and

WHEREAS, on February 29, 2020, the Washington Governor issued Proclamation 20-05, proclaiming a state of emergency for all counties throughout the state of Washington in response to new cases of COVID-19; and

WHEREAS, in response to outbreaks of COVID-19 in Seattle, Mayor Jenny Durkan proclaimed a civil emergency exists in Seattle in the Mayoral Proclamation of Civil Emergency dated March 3, 2020; and

WHEREAS, on March 5, 2020, the City Council adopted Resolution 31937 affirming the civil emergency, modifying orders transmitted by the Mayor related to the emergency, and establishing Council’s expectations related to future orders and reporting by the Mayor during the civil emergency; and

WHEREAS, on March 11, 2020, the World Health Organization announced that COVID-19 is officially a global pandemic; and

WHEREAS, on March 13, 2020, the President of the United States declared a national state of emergency in

response to the COVID-19 pandemic; and

WHEREAS, on March 23, 2020, the Governor issued a “Stay Home, Stay Healthy” order, which, combined with other measures taken to prevent the transmission of COVID-19, effectively closed many businesses in the state of Washington; and

WHEREAS, the immediate economic impacts from the COVID-19 emergency have been drastic and are expected to last much longer than the civil emergency itself; and

WHEREAS, local companies have reported laying off employees, experiencing substantial revenue losses, dealing with lost business due to fear and stigma, and seeing major declines in foot traffic as tens of thousands of employees are being asked to work from home; and

WHEREAS, these impacts are being felt across all industry sectors, including retail, restaurant, hospitality, transportation, logistics, arts, and culture; and

WHEREAS, at the end of August 2020, over 3,000 businesses in the Seattle metropolitan area were closed, with an estimated 59 percent of those closures being permanent, and over 32,700 people in Seattle were unemployed; and

WHEREAS, the COVID-19 pandemic has created a grave economic crisis. People in our community have been laid off or have had their work hours reduced, and many people are struggling to feed and house their families. Social services are strained, given the increased demand for resources. Businesses are struggling to pay their employees and cover operating costs; and

WHEREAS, many people and businesses in Seattle continue to be impacted by COVID-19 and the measures taken to prevent its spread, which resulted in unemployment, housing insecurity, and food insecurity; and

WHEREAS, on March 10, 2021, the U.S. House of Representatives passed the American Rescue Plan Act (ARPA) of 2021, providing \$1.9 trillion in pandemic relief; and

WHEREAS, the City has received \$28.7 million in 2021 from the ARPA Emergency Rental Assistance 2 grant

authorized by the U.S. Congress to provide rent and utility assistance; and

WHEREAS, the City has received \$7.8 million in 2021 from the ARPA Older Americans Act grant authorized by the U.S. Congress to provide seniors’ supportive services, including addressing social isolation; and

WHEREAS, the City has received \$10.9 million in 2021 from the ARPA Federal Transit Administration Small Starts Projects grant authorized by the U.S. Congress to fund fixed guideway and bus rapid transit systems; and

WHEREAS, the City has received \$2.1 million in 2021 from the ARPA Small Business Administration Shuttered Venue Operators grant authorized by the U.S. Congress to provide economic aid to shuttered venues such as performing arts organizations, theaters, movie theaters, and museums; and

WHEREAS, the City has also received \$2.6 million in 2021 from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) Federal Transit Administration Supplemental Public Transportation Urbanized Area Apportionment grant authorized by the U.S. Congress to provide operating and maintenance aid to public transportation agencies; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Mayor or the Mayor’s designee is authorized to accept the following non-City funding from the grantors listed below, and to execute, deliver, and perform, on behalf of The City of Seattle, agreements for the purposes described below. The funds, when received, shall be deposited in the receiving funds identified below.

Item	Department	Grantor	Purpose	Fund	Amount
1.1	Executive (Office of Housing)	U.S. Treasury - Emergency Rental Assistance	Rental assistance and eviction prevention	Low-Income Housing Fund (16400)	\$27,344,415
1.2	Executive (Office of Housing)	U.S. Treasury - Emergency Rental Assistance	Rental assistance program administration	Office of Housing Fund (16600)	\$1,386,548

1.3	Human Services Department	U.S. Department of Health and Human Services - Older Americans Act Grant	Grant to lift-up and sustain current aging network activities for older adults in King County and meet emergent needs for COVID response and recovery, including nutrition, preventive health, family caregiver services, and other supportive services.	Human Services Fund (16200)	\$7,752,975
1.4	Seattle Department of Transportation	USDOT - Capital Investment Grants, Small Starts	Madison BRT-RapidRide G Line construction	Transportation Fund (13000)	\$10,897,354
1.5	Seattle Department of Transportation	Federal Transportation Agency (FTA)	Operations and maintenance of the Seattle Streetcar system	Seattle Streetcar Operations (10800)	\$785,304
1.6	Seattle Center	Federal Transportation Agency (FTA)	Operations and maintenance of the Seattle Monorail	Seattle Center Fund (11410)	\$1,832,375
1.7	Seattle Center	Small Business Administration (SBA)	To provide aid to McCaw Hall, which suffered severe negative financial impacts as a result of the closure of the facility due to COVID-19. These funds can be used for specific expenses such as payroll, utility payments, and other business expenses including maintenance costs.	Seattle Center McCaw Hall Fund (11430)	\$2,151,767
TOTAL					\$52,150,738

Section 2. Contingent upon the execution of the grants or other funding agreements authorized in Section 1 of this ordinance, the appropriations for the following items in the 2021 Budget are increased from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
2.1	Executive (Office of Housing)	Low-Income Housing Fund (16400)	Multifamily Housing (BO-HU-3000)	\$27,344,415
2.2	Executive (Office of Housing)	Office of Housing Fund (16600)	Leadership & Administration (BO-HU-1000)	\$1,386,548
2.3	Human Services Department	Human Services Fund (16200)	Supporting Affordability & Livability (BO-HS-H1000)	\$3,850,667
2.4	Human Services Department	Human Services Fund (16200)	Promoting Healthy Aging (BO-HS-H6000)	\$3,353,361
2.5	Human Services Department	Human Services Fund (16200)	Leadership & Administration (BO-HS-H5000)	\$548,947
2.6	Seattle Center	Seattle Center Fund (11410)	Campus (BO-SC-60000)	\$1,832,375
TOTAL				\$38,316,313

Unspent funds so appropriated shall carry forward to subsequent fiscal years until they are exhausted or abandoned by ordinance.

Section 3. The appropriations for the following items in the 2021 Adopted Budget and project allocations in the 2021-2026 Adopted Capital Improvement Program are modified as follows:

Item	Department	Fund	Budget Summary Level	Additional Budget Appropriation	CIP Project Name
3.1	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (BC-TR-19003)	\$10,897,354	Madison BRT - RapidRide G Line (MC-TR-C051)
Net Change				\$10,897,354	

These modifications shall operate for the purposes of decreasing or increasing the bases for the limit imposed by subsection 4(c) of Ordinance 126237.

Section 4. Statement of intent. By establishing this Section 4, the Council and the Mayor express their

policy intent to prioritize use of federal funds from the American Rescue Plan Act of 2021 and the Consolidated Appropriations Act, 2021, to maintain programs and services that support the City’s public health response; provide critical resources to those disproportionately impacted by COVID-19, including Black, Indigenous, Latinx, and other communities of color, immigrants, the lesbian, gay, bisexual, transgender, queer, intersex, and asexual (LGBTQIA) community, women, low-income households, people experiencing homelessness or housing insecurity, and people who work in the creative economy. The following policy intent shall guide the expenditures authorized in Sections 2 and 3 of this ordinance:

A. Section 2, items 2.1 and 2.2: \$28,730,963 is allocated to Office of Housing for rental assistance and homelessness prevention services. Funds will be used as follows:

1. \$9,576,988 from item 2.1 will be used to contract with community based agencies that have an established track record of serving communities that 1) have been disproportionately impacted by COVID-19 and 2) have a disproportionate need for rental assistance; and that have experience in managing rent assistance and/or homeless prevention dollars particularly during the current COVID-19 public health emergency for the purposes of rent assistance and other housing related costs including internet services, homelessness prevention services, and associated administration costs.

2. \$9,576,988 from item 2.1 will be distributed via a subaward as a subrecipient to United Way of King County for the purposes of rent assistance, homelessness prevention services, and associated administration costs, and may be spent for no other purpose. The Office of Housing, in cooperation with United Way, will do proactive outreach to landlords who may be struggling with mortgage debt, regarding availability of rental assistance funding.

3. \$8,190,439 from item 2.1 and \$1,386,548 from item 2.2 will be appropriated to the Office of Housing for the purposes of rent assistance, homelessness prevention services, and associated administration costs, for publicly-subsidized rent- and income-restricted affordable housing units.

B. Section 2, items 2.3, 2.4, and 2.5: \$7,752,975 is allocated to the Human Services Department for senior services, including supportive services, congregate meals, home delivered meals, preventative health services, and support for family caregivers. Supportive services will include programs to address the mental health impacts of social isolation in seniors. Funding for congregate meal programs and meal delivery should be distributed to providers in such a way as to allow for hybrid programs which provide both services.

Section 5. This ordinance imposes a proviso, as follows:

“Of the appropriation in the 2021 budget for the Human Services Department Promoting Healthy Aging (BO-HS-H6000) Budget Summary Level, \$200,000 of U.S. Department of Health and Human Services - Older Americans Act Grant funds are appropriated solely for services to address the mental health impacts of senior isolation unless forthcoming federal and state funding requirements conflict with the spending restrictions imposed by this proviso. The Council requests that any final contract governing the U.S. Department of Health and Human Services - Older Americans Act Grant funds and a spending plan for these funds be submitted to the Chair of the Public Safety and Human Services committee before the transmittal of the 2022 Proposed Budget.”

Section 6. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 7. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2021, and signed by
me in open session in authentication of its passage this _____ day of _____, 2021.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2021.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2021.

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
LEG	Aly Pennucci / 4-8148	William Chen / 233-7274

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE related to the City’s response to the COVID-19 crisis; amending Ordinance 126237, which adopted the 2021 Budget, including the 2021-2026 Capital Improvement Program (CIP); accepting funding from non-City sources; changing appropriations to various departments and budget control levels, and from various funds in the 2021 Budget; revising project allocations for certain projects in the 2021-2026 CIP; imposing provisos; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: In response to the ongoing COVID-19 pandemic public health emergency and resulting economic downturn, the U.S. Congress passed, and the President signed, the American Rescue Plan Act of 2021 (ARPA) in March 2021. While the Rescue Plan Act had substantial direct assistance to the American people, it also contained support for state and local governments so they could continue providing existing and expanded responsive services. The City accepted and appropriated some of those funds in [Ordinance 126371](#).

This legislation accepts and appropriates additional funding contained in ARPA.

Specifically, the bill accepts/appropriates funds as follows:

2.1 Executive (Office of Housing) - Low-Income Housing Fund (16400) Multifamily Housing (BO-HU-3000) \$27,344,415 - This item provides support for rent assistance and homelessness prevention services.

2.2 Executive (Office of Housing) - Office of Housing Fund (16600) Leadership & Administration (BO-HU-1000) \$1,386,548 - This item provides support for administrative costs related to rent assistance and homelessness prevention services.

2.3 Human Services Department - Human Services Fund (16200) Supporting Affordability & Livability (BO-HS-1000) \$3,850,667 - This item provides support for seniors’ supportive services, including addressing social isolation.

2.4 Human Services Department - Human Services Fund (16200) Promoting Healthy Aging (BO-HS-H6000) \$3,353,361 - This item provides support for seniors’ supportive services, including addressing social isolation.

2.5 Human Services Department - Human Services Fund (16200) Leadership & Administration BO-HS-H5000 \$548,947 - This item provides support for seniors' supportive services, including addressing social isolation.

2.6 Seattle Center - Seattle Center Fund (11410) Seattle Campus (BO-SC-60000) \$1,832,375 - This item provides support for Monorail operating and maintenance costs.

3.1 Seattle Department of Transportation - Transportation Fund (13000) Mobility-Capital (BC-TR-19003) \$10,897,354 - This item provides capital support for the Madison BRT line.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes ___ No

Please see item 3.1 above for a description of the CIP amendment.

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes ___ No

Appropriation change (\$):	General Fund \$		Other \$	
	2021	2022	2021	2022
			\$48,213,667	
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2021	2022	2021	2022
			\$52,150,738	
Positions affected:	No. of Positions		Total FTE Change	
	2021	2022	2021	2022

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs? Strategic use of ARPA funds will allow Seattle to rebound and recover from the COVID-19 pandemic and resulting economic downturn. This is likely to result in higher City tax revenues than if these funds are not accepted and appropriated.

Is there financial cost or other impacts of *not* implementing the legislation?

Yes, grant funds provided to the City from the federal government will go unaccepted and unspent.

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

See the list of items above for changes to appropriations.

Is this change one-time or ongoing?

One-time.

3.b. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

See the list of items above for changes to revenues.

Is this change one-time or ongoing?

One-time.

3.c. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

This budget bill will impact several City departments. Those departments are listed in the appropriations sections above.

b. Is a public hearing required for this legislation?

No.

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

d. Does this legislation affect a piece of property?

No.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

The Emergency Rental Assistance 2 grant targets low-income renters around Seattle who need help with rent or utility payments. Lower-income residents are disproportionately BIPOC. The funding for rental assistance is divided into three, with one-third going to publicly-subsidized affordable housing, one-third to United Way of King County to help, and one-third to CBOs in communities of color.

Older Americans Act funds are available to people aged 60 and older, but with a focus on the greatest economic and social need, particularly low-income minority individuals. Relevant to RSJI considerations, social need includes a focus on people with limited English proficiency and cultural isolation caused by racial/ethnic status.

Public transportation is relied on more by people with lower incomes, who are disproportionately BIPOC. Madison BRT and Streetcar investments help connect people to important institutions like hospitals and schools as well as workplaces and businesses. Monorail, besides being used by tourists and future Arena attendees, is also used by commuters, and the less car traffic there is on the road, the better public transportation runs for everyone.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

No.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

N/A

List attachments/exhibits below:



SEATTLE CITY COUNCIL
CENTRAL STAFF

CB 120150: Seattle Rescue Plan #2

Aly Pennucci and Traci Ratzliff, Council Central Staff

Julie Dingley, City Budget Office

Emily Alvarado, Office of Housing

FINANCE AND HOUSING COMMITTEE | AUGUST 3, 2021

Presentation Overview

- Background
- Council Bill (CB) 120150: Seattle Rescue Plan #2 Overview
 - Rental Assistance
 - Background on previous investments (ERA 1)
 - ERA 2 Proposal
 - Senior Services
 - Transportation
 - McCaw Hall – Shuttered Venues Grant

Background

- **H.R. 1319 American Rescue Plan Act (ARPA)**
 - \$1.9 trillion in appropriations, enacted March 11, 2021
 - Included \$219.8 billion direct aid (Coronavirus Local Fiscal Recovery Funds (CLRF)) and targeted funds for specific programs, like Older Americans Act
 - \$219.8 billion directly to eligible governments through
- **H.R. 133 Consolidated Appropriations Act, 2021 (CAA)**
 - \$2.3 trillion in appropriations, enacted December 27, 2020
- **Seattle Rescue Plan #1 (ORDs 126371 & 126372)**
 - Accepted CLRF and HOME funds, and authorized spending about \$128 million in 2021 to support Seattle's recovery from the COVID-19 emergency and backfill revenue; and
 - \$25 million of general fund to provide direct cash assistance to households disproportionately impacted by the COVID emergency

Emergency Rental Assistance 1 (ERA 1) CB 120018

Total Funding Awarded: \$22.7 Million

Funding Source: CAA, 2021

- \$6.2 million to community-based organizations (CBOs), to provide rental assistance and support services for low-income residents, who have experience:
 - Serving communities disproportionately impacted by COVID-19 and have a disproportionate need for rental assistance; and
 - Managing rental assistance and homelessness prevention funds
- \$8 million to United Way of King County for rental assistance, homelessness prevention services and administrative costs
- \$7 million to Office of Housing to provide rental assistance for the lowest income residents in publicly subsidized affordable housing
- \$1.5 million to Seattle City Light and Seattle Public Utilities for emergency utility assistance for low-income renters with outstanding utility bills

ERA 1 Implementation Report

- Payments to publicly subsidized affordable housing providers in process:
 1. NOFA demonstrated need for over \$6 million
 2. Gathering documentation and tenant data for over 3,000 households
 3. Launching technology platform, with payments beginning in August
- 14 Community Based Organizations are under contract and currently working with clients to deliver rent assistance and services
- United Way has paid ~\$3 million of rent assistance for ~300 households, with ~500 households currently in progress, and on track to allocate remaining funds to residents in need by September

Background

ERA 1 Community Based Organizations



Muslim Housing Services



Somali Community Services of Seattle
8810 Renton Ave South Seattle WA 98118

St. Vincent de Paul of Seattle/King County



Emergency Rental Assistance 2 (ERA 2)

Total Funding Available: \$28.7 Million

Funding Source: ARPA — U.S. Department of the Treasury

- \$9.6 million to community-based organizations (CBOs), to provide rental assistance and support services for low-income residents, who have experience:
 - Serving communities disproportionately impacted by COVID-19 and have a disproportionate need for rental assistance; and
 - Managing rental assistance and homelessness prevention funds
- \$9.6 million to United Way of King County for rental assistance, homelessness prevention services and administrative costs
- \$9.6 million to Office of Housing to provide rent assistance for the lowest income residents in publicly subsidized affordable housing

Senior Services

Total Funding Available: \$7.7 Million

Funding Source: ARPA — Older Americans Act (OAA)

- \$3.1 million distributed in 2021
- OAA allows funding for:
 - Supportive services (transportation, case management, and services addressing mental health impacts), congregate meals, delivered meals, preventative health, and caregiver support
 - Waiting for additional guidance from state on final funding and uses
- CB 120150 includes a proviso which requires \$200,000 be spent on services to address the mental health impacts of senior isolation, pending state funding guidance

Transportation

Total Funding Available: \$13.5 Million

Funding Source: ARPA — Federal Transportation Agency (FTA)

CAA — FTA Urbanized Area Apportionment for Streetcar & Monorail

- \$10.9 million for the Madison Street Bus Rapid Transit (BRT), to assist with local match
- \$785,000 for the Streetcar, to backfill lost revenue and to support maintenance and operations
- \$1.8 million for the Seattle Center for Monorail, to backfill lost revenue and to support maintenance and operations

McCaw Hall

Total Funding Available: \$2.1 Million

**Funding Source: Small Business Administration (SBA) Shuttered Venue
Operators Grant**

- Grant awarded based on application specifically for McCaw Hall
- Can be used for expenses such as payroll, utility, payments, and other businesses expenses such as maintenance costs

CB 120150 SRP #2 – Summary & Next Steps

CB 120150:

- Accepts \$52 million in targeted grants from ARPA and the CCA, 2021
 - \$28.7 million Emergency Rental Assistance
 - \$7.7 million Older Americans Act – Senior Services
 - \$13.5 million –FTA funds for transportation
 - \$2.1 million – SBA Shuttered Venues Grant for McCaw Hall

Next Steps:

- If the Committee votes on CB 120150 on August 3, final action at Full Council expected on August 9
- Additional targeted aid, if received, may be considered as part of Council's fall budget process

Questions?



Legislation Text

File #: CB 120147, **Version:** 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the financing of the General Fund; authorizing interfund loans up to a total amount of \$205,000,000 from multiple City Funds to the General Fund as bridge financing to be repaid from future tax proceeds and other anticipated revenues; and ratifying and confirming certain prior acts. WHEREAS, the 2021 Adopted Budget was balanced with \$214 million of revenues from the new payroll

expense tax adopted by Ordinance 126108; and

WHEREAS, Ordinance 126108 provided that in the first year the payroll expense tax payments are not due until January 31, 2022, after which the payroll expense tax will be collected on a quarterly basis; and

WHEREAS, the extension of the due date for 2021 payroll expense tax payments until 2022 has resulted in a cash flow delay to the General Fund, with the expectation that the General Fund will be in an extended negative cash flow position necessitating the authorization of an interfund loan; and

WHEREAS, Seattle Municipal Code subsection 5.06.030.C requires City Council approval by ordinance of any interfund loan for a duration of 90 days or more; and

WHEREAS, in the normal course of business the City may temporarily lend cash between funds to maintain required balances; and

WHEREAS, regarding use of the proceeds of this interfund loan for operating costs, the Director of Finance and the City Budget Director have determined that there is no viable alternative available for advancing a core City objective; and

WHEREAS, the Director of Finance and the City Budget Director have determined that this interfund loan request is consistent with the Debt Management Policies adopted by Resolution 31553; and

WHEREAS, the anticipated cash deficit in the General Fund could reach as much as \$200 million during the term of the interfund loan, and no single Fund in the City Treasury maintains sufficient cash reserves both to fully fund the proposed loan and still meet regular budgeted operating needs; and

WHEREAS, there is sufficient cash in several City Funds to support portions of the total loan to the General Fund and still meet regular budgeted operating needs; and

WHEREAS, funds loaned to the General Fund pursuant to this ordinance are anticipated to be repaid from future tax proceeds and other anticipated revenues;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council finds that there is no viable alternative to meet a core City objective, and therefore the Director of Finance is authorized to make one or more revolving loans of up to \$205,000,000 total principal and interest outstanding to the General Fund from one or more of the City Funds identified in Section 2 of this ordinance. Each loan is to be repaid by no later than December 31, 2022, with interest on the loan at the rate of return of the City's Consolidated Cash Pool. The entire principal and interest amount of the loan drawn is intended to be repaid with future tax proceeds and other anticipated revenues.

Section 2. To implement the loans authorized in Section 1, the following City Funds may be used as the source of cash loaned to the General Fund pursuant to Section 1 of this ordinance:

- A. Health Care Fund (10112),
- B. Move Seattle Levy Fund (10398),
- C. Families, Education, Preschool, and Promise Fund (17871),
- D. Seattle Park District Fund (19710),
- E. Transportation Benefit District Fund (19900),
- F. REET I Capital Projects Fund (30010),

G. REET II Capital Projects Fund (30020), and

H. Construction and Inspections Fund (48100).

Section 3. The Director of Finance may effectuate the loans authorized in this ordinance by transferring cash to the General Fund from one or more of the City Funds identified in Section 2 of this ordinance, or by carrying the General Fund in a negative cash position, in a total amount not to exceed \$205,000,000 until no later than December 31, 2022. The Director of Finance is further authorized to establish, and modify if necessary, from time to time, a repayment plan and schedule.

Section 4. Any act consistent with the authority of this ordinance taken prior to its effective date is ratified and confirmed.

Section 5. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2021, and signed by me in open session in authentication of its passage this _____ day of _____, 2021.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2021.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2021.

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Email:
City Budget Office		Chloe Wilkes/ chloe.wilkes@seattle.gov

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to the financing of the General Fund; authorizing interfund loans up to a total amount of \$205,000,000 from multiple City Funds to the General Fund as bridge financing to be repaid from future tax proceeds and other anticipated revenues; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: This legislation authorizes a revolving interfund loan of up to \$205 million principal and interest outstanding at one time to the General Fund (00100). The General Fund (00100) is entering an extended period of negative cash flow. Primarily, this is due to the payroll expense tax, which was newly implemented in 2021 and is expected to provide \$214 million in 2021 General Fund revenues. In 2021, the first year the tax is levied, the collection of the tax proceeds and corresponding cash will be due from taxpayers in January 2022. (Thereafter, the payroll expense tax will be collected quarterly.) The General Fund requires a bridge loan until the 2021 payroll expense tax proceeds are collected in first quarter 2022, and until cash flow returns to more normal patterns in 2022.

The City Budget Director and the Director of Finance have identified the potential cash deficit to be as high as \$200 million, depending on the timing of cash inflows and outflows. no single Fund in the City Treasury maintains sufficient cash reserves both to fully fund the proposed loan and still meet regular budgeted operating needs. To ensure that the General Fund can borrow the cash that it requires without straining the resources of a single Lending Fund, eight Funds will be authorized as potential Lending Funds. This ordinance grants the Director of Finance, or his designee, the authority to transfer cash to the General Fund from one or more of these designated Lending Funds. The Funds were selected as capable Lending Funds based upon analysis of cash balance histories, fund financial plans, and other considerations. Through the life of the requested interfund loan authority, FAS will closely monitor the balance sheets and income statements of the Lending Funds to ensure that interfund loan obligations do not affect the Fund’s operations or program planning.

The designated Lending Funds are:

- Health Care Fund (10112)
- Move Seattle Levy Fund (10398)
- Families, Education, Preschool, and Promise Fund (17871)
- Seattle Park District Fund (19710)
- Transportation Benefit District Fund (19900)
- REET I Capital Projects Fund (30010)

- REET II Capital Projects Fund (30020)
- Construction and Inspections Fund (48100)

These Funds will receive the same interest earnings on all cash loaned to the General Fund as they would have earned if the cash had not been loaned. It is estimated that the General Fund will pay approximately \$1.9 million in interest charges to the Lending Funds during the life of the interfund loan. It is forecast that the General Fund will gradually return to its normal cash flow patterns through 2022, after all 2021 payroll expense tax proceeds are deposited into the General Fund as they are collected in first quarter 2022.

Any anticipated cash deficit resulting from the Payroll Tax fund legislation introduced as Council Bill 120118 will be evaluated and addressed through subsequent legislation.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs? This legislation addresses accounting and audit concerns, but does not affect programs or services funded by the General Fund.

Is there financial cost or other impacts of *not* implementing the legislation? Yes. The City would potentially be in conflict with legal accounting and financial reporting requirements.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Yes. Seattle Parks and Recreation, the Seattle Department of Transportation, the Department of Education and Early Learning, and the Seattle Department of Construction and Inspections manage City Funds that will be authorized to loan cash to the General Fund under the conditions of the interfund loan authorized by this ordinance. The interfund loan will be carefully managed so that there is no impact to the regular or emergent budget needs of the Lending Funds.

- b. Is a public hearing required for this legislation?** No.
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.
- d. Does this legislation affect a piece of property?** No.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?** None. This legislation addresses accounting and audit requirements but does not impact programs or services funded through the General Fund.
- f. Climate Change Implications**
 - 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?** No.
 - 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.** No.
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).** Not applicable.

List attachments/exhibits below: None.

2021/22 General Fund Interfund Loan Legislation

CB 120147



Context

- 2021 balanced budget includes revenue that won't be received as cash until 2022.
- No other viable alternative to implement the Adopted 2021 Budget.
- \$205m including interest (~\$2m) through Dec 31, 2022.
- Multiple lending funds; FAS monitors to ensure no impact to operations or program planning.

Lending Fund Analysis

- Excluded utility funds, bond funds and funds with <\$20m cash balance
 - 20 funds remaining
- Further analysis of cash balance histories, fund financial plans, existing interfund loan obligations
 - 8 funds remaining

Type	Fund #	Fund Name
Centrally Managed	10112	Health Care Fund
	30020	REET II Capital Fund
	30010	REET I Capital Fund
Districts	19710	Seattle Park District Fund
	19900	Transportation Benefit District Fund
Levies	17871	Families, Education, Preschool, and Promise Fund
	10398	Move Seattle Levy Fund
Other	48100	Construction & Inspections Fund

August 2, 2021

MEMORANDUM

To: Finance & Housing Committee
From: Tom Mikesell, Analyst
Subject: Council Bill 120147 – General Fund Interfund Loan

On August 3, 2021, the Finance & Housing Committee will discuss and possibly vote on Council Bill (CB) 120147 which would authorize a \$205 million interfund loan to the General Fund through June 30, 2021.

Background

Passed by the City Council on July 6, 2021, [Ordinance 126108](#) authorized a payroll expense tax on businesses with payrolls of \$7 million and higher annually. For 2021, the first year of the tax, payments from businesses with tax liability are due January 31, 2022. The 2021 Adopted Budget is balanced with \$214 million of revenue from the payroll expense tax. Though, as noted above, payments will not be received until early 2022, governmental accounting standards allow the proceeds to be counted as 2021 revenue for purposes of balancing the budget.

At an operational level, however, daily cash balances in City funds must be sufficient to pay vendor invoices, bi-weekly payrolls, and other claims on City funds when they are received by City accounting. Given the size of the estimated payroll expense tax revenues, which represent approximately 13 percent of the total 2021 General Fund (GF) budget, and the late timing of receiving the cash payments from taxpayers, Executive staff have determined that, absent an interfund loan, GF cash balances will be negative in the second half of 2021, and for a period in 2022.

[Seattle Municipal Code 5.06.030 \(c\)](#) authorizes the City Finance Director to address cash shortfalls shorter than 90 days through short-term lending between funds; temporary cash shortfalls that are projected to last longer than 90 days require an interfund loan that is authorized by ordinance.

Further, the [City's Debt Policy](#) requires that requests for interfund loans receive approval by the Debt Management Policy Advisory Committee (DMPAC), which is comprised of:

- Chair of the Council Finance Committee;
- Central Staff Executive Director;
- City Finance Director;
- City Budget Director;
- Director of Seattle Public Utilities; and
- General Manager and Chief Executive Officer of Seattle City Light.

On July 14, 2021, DMPAC voted to approve a \$205 million interfund loan to the General Fund.

CB 120147

To address the temporary cash shortfall posed by the delayed collection of 2021 payroll expense tax proceeds described above, CB 120147 would authorize a \$205 million interfund loan to the General Fund from a number City funds that Department of Finance and Administrative Services staff have determined to be viable candidates (no single fund can support a loan of this size and term). These funds include:

- Health Care Fund (10112);
- Move Seattle Levy Fund (10398);
- Families, Education, Preschool, and Promise Fund (17871);
- Seattle Park District Fund (19710);
- Transportation Benefit District Fund (19900);
- REET I Capital Projects Fund (30010);
- REET II Capital Projects Fund (30020); and
- Construction and Inspections Fund (48100).

The bill would authorize the Director of Finance to manage the loaned amount from each individual fund, or to carry the General Fund in a negative cash position. Lending funds would receive interest payments from the General Fund at the same rate as the City's investment pool. Materials provided at the July DMPAC meeting cited a 1.5 percent interest rate, though this rate will fluctuate based on the actual investment pool interest rate. Through December 31, 2022, materials provided by the Executive estimate \$1.9 million of interest would be paid from the General Fund to lending funds. To allow for the possibility of higher interest charges, the bill would provide for up to \$5 million for interest.

Next Steps

If the Committee votes on CB 120147 on August 3, the City Council will likely consider the legislation at its August 9 meeting.

cc: Dan Eder, Interim Director
Aly Pennucci, Policy and Budget Manager



Legislation Text

File #: CB 120111, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE authorizing, in 2021, acceptance of funding from non-City sources; authorizing the heads of the Executive Department, Human Services Department, City Light Department, Department of Transportation, Seattle Fire Department, and Seattle Parks and Recreation to accept specified grants, private funding, and subsidized loans and to execute, deliver, and perform corresponding agreements; and ratifying and confirming certain prior acts.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Mayor or the Mayor’s designee, the Director of Education, the Director of the Human Services Department, the General Manager and Chief Executive Officer of City Light, the Director of Transportation, the Fire Chief, and the Superintendent of Parks and Recreation are authorized to accept the following non-City funding from the grantors listed below; and to execute, deliver, and perform, on behalf of The City of Seattle, agreements for the purposes described below. The funds, when received, shall be deposited in the receiving funds identified below to support future appropriations, or in support of, or as reimbursement for, the corresponding appropriations set forth in the ordinance introduced as Council Bill 120112.

Item	Department	Grantor	Purpose	Fund	Amount
1.1	Department of Education and Early Learning	Casey Family Programs	Supporting “Whole Child-Whole Day; Creating School Culture & Climate to Address Elimination of Opportunity Gaps” initiative.	General Fund (00100)	\$415,000
1.2	Department of Education and Early Learning	Department of Education	Upward Bound focuses on low-income and/or first-generation students who cannot go to college without additional academic assistance and pre-college counseling.	General Fund (00100)	\$17,545

1.3	Human Services Department	Washington State Department of Social and Health Services (DSHS)	COVID response grant from Washington State DSHS of federal Older Americans Act funding to provide nutrition programs to older adults in King County.	Human Services Fund (16200)	\$849,202
1.4	Human Services Department	Washington State DSHS	Grants to support nutrition programs and other supportive services for older adults from Washington State DSHS.	Human Services Fund (16200)	\$327,979
1.5	Executive (Office of Emergency Management)	Washington State Military Department - Emergency Management Division	This funding from the Washington State Military assists state, local, and tribal emergency management activities supporting the prevention of, preparation for, and response to the ongoing Coronavirus Disease 2019 (COVID-19) public health emergency.	General Fund (00100)	\$33,684
1.6	Executive (Office of Emergency Management)	Federal Emergency Management Agency (FEMA)	This funding from FEMA supports a structural seismic retrofit of an affordable housing facility (Bremer Apartments). This project is to be completed in partnership with Capitol Hill Housing (CHH), the non-profit managing the building.	General Fund (00100)	\$42,817
1.7	Executive (Office of Immigrant & Refugee Affairs)	Seattle Housing Authority (SHA)	Support for naturalization services for SHA residents enrolled in New Citizen Program.	General Fund (00100)	\$48,532
1.8	Seattle City Light	Washington Department of Commerce	This item increases grant-backed appropriation authority by \$600,000 in Seattle City Light, in the Light Fund, Power Supply - CIP BSL (BC-CL-X). This grant will support the development and implementation of a microgrid serving a local community center. The microgrid will integrate solar, battery storage, and a backup generator, and will balance supply and demand.	Light Fund (41000)	\$600,000

1.9	Seattle Department of Transportation	Federal Highway Administration (FHWA)	This grant will fund the Georgetown to South Park Trail project to construct multi-use paths and biking networks to create an all ages all abilities route between the Georgetown and South Park neighborhoods.	Transportation Fund (13000)	\$1,500,000
1.10	Seattle Department of Transportation	FHWA	This grant will fund the construction of pedestrian refuge islands at various locations to reduce pedestrian exposure.	Transportation Fund (13000)	\$1,210,000
1.11	Seattle Department of Transportation	FHWA	These awards from FHWA and FTA will fund construction of transit spot improvements and multimodal corridor improvements along King County Metro Route 40 to improve connections to major destinations in North and Central Seattle.	Transportation Fund (13000)	\$1,000,000
		Federal Transit Authority (FTA)	These awards from FHWA and FTA will fund construction of transit spot improvements and multimodal corridor improvements along King County Metro Route 40 to improve connections to major destinations in North and Central Seattle.	Transportation Fund (13000)	\$3,000,000

1.12	Seattle Department of Transportation	FHWA	This item accepts grants and appropriates in the amount of \$4,000,000 in the Mobility-Capital BCL (BC-TR-19003) from FHWA. This grant will fund construction in the Eastlake segment of the project, including roadway rechannelization and repaving, new protected bike lanes, station platforms and station access improvements, and signal upgrades. Design for this project will finish in 2023 and construction is expected in 2024. The grant funding constitutes approximately 10% of the project budget and a 13.5% local match is required, which has been budgeted.	Transportation Fund (13000)	\$4,000,000
1.13	Seattle Department of Transportation	FHWA	This funding from FHWA will help construct the 15th Avenue West and West Nickerson Street interchange project in the Arterial Asphalt and Concrete Master Project.	Transportation Fund (13000)	\$1,500,000
1.14	Seattle Department of Transportation	FHWA	This grant will fund the Downtown Bike Network project to construct the northern and southern extensions of the 4th Ave PBL for a total of 1.1 miles; this will complete a north/south pathway through the downtown core that offers direct access to dense employment centers and bike facilities connecting other parts of the city.	Transportation Fund (13000)	\$1,900,000
1.15	Seattle Department of Transportation	FHWA	Funding from this FHWA grant will help the Route 48 Transit Improvements project construct improvements to increase transit speed and reliability, as well as transit passenger access and convenience, along 23rd/24th Ave and E Montlake Pl.	Transportation Fund (13000)	\$1,115,300

1.16	Seattle Department of Transportation	Washington Traffic Safety Commission	This grant funding is intended for pedestrian safety programs and will be used for public education efforts in the Vision Zero program.	Transportation Fund (13000)	\$250,000
1.17	Seattle Fire Department	Department of Homeland Security (DHS)/FEMA through King County Office of Emergency Management	The State Homeland Security Program (SHSP) is a core assistance program that provides funds to build capabilities at the state, local, tribal, and territorial levels, to enhance our national resilience to absorb disruptions and rapidly recover from incidents both natural and manmade, as well as to implement the goals and objectives included in State homeland security strategies and initiatives in their State Preparedness Report (SPR). Activities implemented under SHSP must support terrorism preparedness by building or enhancing capabilities that relate to the prevention of, protection from, mitigation of, response to, and recovery from terrorism in order to be considered eligible. However, many capabilities which support terrorism preparedness simultaneously support preparedness for other hazards.	General Fund (00100)	\$10,000
1.18	Seattle Fire Department	Washington State Department of Ecology	The Washington State Department of Ecology Grant Program provides funding for oil spill and hazardous materials response and firefighting equipment, resources, and trainings that support local, regional, and statewide emergency response to oil spills and hazardous materials incidents.	General Fund (00100)	\$100,000

1.19	Seattle Fire Department	DHS	The Department of Homeland Security’s BioWatch Program provides early detection of a bioterrorism event and helps communities prepare a coordinated response. The combination of detection, rapid notification and response planning helps federal, state, and local decision-makers take steps to save lives and mitigate damage.	General Fund (00100)	\$1,450,288
1.20	Seattle Fire Department	Washington State Department of Health	The purpose of the Pre-Hospital Grant is to support participation in the trauma system by all licensed, trauma-verified emergency medical services (EMS) organizations providing care in Washington State. The grant may be used for any cost associated with providing trauma care including supplies, equipment, and training.	General Fund (00100)	\$1,260
1.21	Seattle Fire Department	Rockefeller Foundation	The Rockefeller Foundation’s mission is to promote the well-being of humanity throughout the world. Today the Foundation advances new frontiers of science, data, policy, and innovation to solve global challenges related to health, food, power, and economic mobility. As a science-driven philanthropy focused on building collaborative relationships with partners and grantees, the Rockefeller Foundation seeks to inspire and foster large-scale human impact that promotes the well-being of humanity by identifying and accelerating breakthrough solutions, ideas, and conversations.	General Fund (00100)	\$300,000

1.22	Seattle Parks and Recreation	Washington State Recreation and Conservation Office (RCO)	This item increases appropriation authority by \$1,070,323 in the Building for the Future BSL (BC-PR-20000). This grant from RCO 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. Additionally, this project will add synthetic turf, lighting, field amenities, an adult fitness zone, a loop trail, improved Americans with Disabilities Act (ADA) compliance, and accessible pathways. The primary recreational opportunity provided by this project is active play. The project will occur entirely on City property. This is a reimbursable grant and requires a \$6,430,015 match, which the total project budget satisfies. The grant expiration date is 12/31/2022.	Park and Recreation Fund (10200)	\$1,070,323
1.23	Seattle Parks and Recreation	King County	This King County 4Culture grant supports the Major Projects Challenge Fund Master project (MC-PR-21002), and will be used towards renovations at the Volunteer Park Amphitheater (VPA).	Park and Recreation Fund (10200)	\$150,000
1.24	Seattle Parks and Recreation	RCO	These grant funds will be used for long-overdue enhancements at Kubota Gardens.	Park and Recreation Fund (10200)	\$500,000
1.25	Seattle Parks and Recreation	Washington State Department of Commerce	This grant supports the Magnuson Community Center project (MC-PR-41067), and will be used towards renovations at the center. Specifically, this grant will be used to expand the center's ability to provide programming to the community.	Park and Recreation Fund (10200)	\$1,950,000

Total	\$23,341,930
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Section 2. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2021, and signed by me in open session in authentication of its passage this _____ day of _____, 2021.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2021.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2021.

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
City Budget Office	Caleb Wagenaar/3-9228	Caleb Wagenaar/3-9228

* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.

1. BILL SUMMARY

Legislation Title: AN ORDINANCE authorizing, in 2021, acceptance of funding from non-City sources; authorizing the heads of the Executive Department, Human Services Department, City Light Department, Department of Transportation, Seattle Fire Department, and Seattle Parks and Recreation to accept specified grants, private funding, and subsidized loans and to execute, deliver, and perform corresponding agreements; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: This ordinance proposes the acceptance of grants and/or private funds or donations from various agencies and organizations.

During the course of a year, City departments receive grant awards or opportunities for other funding resources that are not anticipated in the Adopted Budget. The City Budget Office formally accepts these funds by compiling departmental grants acceptances and similar agreements in separate ordinances second, third, and fourth quarter of the year. The attached ordinance contains grant-related requests received for the first and second quarters of 2021.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? X Yes No

Appropriation change (\$):	General Fund \$		Other \$	
	2021	2022	2021	2022
	\$0	\$0	\$0	\$0
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2021	2022	2021	2022
	\$2,419,126	\$0	\$20,922,804	\$0
Positions affected:	No. of Positions		Total FTE Change	
	2021	2022	2021	2022
	0	0	0	0

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
 No.

Is there financial cost or other impacts of *not* implementing the legislation?

The City would not have available the financial resources that the ordinance accepts.

3.d. Appropriations

This legislation adds, changes, or deletes appropriations.

Appropriations Notes: Appropriations related to items in this ordinance are identified in a companion supplemental ordinance.

3.e. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

See Attachment A to this document for additional details.

3.f. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
Yes, this legislation impacts a number of departments' 2021 budgets. The budget appropriation contained in this legislation allow departments to continue programs that for various reasons planned spending was not completed during the calendar year.
- b. **Is a public hearing required for this legislation?**
No
- c. **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
No
- d. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No
- e. **Does this legislation affect a piece of property?**
No
- f. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**
Please see Attachment A to this document for any RSJI implications.

- g. If this legislation includes a new initiative or a major programmatic expansion:
What are the specific long-term and measurable goal(s) of the program? How will
this legislation help achieve the program's desired goal(s)?**

Please see Attachment A to this document for additional details.

List attachments/exhibits below:

Summary Attachment A - 2021 Second Quarter Grant Acceptance Ordinance Summary Detail
Table

2021 Midyear Grant Acceptance Ordinance Summary Detail Table

Item #	Title	Description	Amount/FTE
Section 1 – Grant Acceptances			
1.1	Casey Whole Child Whole Day (Department of Education and Early Learning)	This item increases appropriation authority by \$415,000 for the Department of Education and Early Learning (DEEL) General Fund Budget Control Level K-12 Programs (00100-BO-EE-IL200). This grant will support the Whole Child - Whole Day; Creating School Culture & Climate to Address Elimination of Opportunity Gaps initiative. The grant supports school climate improvements through a contract with Seattle Public Schools (SPS). The Whole-Child Whole Day (WCWD) program supports SPS to improve, implement, and sustain a tiered system of support within designated pre-k - 8th grade school feeder programs that leverage school and community partnerships to eliminate opportunity gaps for all students with an intentional focus on improving school climate for African-American males and other students of color. No match is required and the grant is through June 2022. No Match is required.	\$415,000
1.2	Upward Bound Grant Increase (Department of Education and Early Learning)	This item increases appropriation authority by \$17,545 for DEEL in the Department of Education and Early Learning (DEEL) General Fund K-12 Programs Budget Control Level (00100-BO-EE-IL200) to support the Upward Bound Program. This federal grant focuses on low income and/or first generation students who cannot go to college without additional academic assistance and pre-college counseling. This increase supplements an existing award for the 21-22 school year. No match is required.	\$17,545
1.3	Consolidated Appropriations Act Grant for Older Americans (Human Services Department)	This item increases grant-backed appropriation authority by \$849,202 in the Human Services Department, in the Supporting Affordability & Livability Budget Control Level (16200-H1000). This one-time grant will provide nutrition programs to Older Adults in King County to address the impacts of COVID-19. The grant period is through December 31, 2021; no match is required.	\$849,202

Item #	Title	Description	Amount/FTE
1.4	Older Adult Program Grant Appropriation Increase (Human Services Department)	This item increases appropriation authority in the Human Services Department by \$138,178 in the Human Services Fund Supporting Affordability & Livability Budget Control Level (16200-H1000) and \$189,801 in the Promoting Healthy Aging Budget Control Level (16200-H6000). These are increases in appropriation for existing HSD grants that provide services to older adults. The appropriation is revenue backed.	\$327,979
1.5	20EMPG COVID Supplemental (Office of Emergency Management)	This item increases appropriation authority by \$33,684 in the Office of Emergency Management BSL from the Washington State Military Department, Emergency Management Division. This funding will be used to hire a consultant to facilitate the activities to address the city’s COVID-19 after action findings and to inform improvements in our planning, operations, coordination. The term of the grant runs from January 27, 2020 to December 31, 2021. There is a \$33,684 matching requirement for this item, which will be met by resources in the OEM budget. There are no capital improvement projects associated with this item.	\$33,684
1.6	Pre-disaster Mitigation Grant (Office of Emergency Management)	This item increases appropriation authority by \$42,817 in the Office of Emergency Management BSL from the Federal Emergency Management Agency (FEMA). The Pre-Disaster Mitigation Grant (PDMG) provides funding to support 75% of the cost of a structural seismic retrofit on an affordable housing facility. Capitol Hill Housing (CHH), a partner organization of the Office of Housing, intends to retrofit the Bremer Apartments, a three-story unreinforced masonry wall (URM) building that is vulnerable to earthquake damage. The life safety retrofit will protect 49 units of affordable living space and the people who reside there. Grant reimbursement for eligible work on the seismic retrofit will be passed through to CHH. OEM will receive grant reimbursement to offset the costs of managing the grant. The term of this grant runs from October 1, 2018 through April 1, 2022. This grant has a 25% matching requirement that is met by Capitol Hill Housing.	\$42,817

Item #	Title	Description	Amount/FTE
1.7	Seattle Housing Authority annual grant (Office of Immigrant and Refugee Affairs)	This item increases appropriation authority by \$48,532 in the Office of Immigrant and Refugee Affairs (OIRA) General Fund Office of Immigrant and Refugee Affairs Budget Control Level (00100-BO-IA-X1N00) to reflect grant funding from the Seattle Housing Authority (SHA). This grant supports the participation of SHA residents 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 a State Department of Social and Health Services grant OIRA has received. The SHA grant funding is for the calendar year 2021.	\$48,532
1.8	Washington Department of Commerce Clean Energy Fund 3 Grant Acceptance (Seattle City Light)	This item increases grant-backed appropriation authority by \$600,000 in Seattle City Light, in the Light Fund, Power Supply - CIP BSL (BC-CL-X). This grant will support the development and implementation of a microgrid serving a local community center. The microgrid will integrate solar, battery storage, and a backup generator, and will balance supply and demand.	\$600,000
1.9	Georgetown to South Park Trail Grant Acceptance and Appropriations (Seattle Department of Transportation)	This item accepts and increases appropriation authority by \$1,500,000 in Seattle Department of Transportation, Transportation Fund, in the Mobility-Capital BCL (BC-TR-19003) from the Puget Sound Regional Council (PSRC). This grant will fund the Georgetown to South Park Trail project to construct multi-use paths and biking networks to create an all ages all abilities route between the Georgetown and South Park neighborhoods. Design for this project will occur in 2021 and 2022 and construction is expected in 2023. The grant funding constitutes approximately 20% of the project budget and a 13.5% local match is required, which has been budgeted.	\$1,500,000

Item #	Title	Description	Amount/FTE
1.10	Pedestrian Refuge Islands Grant Acceptance and Appropriations (Seattle Department of Transportation)	This item accepts and increases appropriation authority by \$1,210,000 in Seattle Department of Transportation, Transportation Fund, in the Mobility-Capital BCL (BC-TR-19003) from the Federal Highways Administration (FHWA). This grant will fund the construction of pedestrian refuge islands at various locations to reduce pedestrian exposure. Design for this project will occur in 2021 and construction is expected in 2022. The grant funding constitutes approximately 90% of the project budget and a 10% local match is required for the design portion only, which has been budgeted.	\$1,210,000
1.11	Northgate to Downtown Transit Improvements Grant Acceptance and Appropriation (Seattle Department of Transportation)	This item accepts and appropriates grants in the amount of \$1,000,000 (FHWA) and \$3,000,000 (FTA) in the Mobility Capital BCL (BC-TR-19003). These grants will fund Design (\$1,000,000) and construction (\$3,000,000). This project will construct transit spot improvements and multimodal corridor improvements along King County Metro Route 40 to improve connections to major destinations in North and Central Seattle. Design for this project will occur in 2021 and 2022 and construction is expected in 2023. The grant funding constitutes approximately 25% of the project budget and a 13.5% local match is required, which has been budgeted.	\$4,000,000
1.12	Rapidride Roosevelt (J-Line), Eastlake Segment Grant Acceptance & Appropriation (Seattle Department of Transportation)	This item accepts grants and appropriates in the amount of \$4,000,000 in the Mobility-Capital BCL (BC-TR-19003) from FHWA. This grant will fund construction in the Eastlake segment of the project.	\$4,000,000

Item #	Title	Description	Amount/FTE
1.13	15th Ave. W and W Nickerson St. Interchange Grant Acceptance and Appropriation (Seattle Department of Transportation)	This item increases appropriation authority by \$1,500,000 in the Seattle Department of Transportation, Transportation Fund, in the Major Maintenance/Replacement BSL (BC-TR-19001) from the Puget Sound Regional Council (PSRC). This item also accepts this grant in the amount of \$1,500,000. This grant will help construct 15th Avenue West and West Nickerson Street interchange project in the Arterial Asphalt and Concrete Master project. This grant will supplement the Move Seattle levy funding needed to complete this project. Design for this project will occur in 2022 and construction is expected in 2023. The grant funding constitutes approximately 10% of the project budget and a 13.5% local match is required, which has been budgeted.	\$1,500,000
1.14	Downtown Bike Network Grant Acceptance and Appropriations (Seattle Department of Transportation)	This item accepts and increases appropriation authority of \$1,900,000 in Seattle Department of Transportation, Transportation Fund, in the Mobility-Capital BSL (BC-TR-19003) from the Federal Highways Administration. This grant will fund the Downtown Bike Network project to construct the northern and southern extensions of the 4th Ave PBL for a total of 1.1 miles; this will complete a north/south pathway through the downtown core that offers direct access to dense employment centers and bike facilities connecting other parts of the city. Design for this project will occur in 2021 and 2022 and construction is expected in 2023 and 2024. The grant funding constitutes approximately 50% of the budget for the 4th Ave component and a 13.5% local match is required, which has been budgeted.	\$1,900,000
1.15	23rd Ave Bus Rapid Transit Grant Acceptance and Appropriations (Seattle Department of Transportation)	This item increases appropriation authority by \$1,152,000 in the Mobility Capital BSL (BC-TR-19003) from the Puget Sound Regional Council (PSRC). This item also accepts this grant in the amount of \$1,152,000. This grant will help the Route 48 Transit Improvements project construct improvements to increase transit speed and reliability, as well as transit passenger access and convenience, along 23rd/24th Ave and E Montlake Pl. Design for this project will occur in 2021 and 2022 and construction is expected in 2023. The grant funding constitutes approximately 80% of the project budget and a 13.5% local match is required, which has been budgeted.	\$1,115,300

Item #	Title	Description	Amount/FTE
1.16	Walker and Safety Enhancement Grant Acceptance and Appropriations (Seattle Department of Transportation)	This item accepts a grant from the WA Traffic Safety Commission (WTSC) and increases appropriation authority by \$250,000 in Seattle Department of Transportation, Transportation Fund, in the Mobility-Capital BSL (BC-TR-19003). This grant will fund public education efforts in the Vision Zero program focused on pedestrian safety. Design for this project will occur in 2021 and implementation is expected in 2022. The grant funding constitutes approximately 75% of the project budget and a 10% local match is required, which has been budgeted.	\$250,000
1.17	SHSP FFY 2018 Grant Amendment (Seattle Fire Department)	This item increases grant-backed appropriation authority by \$10,000 in the Seattle Fire Department (SFD) General Fund FD0 BSL. The grant amendment funds received from the Federal Emergency Management Agency (FEMA) of the Department of Homeland Security through the King County Office of Emergency Management, will fund additional Structural Collapse Heavy Lifting/Shoring equipment for Seattle Fire Department. There are no positions or match required for this grant. The period of performance is 11/1/20 through 6/30/21.	\$10,000
1.18	Spill, Prevention, Preparedness and Response Equipment Grant (SPPREG) FY 2020 Amendment (Seattle Fire Department)	This item increases grant-backed appropriation authority by \$100,000 in the Seattle Fire Department (SFD) General Fund FD0 BSL. 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.	\$100,000
1.19	BioWatch 2021-22 Continuation Grant (Seattle Fire Department)	This item increases grant-backed appropriation authority by \$1,450,288 in the Seattle Fire Department (SFD) General Fund FD0 BSL. 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.	\$1,450,288

Item #	Title	Description	Amount/FTE
1.20	Washington State Pre-Hospital Grant 2021 (Seattle Fire Department)	This item increases grant-backed appropriation authority by \$1,260 in the Seattle Fire Department (SFD) General Fund FD0 BSL. 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
1.21	Rockefeller 2021 Grant Award (Seattle Fire Department)	This item increases grant-backed appropriation authority by \$300,000 in the Seattle Fire Department (SFD) General Fund FD0 BSL. This award from the Rockefeller Foundation be used to support Mobile COVID-19 Vaccination Teams and implementing an equitable vaccination program for high-risk city residents. Grant funds will be used to partially fund two staff positions at SFD assigned to the Mobile Vaccination Team, provide assistance to Community Based Organizations for COVID19 Vaccination activities, transportation to assist patients in accessing vaccination appointments and Ethnic Media Translation. There are no new positions being created for this grant. The period of performance is March 1, 2021-December 31, 2021.	\$300,000
1.22	South Park RCO Grant (Seattle Parks and Recreation)	This item increases appropriation authority by \$1,070,323 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Building for the Future Budget Control Level (10200-BC-PR-20000). This grant from the WA State Recreation and Conservation Office (RCO) 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. Additionally, this project will add synthetic turf, lighting, field amenities, an adult fitness zone, a loop trail, improve (ADA) compliance and accessible pathways. The primary recreational opportunity provided by this project is active play. The project will occur entirely on City property. This is a reimbursable grant and requires a \$6,430,015 match, which the total project budget satisfies. The grant expiration date is 12/31/2022.	\$1,070,323

Item #	Title	Description	Amount/FTE
1.23	King County 4Culture Grant (Seattle Parks and Recreation)	This item increases appropriation authority by \$150,000 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Building for the Future Budget Control Level (10200-BC-PR-20000). This King County 4Culture grant supports the Major Projects Challenge Fund Master project (MC-PR-21002), and will be used towards renovations at the Volunteer Park Amphitheater (VPA). This reimbursable grant does not require a match, and the grant expiration date is upon completion of scope of work or April 1, 2035.	\$150,000
1.24	Kubota Garden Renovation RCO Grant (Seattle Parks and Recreation)	This item increases appropriation authority by \$500,000 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Building for the Future Budget Control Level (10200-BC-PR-20000). This Land and Water Conservation Fund (LWCF) grant from the Washington State Recreation and Conservation Office (RCO) supports the Major Project Challenge Fund Master Project (MC-PR-21002) and will be used to support renovations at Kubota Garden. Specifically, the grant funds will be used for a long-overdue enhancements at Kubota Gardens. The project will occur entirely on City property. This is a reimbursable grant, requiring a \$117,120 match which the project budget satisfies. The grant expiration date is 12/31/22.	\$500,000
1.25	Magnuson CC State of Washington-Department of Commerce Grant (Seattle Parks and Recreation)	This item authorizes the Seattle Parks and Recreation Department (SPR) to accept a \$1,950,000 award from the State of Washington Department of Commerce. This grant supports the Magnuson Community Center project (MC-PR-41067), and will be used towards renovations at the center. Specifically, this grant will be used to expand the center’s ability to provide programming to the community. The project will occur entirely on City property. This is a reimbursable grant. An amendment to the agreement extends the original grant expiration date to 6/30/23 in order to be able to complete the work within the current project schedule. This item does not require additional appropriation authority.	\$1,950,000

July ~~16~~20, 2021¹

MEMORANDUM

To: Finance & Housing Committee
From: Tom Mikesell, Analyst
Subject: Council Bills 120111 & 120112: Midyear Grant Acceptance & Supplemental Budget Ordinances

On July 20, 2021, the Finance & Housing Committee will discuss [Council Bill \(CB\) 120112](#) and [CB 120111](#). CB 120112 would amend the City’s 2021 Budget and CB 120111 would authorize departmental acceptance of monies from external sources.

This memo provides (1) background on budget adjustments to date; (2) describes CBs 120111 and 120112; (3) describes known amendments to these bills; and (4) describes next steps in the budget adjustment process for 2021.

Background - Approved Budget Adjustments to Date

As shown in Table 1 below, as of July 16, 2021, a combination of automatic and Council-approved adjustments have increased the City’s 2021 Adopted Budget by \$2 billion or 31 percent.

Table 1. 2021 Revised budget-to-Date

Fund	2021 Adopted	Adjustments as of 7/16/21	Revised Budget 7/16/2021	Percent Change
General Fund	\$1,607 M	\$168 M	\$1,775 M	10%
Other Funds	\$5,034 M	\$1,862 M	\$6,895 M	37%
Total:	\$6,641 M	\$2,029 M	\$8,670 M	31%

Of this amount, \$1.9 billion (28 percent) is from legislation and automatic carryforwards described in the [staff memo](#) for the 2021 carryforward bill ([Ordinance 126326](#)), which Council passed on May 10, 2021. The remainder is from legislation passed after the carryforward bill, including:

- [Ordinance 126332](#): Adopted the 2021 Annual Action Plan (AAP) of the 2018-2022 Consolidated Plan and substantial amendments to The City of Seattle 2019 and 2020 AAPs and authorized their submittal to the US Department of Housing and Urban Development (HUD), resulting in a net appropriation increase of \$6,138.

¹ [Memo updated on July 20, 2021, to correct the description of proposed amendment 4 to accurately reflect the sponsors intent \(see page 7\).](#)

- [Ordinance 126327](#): Amended appropriations in the 2021 Adopted Budget for several programs and projects funded by a \$20 annual increase in Seattle Transportation Benefit District Vehicle License Fees due to the passage of [Ordinance 126234](#) in November 2020.
- [Ordinance 126338](#): Appropriated \$12,000 of grant funds accepted in the General Fund (GF) for the Department of Neighborhoods to support the creation and implementation of a Civic Engagement Digital Academy that is designed for cohorts of historically undercounted communities.
- [Ordinance 126360](#): Amended appropriations in the 2021 Adopted Budget to support the Seattle Office for Civil Rights' implementation of the Participatory Budgeting program. This action did not result in an overall increase in the 2021 Budget, it simply transferred funds that were reserved in Finance General for this purpose.
- [Ordinance 126371](#): Appropriated \$103.4 million of Coronavirus Local Fiscal Recovery Funds received from the American Rescue Plan Act for a suite of COVID-19 community relief and response expenditures.
- [Ordinance 126372](#): Appropriated \$25 million from the GF to the Office of Immigrant and Refugee Affairs to provide direct cash assistance to residents who have been disproportionately impacted by the COVID-19 emergency.
- [Ordinance 126378](#): Appropriated \$7.5 million from Seattle City Light's Light Fund for 2021 budget impacts of the Collective Bargaining Agreement with International Brotherhood of Electrical Workers Local 7.
- [Ordinance 126382](#): Appropriated \$2.5 million from the GF for 2021 budget impacts of the Collective Bargaining Agreement with Seattle Fire Chief's Association, International Association of Fire Fighters, Local 2898.

After accounting for all approved and automatic adjustments through July 17, 2021, the revised 2021 Budget is \$8.67 billion.

CB 120112

CB 120112 is the second comprehensive supplemental budget legislation transmitted by the Executive in 2021, proposing mid-year appropriation, position, and capital project changes to meet needs that are assumed to be unforeseeable² at the time the 2021 budget was adopted in November 2020. CB 120112 would increase the revised budget by \$15 million and would add 68 positions. After the Executive transmitted this legislation to the Council, the Chair worked with central staff to make the following technical corrections:

- The City Budget Office requested a correction to adjust the proposed appropriation for the Seattle Fire Department (SFD). This change reflects SFD's updated FEMA spending

² RCW 35.32A.060 allows appropriating "from the emergency fund, or other designated funds, an amount sufficient 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".

projection that was reduced due to an earlier ramp down on testing/vaccination activities (Line 3.14 in CB 120112).

- This change adds two positions to the Community Safety and Communication Center that were incorrectly included in the Adopted Budget to the previously proposed but not implemented Seattle Emergency Communications Center (Lines 11.25, 11.26, 13.2, and 13.3 in CB 120112).
- This change makes a correction to update appropriations in Parks to match the size of the grant included in CB 120111 (Line 9.13 in CB 120012).

As shown in Attachment 1, several department's total midyear supplemental requests represent significant increases compared to their 2021 Revised Budget. The following represent notable adjustments as a percentage of departments' revised budgets:

- **Office of Labor Standards:** A \$1.8 million (23 percent) GF increase to implement the Drivers Resolution Center required by Seattle Municipal Code Section 14.32.060. The increase will fund the Driver Resolution Center contract as well as a temporary position.
- **Seattle Center:** A \$9 million (13 percent) increase from a combination of items, the largest of which is an \$8 million 2021 Taxable LTGO Bond fund increase to purchase electronic signage and a reader board package for the Seattle Center campus, funded by the issuance of bonds authorized in [Ordinance 126288](#).
- **Office of Arts and Culture:** A \$2.5 million (12 percent) increase across several items, the majority of which is \$1.6 million from the Municipal Arts Fund for public art projects associated with the Waterfront Seattle project.
- **Finance General:** A \$48.6 million (12 percent) decrease, largely from two partially offsetting adjustments including:
 - Two \$33.7 million technical reductions to the General Fund and Emergency Fund, respectively, to streamline the transactions included in Council Budget Action FG-006-B-002, which, in light of improved revenue forecasts received in November 2020, reversed a portion of the Mayor's use of Emergency Funds in the 2021 Proposed Budget.
 - A \$17.5 million technical increase across the 2020 and 2021 Multipurpose LTGO Bond Funds to move bond funds for general government information technology projects from the 2020 and 2021 Multipurpose LTGO Bond Fund to the Information and Technology Fund.

Other notable items include:

- **Seattle Parks and Recreation:** A \$16 million increase across several funds for capital projects increases, a portion of which are funded from grant revenues that would be accepted through CB 120111, which is described below.
- **Department of Finance and Administrative Services (FAS):** An \$18 million increase, primarily the net result of a two partially offsetting changes, including:

- \$24.5 million increase from the FAS Fund to support the staffing, contracting, supplies and operation of vaccine sites on behalf of the City. The Executive indicates that it expects to apply for Federal Emergency Management Agency (FEMA) for reimbursement for most of these costs.
- A \$6 million reduction from the 2021 West Seattle Bridge LTGO Bond Fund to reflect a delay, from 2021 to 2022, of a planned debt issuance on behalf of the Pike Place Market Public Development Authority. FAS anticipates re-proposing this amount as part of the 2022 Proposed Budget.
- **Seattle City Light (SCL):** A \$15.1 million decrease from the Light Fund primarily due to the abandonment of \$15.7 million of capital projects that were delayed and/or reduced due to COVID-19 which is partially offset by a \$1 million increase for higher-than-expected electric utility-wide conservation project costs.
- **Seattle Department of Transportation (SDOT):** A \$9.7 million net increase from several funds covering several items. Notable changes include:
 - **Madison Street Bus Rapid Transit:** A \$12 million increase from the Transportation Fund funded with reimbursements from SCL, Seattle Public Utilities and Casita Grande, and a \$2 million increase from the Move Seattle Levy. These changes are consistent with SDOT reporting to Council during consideration of [Ordinance 126333](#) and [Ordinance 126334](#).
 - **Appropriation of grants:** a \$15.75 million increase from the Transportation fund to provide expenditure authority for grants that would be accepted in CB 12011 described below.
 - **Neighborhood Large and Vision Zero Projects:** a \$2 million increase from the Move Seattle Levy Fund to implement changes recommended by the Levy Oversight Committee to increase support for safety projects and accelerate in-demand neighborhood projects
 - **Abandonment of capital budget authority:** a \$25 million reduction from several funds to reflect abandonment of unneeded capital appropriations.
- **Seattle Fire Department:** A \$10.1 million increase from the GF, \$7.9 million of which is for potentially FEMA reimbursable COVID-19 emergency response costs. Other noteworthy items include \$1.5 million from the GF for early detection of bioterrorism events, funded by federal Department of Homeland Security Biowatch program grants which would be accepted in CB 120111, as described below; and \$300,000 from the GF to partially fund two positions assigned to the Mobile Vaccination Team, to provide assistance to Community Based Organizations for COVID-19 Vaccination activities, transportation to assist patients in accessing vaccination appointments and Ethnic Media Translation, all of which is funded by a Rockefeller Foundation grant that would be accepted in CB 120111.

These and all other expenditure items in the bill are described in [Attachment A](#) to the summary and fiscal note submitted by the Executive. The bill requires approval by $\frac{3}{4}$ of the City Council to pass.

CB 120111

CB 120111 is the first comprehensive grant acceptance legislation transmitted by the Executive in 2021, authorizing City departments to accept a total of \$23.3 million from external funding sources. Table 2 on the following page shows, by department, the total award amount from each granting agency.

Table 2. 2021 Midyear Grant Awards by Department

Department	Grantor	Amount
Department of Education and Early Learning	Casey Family Programs	\$415,000
	Federal Department of Education	\$17,545
<i>Department of Education and Early Learning Total</i>		\$432,545
Human Services Department	State Department of Social and Health Services	\$1,177,181
	<i>Human Services Department Total</i>	
Seattle City Light	State Department of Commerce	\$600,000
	<i>Seattle City Light Total</i>	
Seattle Department of Transportation	State Traffic Safety Commission	\$250,000
	Federal Highway Administration	\$10,325,300
	Federal Transit Authority	\$3,000,000
	Federal Highway Administration	\$1,900,000
<i>Seattle Department of Transportation Total</i>		\$15,475,300
Seattle Fire Department	Rockefeller Foundation	\$300,000
	State Department of Ecology	\$100,000
	State Department of Health	\$1,260
	Federal Department of Homeland Security	\$1,450,288
	King County Office of Emergency Management	\$10,000
<i>Seattle Fire Department Total</i>		\$1,861,548
Seattle Parks and Recreation	State Department of Commerce	\$1,950,000
	State Recreation and Conservation Office	\$1,070,323
	King County - 4Culture	\$150,000
	State Recreation and Conservation Office	\$500,000
<i>Seattle Parks and Recreation Total</i>		\$3,670,323
Office of Emergency Management	State Military Department - Emergency Management Division	\$33,684
	Federal Emergency Management Agency	\$42,817
<i>Office of Emergency Management Total</i>		\$76,501
Office of Immigrant & Refugee Affairs	Seattle Housing Authority	\$48,532
<i>Office of Immigrant & Refugee Affairs Total</i>		\$48,532
Grand Total		\$23,341,930

These grants largely provide funding for items included in CB 120112, the midyear supplemental budget bill described above. Of the total amount, three quarters is federal funding for transportation and transit programs in SDOT. Grants for Biowatch and mobile vaccination work in SFD make up a significant portion of the remainder, and a \$1.95 million grant from the State Department of Commerce will provide for Seattle Parks and Recreation renovations at the Magnuson Community Center.

These and all other grants that would be accepted in the bill are described in [Attachment A](#) to the summary and fiscal note submitted by the Executive.

Potential Amendments

While the committee will not consider or vote on amendments on July 20, Councilmembers may bring the amendments described below for the Committee’s consideration at the next Finance and Housing Committee meeting on August 3.

#	Sponsor/Author	Title	Description
1.	Chair Mosqueda	Add \$50k and 1.0 FTE to SFD for mental health nurse	Add \$50,000 GF and 1.0 FTE to the Seattle Fire Department (SFD) to fund a Crisis Counselor to assist with training SFD personnel. The Crisis Counselor would provide trauma-informed counseling services, referrals, and training that would focus on de-escalation, scene safety, and evasive defense to keep firefighters safe and increase positive interactions with persons in crisis or suffering with mental illness. The new position would also provide firefighters with help to manage the stresses and process the traumatic environments they face regularly, especially under compounding crises.
2.	Herbold	Add \$300k to CSCC for a protocol system for CSCC 911 Dispatchers	Add \$300,000 GF for acquisition of a protocol system for the CSCC 911 dispatchers. Like what Seattle Fire uses in its dispatch center, the protocol system will implement a more consistent process for obtaining key information from 911 callers and support better data analysis to plan for resource deployment, including alternatives to police response.
3.	González	Add position authority for the Director and create a new BLS to implement the new Office of Economic and Revenue Forecasts	Add position authority and create a Budget Summary Level for the Office of Economic and Revenue Forecasts. This will allow FAS and SDHR to proceed with the administrative work to set up the new office and launch a search for the office’s Director.

#	Sponsor/Author	Title	Description
4.	González	Add funds or impose a proviso to provide resource to <u>update the City's public disclosure issues technology and practices</u> ³	<p>This amendment would provide resources, either by imposing a proviso on existing appropriations in Seattle IT, or by increasing appropriations, to address deficiencies with <u>update and enhance</u> the City's public disclosure technology and practices.</p> <p>The need for these resources was illustrated by the findings published on May 6, 2021 by the Executive Director of the Ethics and Elections Commission in response to a complaint under the Whistleblower Protection Code, concluding that efforts by the Mayor's Counsel in responding to a public records request violated the Public Records Act by not retaining text messages and narrowly interpreting requests to exclude text messages, and violated best practices by failing to inform requestors about the fact that ten months of texts from the Mayor's phone were unavailable for review or production. This amendment would ensure that there are resources available to Seattle IT to address these issues.</p>
5.	González	Add \$97k to the Legislative Department for staff in the Office of City Auditor	<p>This amendment would add \$97,000 to the Legislative (LEG) Department's 2021 Budget to address salary needs for existing staff in the Office of City Auditor (OCA). The 2021 Adopted Budget assumed that the OCA could absorb some budget reductions that all LEG department divisions were asked to absorb to address the City's overall revenue shortfalls in 2021. The bulk of the OCA's budget is needed for the staffing costs for the office; due to some staff departures and associated separation costs that will absorb any otherwise assumed salary savings, additional funds are needed to support OCA's staff in 2021 and will be an ongoing need in 2022.</p>
6.	Lewis and Pedersen	Add \$25k to LEG and 1.0 TLT position to monitor homelessness investments	<p>This amendment would add \$25,000 and 1.0 FTE to the Legislative Department to hire one Term-Limited Temporary (TLT) position. The new Homelessness Response Project Analyst would track and oversee the progress of local and regional government agencies as well as contracted nonprofit partners in standing up City-funded emergency shelter assets. The new staff member would report directly to the Chair of the Select Committee on Homelessness Strategies and Investments and makes their analysis available to all members of said committee. Responsibilities include maintaining up-to-date progress reports on all City-funded emergency shelter assets, mapping hurdles and solutions to project completion, and fostering intergovernmental relations for completing and operating projects in an effective manner.</p> <p>Funding provided in this amendment would be used to pay for the fully loaded costs of the position for the last three months of 2021 (\$25,000). This amendment would make the position part of the base budget in 2022 and assumes that the Mayor's 2022 Proposed</p>

³ The description of amendment 4 was updated on 7/20/21 to accurately reflect the sponsors intent to add resources to update and enhance resources for the City's public disclosure work. In v1 of the memo staff had mischaracterized the intent.

#	Sponsor/Author	Title	Description
			<p>Budget will include funding for the fully loaded costs of the position in 2022 (\$100,000).</p> <p>The new staff member would be expected to support the Select Committee on Homelessness Strategies and Investments from October 1st, 2021, through December 31st, 2022. Council would expect to consider future separate action in order to consider any extension of this term.</p>
7.	Sawant	Add \$500k to Parks for the Garfield Super Block project and cut \$500k from SPD's budget	<p>This amendment would cut \$500,000 from the Seattle Police Department's (SPD) 2021 budget and add \$500,000 to Parks 2021 budget for the Garfield Super Block Park.</p> <p>The Garfield Super Block Campus is comprised of the Garfield Community Center, Medger Evars Pool, the Tennis Courts and adjoining Garfield Park, including the historic Garfield Ball Fields; the Teen-Life Center, the Quincy Jones Performing Arts Center; and Garfield High School and Track and Field. The proposed project includes site improvements throughout the park and the creation of a pathway that integrates art and amenities that reflect the Cultural Arts and Heritage of the Central Area. The proposed \$500,000 is requested by the Garfield Super Block organization to support the predevelopment work for this project (including to cover the cost of construction drawings and permitting).</p> <p>The proposed \$500,000 cut to SPD's budget is predicated on the proposed cut to SPD's 2021 budget proposed in CB 119981. On December 14, 2020, the Council passed the 2020 Fourth Quarter Supplemental Budget Ordinance (ORD 126257), which included \$5.4 million in new GF appropriation authority for SPD. At the same time of passage of that ORD, the Council introduced CB 119981 that proposed a \$5.4 million cut to SPD's 2021 budget to offset the increase in ORD 126257. Subsequently, after several committee discussions and passing amendments to the bill, the Council did not pass CB 119981.</p>
8.	Pedersen	Add 2.0 FTE Civilian Positions in SPD	<p>This amendment would add 2.0 civilian FTEs to SPD (see position description below). The author requests that the Department use salary savings from civilian positions in SPD that should be available due to the delayed hiring of the Northend Crime Prevention Coordinator 1 position in 2021 to fund this position and that the Mayor include in her 2022 Proposed Budget new General Fund funding for this position.</p> <p>Crime Prevention Coordinator Position: Add 1.0 FTE Crime Prevention Coordinator (CPC) position to SPD to work with the community and the personnel of the North Precinct to reduce and prevent crime. SPD currently has six funded CPC positions: one assigned to each precinct and an Asian Liaison. The existing North Precinct CPC position is currently vacant. The Department is in the process of filling this position and would use the candidate pool to hire a second, new CPC position to serve areas North of the ship</p>

#	Sponsor/Author	Title	Description
			<p>canal because the North Precinct is SPD's largest precinct and has in the past been served by two CPCs.</p> <p>Accountability Agency Liaison Position: Add 1.0 FTE Strategic Advisor 2 position to the Seattle Police Department (SPD) to facilitate communication between the Department, Community, the Office of the Inspector General for Public Safety (OIG), the Office of Police Accountability (OPA) and the Community Police Commission (CPC). The liaison would interface with accountability agency staff to provide regular updates on SPD's strategic policy initiatives, to keep the Chief apprised of emerging police reform issues, to keep an open line of communication between the Chief and Accountability Agency Directors and to ensure that SPD's community outreach efforts are coordinated with those of the accountability agencies.</p>

Next Steps

After a briefing and discussion on CB 120111 and CB 120112 at the July 20, 2021, Finance & Housing Committee meeting, the committee will consider amendments and vote at the August 3, 2021, Finance & Housing Committee meeting.

Future 2021 budget adjustments will include the year-end comprehensive supplemental adjustment and grant acceptance bills, anticipated to be submitted as budget legislation with the Mayor's 2022 Proposed Budget in late- September, and any other stand-alone supplemental bills necessary to address unforeseen circumstances, consistent with [RCW 35.32A.060](#).

Attachments:

1. 2021 Budget Adjustments through July 16, 2021

cc: Dan Eder, Interim Director
Aly Pennucci, Policy and Budget Manager

Attachment 1 - 2021 Budget Adjustments Through 7/17/21

	(a)	(b)	(c)	(d) = (a+b+c)	(e)	(f) = e/d
Department	2021 Adopted Budget	Automatic Carryforward	Approved Supplementals as of 7/17/21	2021 Revised Budget	CB 120112 (midyear supplemental)	% Increase to Revised Budget
Civil Service Commissions	\$ 522,731.00	\$ -	\$ 27,935.00	\$ 550,666.00	\$ -	0%
Community Safety and Communications Center	\$ 17,887,094.75	\$ -	\$ -	\$ 17,887,094.75	\$ -	0%
Department of Education and Early Learning	\$ 104,462,913.42	\$ 65,851,192.53	\$ 10,937,449.00	\$ 181,251,554.95	\$ (13,455.00)	0%
Department of Neighborhoods	\$ 16,419,692.67	\$ 2,127,915.89	\$ 683,500.00	\$ 19,231,108.56	\$ 300,000.00	2%
Department of Parks and Recreation	\$ 228,815,911.65	\$ 161,602,084.40	\$ 6,322,169.00	\$ 396,740,165.05	\$ 18,048,728.00	5%
Employees' Retirement System	\$ 8,646,344.61	\$ 59,706.88	\$ -	\$ 8,706,051.49	\$ -	0%
Ethics and Elections Commission	\$ 9,467,736.70	\$ -	\$ -	\$ 9,467,736.70	\$ -	0%
City Budget Office	\$ 7,145,311.00	\$ 98,659.00	\$ 639,320.00	\$ 7,883,290.00	\$ 100,000.00	1%
Office for Civil Rights	\$ 6,997,982.07	\$ 264,555.00	\$ 2,150,900.00	\$ 9,413,437.07	\$ -	0%
Office of Arts and Culture	\$ 14,415,374.99	\$ 2,899,189.30	\$ 3,543,345.00	\$ 20,857,909.29	\$ 2,480,842.00	12%
Office of Economic Development	\$ 14,617,133.92	\$ 7,250,848.23	\$ 20,482,949.00	\$ 42,350,931.15	\$ 88,310.00	0%
Office of Emergency Management	\$ 2,483,750.00	\$ -	\$ 4,477,445.00	\$ 6,961,195.00	\$ 76,501.00	1%
Office of Housing	\$ 84,536,305.59	\$ 329,256,030.34	\$ 51,774,541.00	\$ 465,566,876.93	\$ 333,410.00	0%
Office of Immigrant and Refugee Affairs	\$ 3,864,853.69	\$ 1,313,943.04	\$ 26,394,570.00	\$ 31,573,366.73	\$ (445,438.00)	-1%
Office of Intergovernmental Relations	\$ 2,810,942.15	\$ 10,000.00	\$ -	\$ 2,820,942.15	\$ -	0%
Office of Labor Standards	\$ 7,276,456.57	\$ 252,752.86	\$ -	\$ 7,529,209.43	\$ 1,750,000.00	23%
Office of Planning and Community Development	\$ 13,833,107.82	\$ 7,998,111.55	\$ 27,139,641.00	\$ 48,970,860.37	\$ 145,000.00	0%
Office of Sustainability and Environment	\$ 16,315,125.67	\$ 1,726,886.60	\$ 2,457,100.00	\$ 20,499,112.27	\$ 7,500.00	0%
Office of the Community Police Commission	\$ 1,712,564.21	\$ 102,568.00	\$ 80,000.00	\$ 1,895,132.21	\$ -	0%
Office of the Mayor	\$ 7,440,359.00	\$ 126,220.23	\$ 160,000.00	\$ 7,726,579.23	\$ -	0%
Finance and Administrative Services	\$ 359,584,637.14	\$ 80,425,031.06	\$ 6,925,729.00	\$ 446,935,397.20	\$ 18,095,607.00	4%
Finance General	\$ 415,635,293.71	\$ 5,175,940.00	\$ (788,741.00)	\$ 420,022,492.71	\$ (48,624,000.00)	-12%
Firefighters Pension	\$ 21,020,461.00	\$ -	\$ -	\$ 21,020,461.00	\$ -	0%
Human Services Department	\$ 301,475,270.12	\$ 24,413,400.37	\$ 60,916,425.00	\$ 386,805,095.49	\$ 1,505,294.00	0.39%
Law Department	\$ 35,445,408.60	\$ 286,732.81	\$ 28,000.00	\$ 35,760,141.41	\$ 100,417.00	0%
Legislative Department	\$ 18,441,783.83	\$ 2,177,447.27	\$ 300,000.00	\$ 20,919,231.10	\$ -	0%
Office of Hearing Examiner	\$ 1,061,517.28	\$ 4,382.50	\$ -	\$ 1,065,899.78	\$ -	0%
Office of Inspector General for Public Safety	\$ 2,979,486.38	\$ 489,571.75	\$ -	\$ 3,469,058.13	\$ -	0%
Office of the City Auditor	\$ 2,520,212.00	\$ 1,423,045.28	\$ 500,000.00	\$ 4,443,257.28	\$ -	0%
Office of the Employee Ombud	\$ 733,297.76	\$ -	\$ 214,200.00	\$ 947,497.76	\$ -	0%
Police Relief and Pension	\$ 26,651,531.00	\$ -	\$ -	\$ 26,651,531.00	\$ -	0%
Seattle Center	\$ 42,799,533.17	\$ 26,697,262.20	\$ 519,325.00	\$ 70,016,120.37	\$ 9,004,183.00	13%
Seattle City Light	\$ 1,357,757,306.69	\$ 288,504,406.61	\$ 13,013,288.00	\$ 1,659,275,001.30	\$ (15,114,477.00)	-1%
Seattle Department of Construction and Inspections	\$ 99,106,359.93	\$ 930,533.90	\$ 610,000.00	\$ 100,646,893.83	\$ 3,558,662.00	4%
Seattle Department of Human Resources	\$ 335,620,960.13	\$ 561,180.00	\$ 2,405,836.00	\$ 338,587,976.13	\$ -	0%
Seattle Department of Transportation	\$ 636,630,029.44	\$ 407,042,730.51	\$ 40,578,823.00	\$ 1,084,251,582.95	\$ 9,669,409.00	1%
Seattle Fire Department	\$ 249,339,131.23	\$ 13,405,711.21	\$ 2,638,487.00	\$ 265,383,329.44	\$ 10,108,568.00	4%
Seattle Information Technology Department	\$ 276,559,500.76	\$ 59,345,303.72	\$ 8,863,365.00	\$ 344,768,169.48	\$ (4,367,519.00)	-1%
Seattle Municipal Court	\$ 38,377,201.00	\$ 37,531.00	\$ -	\$ 38,414,732.00	\$ -	0%
Seattle Police Department	\$ 362,988,810.27	\$ 20,770,418.55	\$ (4,203,190.00)	\$ 379,556,038.82	\$ -	0%
Seattle Public Library	\$ 86,911,995.00	\$ 8,307,871.25	\$ 4,896,100.00	\$ 100,115,966.25	\$ 509,310.00	1%
Seattle Public Utilities	\$ 1,399,444,094.65	\$ 211,019,020.88	\$ 2,777,967.00	\$ 1,613,241,082.53	\$ 7,678,508.00	0%
Total	\$ 6,640,755,512.59	\$ 1,731,958,184.72	\$ 297,466,478.00	\$ 8,670,180,175.31	\$ 14,995,360.00	0%



Legislation Text

File #: CB 120112, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE amending Ordinance 126237, which adopted the 2021 Budget, including the 2021-2026 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; revising project allocations for certain projects in the 2021-2026 CIP; creating positions; modifying positions; abrogating positions; modifying or adding provisos; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The appropriations for the following items in the 2021 Adopted Budget are reduced from the funds shown below:

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
1.1	Department of Education and Early Learning	2011 Families and Education Levy (17857)	K-12 Programs (17857-BO-EE-IL200)	(\$550,000)
1.2	Department of Finance and Administrative Services	2021 West Seattle Bridge LTGO Bond Fund (36810)	Pike Place Mkt (36810-BO-FA-PPM)	(\$6,000,000)
1.3	Finance General	General Fund (00100)	Appropriation to Special Funds (00100-BO-FG-2QA00)	(\$33,687,000)
1.4	Finance General	Emergency Fund (10102)	Appropriation to Special Funds (10102-BO-FG-2QA00)	(\$33,687,000)
1.5	Human Services Department	Human Services Fund (16200)	Addressing Homelessness (16200-BO-HS-H3000)	(\$243,461)
			Supporting Affordability and Livability (16200-BO-HS-H1000)	(\$616,960)
			Preparing Youth for Success (16200-BO-HS-H2000)	(\$2,975)

			Supporting Safe Communities (16200-BO-HS-H4000)	(\$282,259)
			Promoting Public Health (16200-BO-HS-H7000)	(\$28,539)
1.6	Human Services Department	General Fund (00100)	Promoting Healthy Aging (00100-BO-HS-H6000)	(\$96,387)
1.7	Executive (Office of Immigrant and Refugee Affairs)	General Fund (00100)	Office of Immigrant and Refugee Affairs (00100-BO-IA-X1N00)	(\$134,227)
1.8	Executive (Office of Immigrant and Refugee Affairs)	General Fund (00100)	Office of Immigrant and Refugee Affairs (00100-BO-IA-X1N00)	(\$159,743)
1.9	Executive (Office of Immigrant and Refugee Affairs)	General Fund (00100)	Office of Immigrant and Refugee Affairs (00100-BO-IA-X1N00)	(\$200,000)
1.10	Seattle City Light	Light Fund (41000)	Customer Service (41000-BO-CL-C)	(\$1,000,000)
1.11	Seattle Department of Transportation	Transportation Fund (13000)	Mobility Operations (13000-BO-TR-17003)	(\$1,965,011)
1.12	Seattle Department of Transportation	Move Seattle Levy Fund (10398)	General Expense (10398-BO-TR-18002)	(\$170,000)
1.13	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	(\$3,912)
1.14	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	(\$87,237)
1.15	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	(\$8,715)
1.16	Seattle Public Library	Library Fund (10410)	The Seattle Public Library (10410-BO-SPL)	(\$4,690)
1.17	Seattle Public Library	2019 Library Levy Fund (18200)	The Seattle Public Library (18200-BO-SPL)	(\$466,000)
		Library Fund (10410)	The Seattle Public Library (10410-BO-SPL)	(\$1,700,000)
		2012 Library Levy Fund (18100)	The Seattle Public Library (18100-BO-SPL)	(\$34,000)

Total	(\$81,128,116)
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Section 2. In order to pay for necessary costs and expenses incurred or to be incurred in 2021, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time of making the 2021 Budget, appropriations for the following items in the 2021 Budget are increased from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
2.1	Department of Finance and Administrative Services	Finance and Administrative Services Fund (50300)	City Finance (50300-BO-FA-CITYFINAN)	\$250,000
2.2	Department of Finance and Administrative Services	Finance and Administrative Services Fund (50300)	City Purchasing and Contracting Services (50300-BO-FA-CPCS)	\$86,607
2.3	Department of Neighborhoods	General Fund (00100)	Community Building (00100-BO-DN-I3300)	\$100,000
2.4	Department of Neighborhoods	General Fund (00100)	Community Building (00100-BO-DN-I3300)	\$200,000
2.5	Finance General	General Fund (00100)	Appropriation to Special Funds (00100-BO-FG-2QA00)	\$1,750,000
2.6	Finance General	2020 Multipurpose LTGO Bond Fund (36700)	Appropriation to Special Funds (36700-BO-FG-2QA00)	\$10,000,000
		2021 Multipurpose LTGO Bond Fund (36800)	Appropriation to Special Funds (36800-BO-FG-2QA00)	\$7,000,000
2.7	Human Services Department	General Fund (00100)	Supporting Affordability and Livability (00100-BO-HS-H1000)	\$8,933
2.8	Human Services Department	General Fund (00100)	Supporting Affordability and Livability (00100-BO-HS-H1000)	\$500,000
2.9	Executive (Office of Arts and Culture)	Municipal Arts Fund (12010)	Public Art (12010-BO-AR-2VMA0)	\$131,851
2.10	Executive (Office of Arts and Culture)	Municipal Arts Fund (12010)	Public Art (12010-BO-AR-2VMA0)	\$70,491
2.11	Executive (Office of Arts and Culture)	Municipal Arts Fund (12010)	Public Art (12010-BO-AR-2VMA0)	\$1,610,500

2.12	Executive (Office of Arts and Culture)	Municipal Arts Fund (12010)	Public Art (12010-BO-AR-2VMA0)	\$250,000
2.13	Executive (Office of Arts and Culture)	Municipal Arts Fund (12010)	Public Art (12010-BO-AR-2VMA0)	\$408,000
2.14	Executive (Office of Arts and Culture)	Arts and Culture Fund (12400)	Cultural Space (12400-BO-AR-VA170)	\$10,000
2.15	Executive (Office of Housing)	Office of Housing Fund (16600)	Leadership and Administration (16600-BO-HU-1000)	\$143,000
2.16	Executive (Office of Housing)	Office of Housing Fund (16600)	Leadership and Administration (16600-BO-HU-1000)	\$63,213
2.17	Executive (Office of Housing)	General Fund (00100)	Leadership and Administration (00100-BO-HU-1000)	\$35,000
2.18	Executive (Office of Sustainability and Environment)	General Fund (00100)	Office of Sustainability and Environment (00100-BO-SE-X1000)	\$7,500
2.19	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Permit Services (48100-BO-CI-U2300)	\$54,328
2.20	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Leadership and Administration (48100-BO-CI-U2500)	\$18,523
			Land Use Services (48100-BO-CI-U2200)	\$79,829
2.21	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Process Improvements & Technology (48100-BO-CI-U2800)	\$253,853
2.22	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Process Improvements & Technology (48100-BO-CI-U2800)	\$446,727
2.23	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Inspections (48100-BO-CI-U23A0)	\$80,590
2.24	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Process Improvements & Technology (48100-BO-CI-U2800)	\$567,845
2.25	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Process Improvements & Technology (48100-BO-CI-U2800)	\$1,025,251
2.26	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Process Improvements & Technology (48100-BO-CI-U2800)	\$398,450

2.27	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Inspections (48100-BO-CI-U23A0)	\$85,770
2.28	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Inspections (48100-BO-CI-U23A0)	\$158,836
2.29	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Inspections (48100-BO-CI-U23A0)	\$155,644
2.30	Seattle Department of Construction and Inspections	Construction and Inspections (48100)	Inspections (48100-BO-CI-U23A0)	\$233,016
2.31	Seattle Department of Transportation	Transportation Fund (13000)	Mobility Operations (13000-BO-TR-17003)	\$210,000
2.32	Seattle Department of Transportation	Transportation Fund (13000)	Mobility Operations (13000-BO-TR-17003)	\$5,786,317
2.33	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	\$96,387
2.34	Seattle Public Library	Library Fund (10410)	The Seattle Public Library (10410-BO-SPL)	\$34,000
2.35	Seattle Public Library	Library Fund (10410)	The Seattle Public Library (10410-BO-SPL)	\$275,000
2.36	Law Department	General Fund (00100)	Criminal (00100-BO-LW-J1500)	\$100,417
2.37	Office of Economic Development	General Fund (00100)	Business Services (00100-BO-ED-X1D00)	\$88,310
2.38	Executive (City Budget Office)	General Fund (00100)	City Budget Office (00100-BO-CB-CZ000)	\$100,000
2.39	Seattle Public Utilities	Solid Waste Fund (45010)	Leadership and Administration (45010-BO-SU-N100B)	\$59,540
		Water Fund (43000)	Leadership and Administration (43000-BO-SU-N100B)	\$183,200
		Drainage and Wastewater Fund (44010)	Leadership and Administration (44010-BO-SU-N100B)	\$215,260
2.40	Executive (Office of Labor Standards)	Office of Labor Standards Fund (00190)	Office of Labor Standards (00190-BO-LS-1000)	\$1,750,000
Total				\$35,082,188

Section 3. In order to pay for necessary costs and expenses incurred or to be incurred in 2021, but for which

insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time of making the 2021 Budget, appropriations for the following items in the 2021 Budget, which are backed by revenues, are increased from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
3.1	Department of Education and Early Learning	Families Education Preschool Promise Levy (17871)	Leadership and Administration (17871-BO-EE-IL700)	\$84,000
3.2	Department of Education and Early Learning	General Fund (00100)	Early Learning (00100-BO-EE-IL100)	\$20,000
3.3	Department of Finance and Administrative Services	FileLocal Agency Fund (67600)	FileLocal Agency (67600-BO-FA-FILELOC)	\$25,000
3.4	Department of Finance and Administrative Services	Finance and Administrative Services Fund (50300)	Facilities Services (50300-BO-FA-FACILITY)	\$24,510,000
3.5	Human Services Department	Human Services Fund (16200)	Supporting Affordability and Livability (16200-BO-HS-H1000)	1,001,342
			Leadership and Administration (16200-BO-HS-H5000)	88,419
3.6	Executive (Office of Housing)	Low Income Housing Fund (16400)	Multifamily Housing (16400-BO-HU-3000)	\$92,197
3.7	Office of Planning and Community Development	General Fund (00100)	Planning and Community Development (00100-BO-PC-X2P00)	\$145,000
3.8	Seattle Center	Seattle Center Fund (11410)	Campus (11410-BO-SC-60000)	\$63,183
3.9	Seattle Department of Transportation	Transportation Fund (13000)	Mobility Operations (13000-BO-TR-17003)	\$400,000
3.10	Seattle Department of Transportation	Transportation Fund (13000)	Mobility Operations (13000-BO-TR-17003)	\$400,000
3.11	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	\$216,775
3.12	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	\$59,092
3.13	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	\$38,893

3.14	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	\$7,935,737
Total				\$35,079,638

Section 4. Contingent upon the execution of the grant or other funding agreement authorized in Section 1 of the ordinance introduced as Council Bill 120111, the appropriations for the following items in the 2021 Budget are increased from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
4.1	Department of Education and Early Learning	General Fund (00100)	K-12 Programs (00100-BO-EE-IL200)	\$415,000
4.2	Department of Education and Early Learning	General Fund (00100)	K-12 Programs (00100-BO-EE-IL200)	\$17,545
4.3	Human Services Department	Human Services Fund (16200)	Promoting Healthy Aging (16200-BO-HS-H6000)	\$189,801
			Supporting Affordability and Livability (16200-BO-HS-H1000)	\$138,178
4.4	Human Services Department	Human Services Fund (16200)	Supporting Affordability and Livability (16200-BO-HS-H1000)	\$849,202
4.5	Executive (Office of Immigrant and Refugee Affairs)	General Fund (00100)	Office of Immigrant and Refugee Affairs (00100-BO-IA-X1N00)	\$48,532
4.6	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	\$10,000
4.7	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	\$100,000
4.8	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	\$1,450,288
4.9	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	\$1,260
4.10	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)	\$300,000
4.11	Executive (Office of Emergency Management)	General Fund (00100)	Office of Emergency Management (00100-BO-EP-10000)	\$33,684

4.12	Executive (Office of Emergency Management)	General Fund (00100)	Office of Emergency Management (00100-BO-EP-10000)	\$42,817
Total				\$3,596,307

Unspent funds so appropriated shall carry forward to subsequent fiscal years until they are exhausted or abandoned by ordinance.

Section 5. The appropriations for the following items in the 2021 Adopted Budget are modified, as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
5.1	Seattle Department of Transportation	General Fund (00100)	General Expense (00100-BO-TR-18002)	\$910,235
			Leadership and Administration (00100-BO-TR-18001)	(\$910,235)
5.2	Office of Housing	Office of Housing Fund (16600)	Leadership and Administration (16600-BO-HU-1000)	(\$560,000)
			Homeownership & Sustainability (16600-BO-HU-2000)	\$300,000
			Multifamily Housing (16600-BO-HU-3000)	\$260,000
5.3	Seattle Department of Transportation	Move Seattle Levy Fund (10398)	Mobility Operations (10398-BO-TR-17003)	(\$1,069,133)
		Transportation Fund (13000)	Mobility Operations (13000-BO-TR-17003)	\$1,069,133
5.4	Seattle Information Technology Department	Information Technology Fund (50410)	Applications (50410-BO-IT-D0600)	(\$1,910,211)
			Technology Infrastructure (50410-BO-IT-D0300)	\$2,213,978
			Frontline Services and Workplace (50410-BO-IT-D0400)	\$1,367,472
			Digital Security & Risk (50410-BO-IT-D0500)	(\$1,671,239)
Total				\$0

Section 6. Appropriations in the 2021 Adopted Budget and project allocations in the 2021-2026 Adopted

Capital Improvement Program are reduced as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	CIP Project Appropriation Change	CIP Project Name
6.1	Department of Finance and Administrative Services	REET I Capital Fund (30010)	FAS Oversight- External Projects (30010-BC-FA-EXTPROJ)	(\$205,000)	Energy Efficiency for Municipal Buildings (MC-FA-ENEFFMBLD)
6.2	Department of Finance and Administrative Services	REET I Capital Fund (30010)	FAS Oversight- External Projects (30010-BC-FA-EXTPROJ)	(\$191,000)	Energy Efficiency for Municipal Buildings (MC-FA-ENEFFMBLD)
6.3	Department of Finance and Administrative Services	REET I Capital Fund (30010)	FAS Oversight- External Projects (30010-BC-FA-EXTPROJ)	(\$380,000)	Energy Efficiency for Municipal Buildings (MC-FA-ENEFFMBLD)
6.4	Seattle City Light	Light Fund (41000)	Customer Focused - CIP (41000-BC-CL-Z)	(\$1,119,844)	IT Infrastructure (MC-CL-ZF9915)
			Customer Focused - CIP (41000-BC-CL-Z)	(\$320,000)	IT Security Upgrades (MC-CL-ZF9960)
			Customer Focused - CIP (41000-BC-CL-Z)	(\$2,411,631)	Transportation Streetlights (MC-CL-ZL8377)
			Customer Focused - CIP (41000-BC-CL-Z)	(\$1,190,000)	Overhead and Underground Relocations (MC-CL-ZT8369)
			Customer Focused - CIP (41000-BC-CL-Z)	(\$676,480)	Call Center Improvements - City Light (MC-CL-ZC9972)

			Customer Focused - CIP (41000-BC-CL-Z)	(\$31,002)	Citywide Undergrounding Initiative - City Light (MC-CL-ZL8403)
			Customer Focused - CIP (41000-BC-CL-Z)	(\$14,642)	Neighborhood Voluntary Undergrounding Program (MC-CL-ZO8383)
			Customer Focused - CIP (41000-BC-CL-Z)	(\$63,997)	First Hill Connector Streetcar (MC-CL-ZT8442)
			Power Supply - CIP (41000-BC-CL-X)	(\$190,000)	Building Envelope Upgrades (MC-CL-XF9072)
			Power Supply - CIP (41000-BC-CL-X)	(\$666,000)	Miscellaneous Building Improvements (MC-CL-XF9007)
			Power Supply - CIP (41000-BC-CL-X)	(\$239,230)	North and South Service Center Improvements (MC-CL-XF9107)
			Power Supply - CIP (41000-BC-CL-X)	(\$304,000)	Safety Modifications (MC-CL-XF9006)
			Power Supply - CIP (41000-BC-CL-X)	(\$114,523)	Environmental Safeguarding and Remediation of Facilities (MC-CL-XF9152)

			Power Supply - CIP (41000-BC-CL-X)	(\$592,416)	Workplace and Process Improvement (MC-CL- XF9159)
			Power Supply - CIP (41000-BC-CL-X)	(\$736,025)	Special Work Equipment - Generation Plant (MC-CL- XP6102)
			Power Supply - CIP (41000-BC-CL-X)	(\$10,515)	SMT AutoLab (MC-CL- XP6600)
			Power Supply - CIP (41000-BC-CL-X)	(\$718)	Boundary Dam - Instrumentation Upgrade and Integration (MC- CL-XB6343)
			Power Supply - CIP (41000-BC-CL-X)	(\$328,533)	Bdry U56 Generator Rebuild (MC-CL -XB6354)
			Power Supply - CIP (41000-BC-CL-X)	(\$83,678)	BO U55 Exciter Replacement (MC-CL- XB6602)
			Power Supply - CIP (41000-BC-CL-X)	(\$500,000)	Special Work Equipment - Shops (MC-CL- XF8389)
			Power Supply - CIP (41000-BC-CL-X)	(\$500,000)	Office Furniture and Equipment Purchase (MC- CL-XF9103)
			Power Supply - CIP (41000-BC-CL-X)	(\$101,739)	Technical Training Center (MC-CL- XF9230)

			Power Supply - CIP (41000-BC-CL-X)	(\$31,393)	Generation Federal Reliability Standards Improvements (MC-CL- XP6470)
			Power Supply - CIP (41000-BC-CL-X)	(\$340,000)	Endangered Species Act Mitigation (MC- CL-XP6990)
			Power Supply - CIP (41000-BC-CL-X)	(\$9,968)	Gorge Powerhouse - Fire Protection Improvements (MC-CL- XS6326)
			Power Supply - CIP (41000-BC-CL-X)	(\$657)	Ross Rock Slide Area Imprmts (MC-CL- XS6516)
			Power Supply - CIP (41000-BC-CL-X)	(\$20,616)	Ross PH Replace Banks 42,44 (MC -CL-XS6541)
			Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$1,371,332)	Special Work Equipment - Other Plant (MC- CL-YD9102)
			Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$1,000,000)	Security Improvements (MC-CL- YD9202)
			Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$237,764)	Substation Automation (MC -CL-YS8424)
			Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$534,891)	Substation Equipment Improvements (MC-CL- YS7752)

			Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$1,280,159)	Energy Management System (MC-CL-YD9956)
			Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$43,758)	Distribution Management System (MC-CL-YD9966)
			Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$402,400)	Special Work Equipment - Tech Metering (MC-CL-YN8485)
			Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$8)	Broadband - City Light (MC-CL-YR8465)
			Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$246,558)	Substation Plant Improvements (MC-CL-YS7750)
6.5	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	(\$2,000)	Pedestrian Master Plan - Stairway Rehabilitation (MC-TR-C031)
6.6	Seattle Department of Transportation	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	(\$1,270)	Canton and Nord Alleys (MC-TR-C065)
6.7	Seattle Department of Transportation	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	(\$1,144,139)	Columbia Two-Way Street Improvements (MC-TR-C056)
6.8	Seattle Department of Transportation	2021 West Seattle Bridge LTGO Bond Fund (36810)	Major Maintenance/Replacement (36810-BC-TR-19001)	(\$16,850,000)	West Seattle Bridge Immediate Response (MC-TR-C110)

6.9	Seattle Department of Transportation	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	(\$548,271)	Bridge Rehabilitation and Replacement Phase II (MC-TR-C039)
6.10	Seattle Department of Transportation	REET II Capital Fund (30020)	Central Waterfront (30020-BC-TR-16000)	(\$289,873)	Alaskan Way Main Corridor (MC-TR-C072)
		Transportation Fund (13000)	Central Waterfront (13000-BC-TR-16000)	(\$407,548)	Alaskan Way Main Corridor (MC-TR-C072)
		2019 Multipurpose LTGO Bond Fund (36600)	Central Waterfront (36600-BC-TR-16000)	(\$4,221,925)	Alaskan Way Main Corridor (MC-TR-C072)
6.11	Seattle Department of Transportation	2021 West Seattle Bridge LTGO Bond Fund (36810)	Mobility-Capital (36810-BC-TR-19003)	(\$1,150,000)	West Marginal Way Safe Street and Accessibility Improvements (MC-TR-C103)
6.12	Seattle Department of Transportation	2021 West Seattle Bridge LTGO Bond Fund (36810)	Major Maintenance/Replacement (36810-BC-TR-19001)	(\$5,786,317)	West Seattle Bridge Immediate Response (MC-TR-C110)
6.13	Seattle Information Technology Department	Information Technology Fund (50410)	Capital Improvement Projects (50410-BC-IT-C0700)	(\$108,412)	Workers' Compensation System Replacement Project (MC-IT-C6309)
6.14	Seattle Information Technology Department	Information Technology Fund (50410)	Capital Improvement Projects (50410-BC-IT-C0700)	(\$898,101)	Applications Development- SDOT (MC-IT-C6306)

6.15	Seattle Information Technology Department	Information Technology Fund (50410)	Capital Improvement Projects (50410-BC-IT-C0700)	(\$264,913)	Applications Development-General Fund (MC-IT-C6300)
6.16	Seattle Information Technology Department	Information Technology Fund (50410)	Capital Improvement Projects (50410-BC-IT-C0700)	(\$3,000,000)	Criminal Justice Information System Projects (MC-IT-C6304)
6.17	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Fix It First (10200-BC-PR-40000)	(\$3,778)	Beach Restoration Program (MC-PR-41006)
6.18	Seattle Department of Transportation	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	(\$214,547)	Bridge Seismic - Phase III (MC-TR-C008)
6.19	Seattle Department of Transportation	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	(\$602,318)	Bridge Seismic - Phase III (MC-TR-C008)
6.20	Seattle Information Technology Department	Information Technology Fund (50410)	Capital Improvement Projects (50410-BC-IT-C0700)	(\$213)	Applications Development-DON (MC-IT-C6301)
6.21	Seattle Information Technology Department	Information Technology Fund (50410)	Capital Improvement Projects (50410-BC-IT-C0700)	(\$95,880)	Applications Development-DPR (MC-IT-C6302)
Total				(\$52,079,982)	

Allocation modifications for the Seattle Department of Transportation, Seattle City Light, and Seattle Public Utilities in this section shall operate for the purposes of increasing or decreasing the base for the limit imposed by subsection 4(c) of Ordinance 126237.

Section 7. To pay for necessary capital costs and expenses incurred or to be incurred, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time

the 2021 Budget was adopted, appropriations in the 2021 Adopted Budget and project allocations in the 2021-2026 Adopted Capital Improvement Program are increased as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	CIP Project Appropriation Change	CIP Project Name
7.1	Seattle Center	2021 Taxable LTGO Bond Fund (36820)	Building and Campus Improvements (36820-BC-SC-S03P01)	\$8,000,000	Site Signage (MC-SC-S9118)
7.2	Seattle Center	REET I Capital Fund (30010)	Building and Campus Improvements (30010-BC-SC-S03P01)	\$300,000	Public Gathering Space Improvements (MC-SC-S9902)
7.3	Seattle Center	REET I Capital Fund (30010)	Building and Campus Improvements (30010-BC-SC-S03P01)	\$150,000	Utility Infrastructure Restoration and Repairs (MC-SC-S0101)
7.4	Seattle Center	REET I Capital Fund (30010)	Building and Campus Improvements (30010-BC-SC-S03P01)	\$300,000	Utility Infrastructure Restoration and Repairs (MC-SC-S0101)
7.5	Seattle Center	REET I Capital Fund (30010)	Building and Campus Improvements (30010-BC-SC-S03P01)	\$191,000	Municipal Energy Efficiency Program (MC-SC-S1003)
7.6	Seattle City Light	Light Fund (41000)	Power Supply - CIP (41000-BC-CL-X)	\$1,000,000	Energy Conservation (MC-CL-XF9320)
7.7	Seattle Department of Transportation	Move Seattle Levy Fund (10398)	Mobility-Capital (10398-BC-TR-19003)	\$1,300,000	Neighborhood Large Projects (MC-TR-C018)
				\$700,000	Vision Zero (MC-TR-C064)

7.8	Seattle Department of Transportation	Move Seattle Levy Fund (10398)	Mobility-Capital (10398-BC-TR-19003)	\$2,000,000	Madison BRT - RapidRide G Line (MC-TR-C051)
		Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	\$12,774,011	Madison BRT - RapidRide G Line (MC-TR-C051)
7.9	Seattle Department of Transportation	2020 Multipurpose LTGO Bond Fund (36700)	Central Waterfront (36700-BC-TR-16000)	\$3,977,000	Alaskan Way Main Corridor (MC-TR-C072)
7.10	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Debt and Special Funding (10200-BC-PR-30000)	\$1,400,000	Golf Master Plan Implementation (MC-PR-31004)
7.11	Seattle Parks and Recreation	REET I Capital Fund (30010)	Fix It First (30010-BC-PR-40000)	\$568,000	Beach Restoration Program (MC-PR-41006)
7.12	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Fix It First (10200-BC-PR-40000)	\$130,342	Major Maintenance Backlog and Asset Management (MC-PR-41001)
7.13	Seattle Parks and Recreation	REET I Capital Fund (30010)	Building For The Future (30010-BC-PR-20000)	\$3,300,000	Parks Central Waterfront Piers Rehabilitation (MC-PR-21007)
7.14	Seattle Parks and Recreation	REET I Capital Fund (30010)	Fix It First (30010-BC-PR-40000)	\$380,000	Municipal Energy Efficiency Program - Parks (MC-PR-41030)
7.15	Seattle Public Library	REET I Capital Fund (30010)	The Seattle Public Library (30010-BO-SPL)	\$205,000	Library Major Maintenance (MC-PL-B3011)
7.16	Seattle Public Library	2019 Library Levy Fund (18200)	The Seattle Public Library (18200-BO-SPL)	\$466,000	Library Major Maintenance (MC-PL-B3011)
		Library Fund (10410)	The Seattle Public Library (10410-BO-SPL)	\$1,700,000	Library Major Maintenance (MC-PL-B3011)

		2012 Library Levy Fund (18100)	The Seattle Public Library (18100-BO-SPL)	\$34,000	Library Major Maintenance (MC-PL-B3011)
7.17	Seattle Public Utilities	Solid Waste Fund (45010)	New Facilities (45010-BC-SU-C230B)	\$15,307	Miscellaneous Station Improvement (MC-SU-C2303)
				\$56,794	North Transfer Station Rebuild (MC-SU-C2306)
			Rehabilitation & Heavy Equipment (45010-BC-SU-C240B)	\$44,851	SW Comprehensive Plan Update (MC-SU-C2407)
			Shared Cost Projects (45010-BC-SU-C410B)	\$270,447	Security Improvements (MC-SU-C4113)
		Water Fund (43000)	Distribution (43000-BC-SU-C110B)	\$827,336	Water Infrastructure-Hydrant Replace/Relocate (MC-SU-C1110)
				\$1,159,906	Water Infrastructure-Water Main Extensions (MC-SU-C1111)
				\$38,273	Water Infrastructure-New Hydrants (MC-SU-C1112)
				\$1,206,554	Water Infrastructure-New Taps (MC-SU-C1113)
				\$134,422	Pump Station Improvements (MC-SU-C1135)
				\$234,085	Distribution System In-Line Gate Valve (MC-SU-C1136)
				\$258,673	Distribution Infrastructure (MC-SU-C1138)

			Watershed Stewardship (43000-BC-SU-C130B)	\$348,849	Environmental Stewardship (MC-SU-C1301)
				\$51,244	Tolt Bridges (MC-SU-C1308)
			Water Resources (43000-BC-SU-C150B)	\$8,733	Water Supply Flexibility Program (MC-SU-C1507)
			Habitat Conservation Program (43000-BC-SU-C160B)	\$1,571,876	Downstream Fish Habitat (MC-SU-C1607)
		Drainage and Wastewater Fund (44010)	Protection of Beneficial Uses (44010-BC-SU-C333B)	\$113,958	Beneficial Uses Program (MC-SU-C3317)
			Combined Sewer Overflows (44010-BC-SU-C360B)	\$16,158	S Henderson CSO Storage (MC-SU-C3609)
			Flooding, Sewer Backup & Landslide (44010-BC-SU-C380B)	\$750	Thornton Confluence Improvement (MC-SU-C3811)
			Shared Cost Projects (44010-BC-SU-C410B)	\$796,967	Alaskan Way Viaduct & Seawall Replacement Program (MC-SU-C4102)
				\$65,325	Security Improvements (MC-SU-C4113)
Total				\$46,095,861	

Allocation modifications for the Seattle Department of Transportation, Seattle City Light, and Seattle Public Utilities in this section shall operate for the purposes of increasing or decreasing the base for the limit imposed by subsection 4(c) of Ordinance 126237.

Section 8. Appropriations in the 2021 Adopted Budget and project allocations in the 2021-2026 Adopted

Capital Improvement Program, which are backed by revenues, are modified as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	CIP Project Appropriation Change	CIP Project Name
8.1	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Building For The Future (10200-BC-PR-20000)	\$4,000,000	South Park Campus Improvements (MC-PR-21013)
8.2	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Fix It First (10200-BC-PR-40000)	\$25,000	Beach Restoration Program (MC-PR-41006)
8.3	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Building For The Future (10200-BC-PR-20000)	\$5,000,000	Park Land Acquisition and Leverage Fund (MC-PR-21001)
8.4	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Fix It First (10200-BC-PR-40000)	\$20,230	Major Maintenance Backlog and Asset Management (MC-PR-41001)
8.5	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Fix It First (10200-BC-PR-40000)	\$58,611	Major Maintenance Backlog and Asset Management (MC-PR-41001)
Total				\$9,103,841	

Section 9. Contingent upon the execution of the grant or other funding agreement authorized in Section 1 of the ordinance introduced as Council Bill 120111, the appropriations for the following items in the 2021 Budget are increased from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	CIP Project Appropriation Change	CIP Project Name
9.1	Seattle City Light	Light Fund (41000)	Power Supply - CIP (41000-BC-CL-X)	\$600,000	Transportation Electrification (MC-CL-XF9239)

9.2	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	\$250,000	Vision Zero (MC-TR-C064)
9.3	Seattle Department of Transportation	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	\$1,500,000	Arterial Asphalt & Concrete Program Phase II (MC-TR-C033)
9.4	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	\$1,900,000	Bike Master Plan - Protected Bike Lanes (MC-TR-C062)
9.5	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	\$1,500,000	Georgetown to South Park Trail (MC-TR-C096)
9.6	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	\$1,210,000	Vision Zero (MC-TR-C064)
9.7	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	\$1,115,300	Route 48 Transit-Plus Multimodal Corridor (MC-TR-C107)
9.8	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	\$4,000,000	Route 40 Transit-Plus Multimodal Corridor (MC-TR-C079)
9.9	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	\$4,000,000	RapidRide Roosevelt (MC-TR-C013)
9.10	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Building For The Future (10200-BC-PR-20000)	\$1,070,323	South Park Campus Improvements (MC-PR-21013)
9.11	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Building For The Future (10200-BC-PR-20000)	\$150,000	Major Projects Challenge Fund (MC-PR-21002)

9.12	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Building For The Future (10200-BC-PR-20000)	\$500,000	Major Projects Challenge Fund (MC-PR-21002)
9.13	Seattle Parks and Recreation	Park And Recreation Fund (10200)	Fix It First (10200-BC-PR-40000)	\$1,450,000	Magnuson Community Center Improvements (MC-PR-41067)
Total				\$19,245,623	

Allocation modifications for the Seattle Department of Transportation, Seattle City Light, and Seattle Public Utilities in this section shall operate for the purposes of increasing or decreasing the base for the limit imposed by subsection 4(c) of Ordinance 126237.

Section 10. Appropriations in the 2021 Adopted Budget and project allocations in the 2021-2026

Adopted Capital Improvement Program are modified as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	CIP Project Appropriation Change	CIP Project Name
10.1	Department of Finance and Administrative Services	REET I Capital Fund (30010)	Public Safety Facilities Fire (30010-BC-FA-PSFACFIRE)	\$700,000	Fire Station 5 (MC-FA-FS5)
				(\$700,000)	Fire Facilities South Lake Union (MC-FA-PSFSSLU)
10.2	Department of Finance and Administrative Services	REET I Capital Fund (30010)	Public Safety Facilities Fire (30010-BC-FA-PSFACFIRE)	\$3,100,000	Fire Station 31 Replacement (MC-FA-FS31)
				(\$3,100,000)	Fire Station 31 Temporary Station (MC-FA-FS31IMP)
10.3	Seattle City Light	Light Fund (41000)	Power Supply - CIP (41000-BC-CL-X)	(\$650,000)	Transportation Electrification (MC-CL-XF9239)

				\$650,000	Electric Vehicle Infrastructure (MC-CL-XF9237)
10.4	Seattle City Light	Light Fund (41000)	Customer Focused - CIP (41000-BC-CL-Z)	(\$300,000)	Data Warehouse Implementation (MC-CL-ZF9975)
				\$300,000	Document Management System (MC-CL-ZF9962)
10.5	Seattle City Light	Light Fund (41000)	Power Supply - CIP (41000-BC-CL-X)	(\$500,000)	Boundary Facility - Minor Improvements Program (MC-CL-XB6401)
				\$4,500,000	Boundary Powerhouse - Unit 51 Generator Rebuild (MC-CL-XB6351)
			Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$4,000,000)	Denny Substation - Network (MC-CL-YN8404)
10.6	Seattle City Light	Light Fund (41000)	Power Supply - CIP (41000-BC-CL-X)	(\$1,000,000)	Cedar Falls Powerhouse - Unit 5/6 Generator Protective Relay (MC-CL-XC6450)
				\$1,000,000	Boundary Powerhouse - Unit 52 Generator Rebuild (MC-CL-XB6535)
10.7	Seattle City Light	Light Fund (41000)	Power Supply - CIP (41000-BC-CL-X)	\$600,000	Skagit - DC Battery System (MC-CL-XS6583)
				(\$600,000)	Boundary - DC Battery System & Charge Modernization (MC-CL-XB6566)

10.8	Seattle City Light	Light Fund (41000)	Power Supply - CIP (41000-BC-CL-X)	(\$800,000)	Ross Dam - AC/DC Distribution System Upgrade (MC-CL-XS6373)
				\$3,100,000	Skagit Facility - Minor Improvements Program (MC-CL-XS6405)
				(\$2,300,000)	Ross - Exciters 41-44 (MC-CL-XS6564)
10.9	Seattle City Light	Light Fund (41000)	Power Supply - CIP (41000-BC-CL-X)	(\$1,300,000)	Skagit Facility Conservation (MC-CL-XS6515)
				\$1,300,000	Ross - Governors (MC-CL-XS6562)
10.10	Seattle City Light	Light Fund (41000)	Power Supply - CIP (41000-BC-CL-X)	\$300,000	Cedar Falls/South Fork Tolt - Minor Improvements Program (MC-CL-XC6406)
				(\$200,000)	Boundary - Unit 56 Exciter Replacement (MC-CL-XB6603)
				(\$100,000)	Cedar Falls Rehabilitation (MC-CL-XC6625)
10.11	Seattle City Light	Light Fund (41000)	Transmission and Distribution - CIP (41000-BC-CL-Y)	(\$1,500,000)	Denny Substation - Network (MC-CL-YN8404)
				\$1,000,000	Union Street Substation Networks (MC-CL-YN8201)
				\$500,000	University Substation - Network (MC-CL-YN8464)
10.12	Seattle Department of Transportation	Move Seattle Levy Fund (10398)	Mobility-Capital (10398-BC-TR-19003)	(\$120,000)	Pedestrian Master Plan - Stairway Rehabilitation (MC-TR-C031)

			Major Maintenance/Replacement (10398-BC-TR-19001)	\$120,000	Bridge Seismic - Phase III (MC-TR-C008)
10.13	Seattle Department of Transportation	General Fund (00100)	Mobility-Capital (00100-BC-TR-19003)	\$500,000	West Marginal Way Safe Street and Accessibility Improvements (MC-TR-C103)
			Major Maintenance/Replacement (00100-BC-TR-19001)	(\$500,000)	West Seattle Bridge Immediate Response (MC-TR-C110)
10.14	Seattle Department of Transportation	Move Seattle Levy Fund (10398)	Mobility-Capital (10398-BC-TR-19003)	\$999,996	Bike Master Plan - Protected Bike Lanes (MC-TR-C062)
				\$69,137	Pedestrian Master Plan - Crossing Improvements (MC-TR-C061)
		Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	(\$999,996)	Bike Master Plan - Protected Bike Lanes (MC-TR-C062)
				(\$69,137)	Pedestrian Master Plan - Crossing Improvements (MC-TR-C061)
10.15	Seattle Department of Transportation	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	(\$1,339,375)	Bridge Rehabilitation and Replacement (MC-TR-C045)
				(\$2,000,000)	Northlake Retaining Wall (MC-TR-C102)
			Major Projects (13000-BC-TR-19002)	(\$216,533)	Alaskan Way Viaduct Replacement (MC-TR-C066)

			Mobility-Capital (13000-BC-TR-19003)	(\$1,499,999)	Highland Park Intersection Improvements (MC-TR-C100)
			Central Waterfront (13000-BC-TR-16000)	(\$730,410)	Alaskan Way Main Corridor (MC-TR-C072)
		2021 West Seattle Bridge LTGO Bond Fund (36810)	Major Maintenance/Replacement (36810-BC-TR-19001)	\$1,339,375	Bridge Rehabilitation and Replacement (MC-TR-C045)
				\$2,000,000	Northlake Retaining Wall (MC-TR-C102)
			Central Waterfront (36810-BC-TR-16000)	\$730,410	Alaskan Way Main Corridor (MC-TR-C072)
			Mobility-Capital (36810-BC-TR-19003)	\$1,499,999	Highland Park Intersection Improvements (MC-TR-C100)
			Major Projects (36810-BC-TR-19002)	\$216,533	Alaskan Way Viaduct Replacement (MC-TR-C066)
Total				\$0	

Allocation modifications for the Seattle Department of Transportation, Seattle City Light, and Seattle Public Utilities in this section shall operate for the purposes of increasing or decreasing the base for the limit imposed by subsection 4(c) of Ordinance 126237.

Section 11. The following positions are created in the following departments:

Item	Department	Position Title	Position Status	Number
11.1	City Budget Office	StratAdvsr1,Exempt (@ 09370 - 140)	Full-time	1.0
		StratAdvsr2,Exempt (@ 09371 - 140)	Full-time	1.0
		StratAdvsr2,Exempt (@ 09371 - 140)	Full-time	1.0
11.2	Department of Education and Early Learning	Human Svcs Coord (@ 31005 - 034)	Full-time	1.0

11.3	Department of Education and Early Learning	Early Ed Spec (@ 40527 - 034)	Full-time	1.0
11.4	Department of Education and Early Learning	Admin Staff Asst (@ 10013 - 030)	Full-time	1.0
11.5	Department of Education and Early Learning	StratAdvsr1,Exempt (@ 09370 - 140)	Full-time	1.0
		StratAdvsr3,Exempt (@ 09372 - 140)	Full-time	1.0
11.6	Department of Finance and Administrative Services	StratAdvsr1,General Govt-BU (@ 09645 - 092)	Full-time	1.0
11.7	Human Services Department	Accountant,Prin (@ 20003 - 030)	Full-time	1.0
		Grants&Contracts Spec,Sr (@ 99050 - 034)	Full-time	3.0
		Fin Anlyst,Sr (@ 96323 - 030)	Full-time	1.0
11.8	Human Services Department	Accountant,Prin (@ 20003 - 030)	Full-time	1.0
11.9	Seattle Information Technology Department	Info Technol Prof B-BU (@ 09467 - 158)	Full-time	2.0
		Info Technol Systs Anlyst (@ 09474 - 034)	Full-time	1.0
11.10	Seattle Information Technology Department	Info Technol Prof A,Exempt (@ 09457 - 155)	Full-time	1.0
		Info Technol Prof B-BU (@ 09467 - 158)	Full-time	10.0
		Info Technol Prof C-BU (@ 09466 - 158)	Full-time	4.0
		Info Technol Systs Anlyst (@ 09474 - 034)	Full-time	2.0
		StratAdvsr2,Info Technol (@ 09426 - 140)	Full-time	3.0
11.11	Office of Housing	Com Dev Spec (@ 22014 - 030)	Full-time	1.0

11.12	Seattle Department of Construction and Inspections	Public Relations Spec (@ 22555 - 030)	Full-time	2.0
11.13	Seattle Department of Construction and Inspections	Civil Engr,Sr (@ 53420 - 032)	Full-time	1.0
11.14	Seattle Department of Construction and Inspections	Elecl Inspector,Sr (Expert) (@ 50522 - 013)	Full-time	1.0
11.15	Seattle Department of Construction and Inspections	StratAdvsr2,Engrng&Plans Rev (@ 09401 - 140)	Full-time	1.0
11.16	Seattle Department of Construction and Inspections	Site Dev Insp (@ 09378 - 004)	Full-time	2.0
11.17	Seattle Department of Construction and Inspections	Elevator Inspector,Sr (Expert) (@ 50532 - 030)	Full-time	4.0
11.18	Seattle Department of Construction and Inspections	Pressure Sysys Inspector(J) (@ 50570 - 030)	Full-time	3.0
11.19	Seattle Department of Construction and Inspections	Bldg Inspector,Strucl (@ 50518 - 017)	Full-time	2.0
11.20	Seattle Department of Construction and Inspections	Code Compliance Anlyst (@ 44304 - 030)	Full-time	1.0
11.21	Seattle Department of Construction and Inspections	StratAdvsr2,Info Technol (@ 09426 - 140)	Full-time	5.0
11.22	Seattle Department of Transportation	StratAdvsr2,Engrng&Plans Rev (@ 09401 - 140)	Full-time	1.0

		StratAdvsr2,General Govt (@ 09386 - 140)	Full-time	1.0
11.23	Seattle Public Utilities	Accountant (@ 12100 - 034)	Full-time	1.0
		Actg Tech II-BU (@ 97547 - 035)	Full-time	4.0
11.24	Community Safety and Communications Center	Accountant, Principal (@ 20003-30)	Full-time	1.0
11.25	Community Safety and Communications Center	StratAdvsr1,Exempt (@ 09370-140)	Full-time	1.0
Total				70.0

The Directors of the relevant departments are authorized to fill these positions subject to Seattle Municipal Code Title 4, the City’s Personnel Rules, and applicable employment laws.

Section 12. The following positions are transferred from the following departments:

Item	Department	Position Title	Position Status	Number
12.1	Human Services Department	Admin Spec III-BU (@ 97558 - 035)	Full-time	(1.0)
	Seattle Fire Department	Admin Spec III-BU (@ 97558 - 035)	Full-time	1.0
12.2	Seattle Police Department	Victim Advocate (@ 99505 - 030)	Full-time	(1.0)
	Human Services Department	Victim Advocate (@ 99505 - 030)	Full-time	1.0
Total				0

The Directors of the relevant departments are authorized to fill these positions subject to Seattle Municipal Code Title 4, the City’s Personnel Rules, and applicable employment laws.

Section 13. The following position is abrogated in the Employees’ Retirement System:

Item	Department	Position Title	Position Status	Number
13.1	Employees’ Retirement System	StratAdvsr1,Exempt (@ 09370 - 140)	Full-time	(1.0)

13.2	Seattle Emergency Communication s Center	Executive 1 @(09300 - 140)	Full-time	(1.0)
13.3	Seattle Emergency Communication s Center	StratAdvsr1,Exempt (@ 09370 - 140)	Full-time	(1.0)
Total				(3.0)

Section 14. The following position are increased from part-time status to full-time status in the Law

Department and Seattle Public Utilities:

Item	Department	Position Title	Position Status	Number
14.1	Law Department	Actg Tech II (@ 20075 - 030)	Full-time	1.0
14.2	Seattle Public Utilities	Admin Staff Anlyst (@ 24021 - 030)	Full-time	1.0
Total				2.0

Section 15. This ordinance’s actions involving Fund 36810 apply regardless of the name of the fund.

Section 16. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 17. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by a 3/4 vote of all the members of the City Council the _____ day of _____, 2021, and signed by me in open session in authentication of its passage this _____ day of _____, 2021.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2021.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2021.

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
City Budget Office	Caleb Wagenaar (3-9228)	Ben Noble (4-8160)

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE amending Ordinance 126237, which adopted the 2021 Budget, including the 2021-2026 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; revising project allocations for certain projects in the 2021-2026 CIP; creating positions; modifying positions; abrogating positions; modifying or adding provisos; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Summary and background of the Legislation: This ordinance proposes several adjustments to the 2021 Adopted Budget.

The City Budget Office compiles departmental requests for spending adjustments to the Adopted Budget into a quarterly Supplemental Ordinance for review and approval by the City Council. These quarterly bills accomplish the following:

- Adjust appropriation authority to Budget Control Levels approved in the Adopted Budget or subsequent legislation;
- Appropriate funding backed by new revenue sources, such as grants and private donations;
- Adjust the Adopted Capital Improvement Program;
- Make changes to departments position authority; and
- Adjust for unanticipated actual and projected revenues.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? X Yes ___ No

Note: Please see Attachment A to this document.

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? X Yes ___ No

Appropriation change (\$):	General Fund \$		Other \$	
	Operating 2021	Capital 2021	Operating 2021	Capital 2021
	\$ (16,846,764)	\$ 0	\$ 13,186,067	\$ 20,915,342

Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	Operating 2021	Capital 2021	Operating 2021	Capital 2021
	\$ (26,893,980)	\$0	\$29,972,574	\$40,967,354
Positions affected:	No. of Positions		Total FTE Change	
	2021	2022	2021	2022
	69.0		69.0	

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

Yes, some items in this ordinance represent costs increases to departments in order for them to accomplish the desired objectives as stated in Attachment A to this document.

Is there financial cost or other impacts of *not* implementing the legislation?

The same objectives could not be achieved without this legislation.

3.d. Appropriations

This legislation adds, changes, or deletes appropriations.

See Attachment A to this document

3.e. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

A companion bill accepts the new revenues appropriated by this bill.

3.f. Positions

This legislation adds, changes, or deletes positions.

See Attachment A to this document

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
 Yes, this legislation impacts a number of departments' 2021 budgets. The budget appropriation contained in this legislation allow departments to continue programs that for various reasons planned spending was not completed during the calendar year.
- b. **Is a public hearing required for this legislation?**
 No

- c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**

No

- d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No

- e. Does this legislation affect a piece of property?**

No

- f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**

Please see Attachment A to this document for any RSJI implications.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

Please see Attachment A to this document.

List attachments/exhibits below:

Summary Attachment A – 2021 Midyear Supplemental Ordinance Summary Detail Table

2021 Midyear Supplemental Ordinance Summary Detail Table

Item #	Title	Description	Amount/FTE
<i>Section 1 – Appropriation Decreases – Operating Budgets</i>			
1.1	Families and Education Levy Technical Adjustment (Department of Education and Early Learning)	This item decreases appropriation authority by \$550,000 in the Department of Education and Early Learning (DEEL) Families and Education Levy K-12 Program (17587-BO-EE-IL200) to make a technical adjustment to the 2021 Adopted Budget. Because the Families and Education Levy has automatic administrative carryforward, the added 2021 budget appropriation duplicates existing budget authority.	(\$550,000)
1.2	Reduce Pike Place Market Budget for 2021 (Department of Finance and Administrative Services)	This item decreases appropriation authority by \$6,000,000 in the Department of Finance and Administrative Services in the 2021 West Seattle Bridge LTGO Bond Fund Pike Place Market Budget Control Level (36810-BO-FA-PPM) . The City authorizes debt on behalf of the Pike Place Market Public Development Authority (PPMPDA), the PPMPDA then repays the City for the cost of that debt. This decrease aligns with a change in Pike Place Market's planned project timing, a delay from 2021 to 2022. FAS is abandoning appropriation authority in 2021, but will re-propose as part of the 2022 budget proposal.	(\$6,000,000)

Item #	Title	Description	Amount/FTE
1.3	Remove Excess General Fund Transfer Appropriation Authority (Finance General)	This item decreases appropriation authority by \$33.687 million in Finance General in the General Fund Appropriations to Special Funds Budget Control Level (00100-BO-FG-2QA00). The Mayor’s Proposed 2021 Budget used \$47,050,000 from the City’s Emergency Fund to balance. After receiving notification of additional General Fund revenue in the November Revenue Update, Council chose to transfer \$33,687,000 back to the Emergency Fund, as reflected in Council Budget Action FG-006-B-002. As the 2021 Adopted Budget includes offsetting appropriations both from and to the Emergency Fund, this item, combined with Item 1.4, removes both sides of this transaction to achieve the same fiscal result with fewer accounting entries. There is no impact to removing this appropriation on the planned level of Emergency Fund balance in the 2021 Adopted Budget.	(\$33,687,000)
1.4	Remove Excess Emergency Fund Transfer Appropriation Authority (Finance General)	This item decreases appropriation authority by \$33.687 million in Finance General in the Emergency Fund Appropriations to Special Funds Budget Control Level (10102-BO-FG-2QA00). The Mayor’s Proposed 2021 Budget used \$25,700,000 from the City’s Emergency Fund to balance the General Fund. After receiving notification of additional General Fund revenue in the November Revenue Update, Council chose to transfer \$33,687,000 back to the Emergency Fund, as reflected in Council Budget Action FG-006-B-002. As the Adopted Budget now includes offsetting appropriations, both from and to the Emergency Fund, this item, combined with Item 1.3, removes both sides of this transaction to achieve the same fiscal result with fewer accounting entries. There is no impact to removing this appropriation on the planned level of Emergency Fund balance in the 2021 Adopted Budget.	(\$33,687,000)

Item #	Title	Description	Amount/FTE
1.5	Grant Appropriation Abandonment (Human Services Department)	This item decreases appropriation authority in the Human Services Department by \$616,960 in the Human Services Fund Supporting Affordability & Livability Budget Control Level (16200-H1000), \$243,461 in the Addressing Homelessness Budget Control Level (16200-H3000), \$2,975 in the Preparing Youth for Success Budget Control Level (16200-H2000), \$28,539 in the Promoting Public Health Budget Control Level (16200-H7000), and \$282,259 in the Supporting Safe Communities Budget Control Level (16200-H4000). This action abandons grant appropriation that automatically carries forward and is not needed in 2021.	(\$1,174,194)
1.6	Transfer HealthOne Position from HSD to SFD (Human Services Department)	This item decreases appropriation authority by \$96,387 and 1 FTE (position #10007047) in the Human Services Department, in the General Fund Promoting Healthy Aging Budget Control Level (00100-H6000). The budget and position will transfer to the Seattle Fire Department. The budget and position were added to HSD in 2021 under SFD-001-B-002 for the HealthOne program in error. SFD will utilize the position to support its operation of the HealthOne program.	(\$96,387)
1.7	Grant abandonments (Office of Immigrant and Refugee Affairs)	This item decreases appropriation by \$134,227 in the Office of Immigrant and Refugee Affairs General Fund Office of Immigrant and Refugee Affairs Budget Control Level (00100-BO-IA-X1N00). This adjustment abandons the remaining appropriation on several older grants that can no longer be spent.	(\$134,227)

Item #	Title	Description	Amount/FTE
1.8	COVID relief Language Access funding distribution (Office of Immigrant and Refugee Affairs)	This Change Request transfers a total of \$159,742 in budget authority from Office of Immigrant and Refugee Affairs (OIRA) General Fund Office of Immigrant and Refugee Affairs Budget Control Level (00100-BO-IA-X1N00) to Office of Economic Development (OED), Department of Education and Early Learning (DEEL), Office of Housing (OH), Human Services Department (HSD), and Office of Sustainability and Environment (OSE) to provide language access for COVID relief activities. (OED: \$88,310, DEEL: \$20,000, HSD: \$8,933, OH: \$35,000, OSE: \$7,500)	(\$159,743)
1.9	Vaccine hesitancy funding shift (Office of Immigrant and Refugee Affairs)	This Change Request transfers \$200,000 in budget authority from the Office of Immigrant and Refugee Affairs (OIRA) General Fund Office of Immigrant and Refugee Affairs Budget Control Level (00100-BO-IA-X1N00) to the Department of Neighborhoods (DON) for vaccine hesitancy activities, due to a change in the estimated expenditure level of each department.	(\$200,000)
1.10	Transfer from Def O&M to Energy Conservation (Seattle City Light)	This item decreases appropriation authority in the amount of \$1.0 million from the General Manager (41000-BO-CL-C) BSL. This funding will be transferred to the Power Supply CIP BSL to cover higher-than-expected costs incurred in the Facilities, Security and Emergency Management Division to complete utility-wide conservation projects such as installing programmable thermostats and upgrades to lighting at numerous SCL facilities. Funds are available from the conservation deferred O&M account which is where these costs are budgeted. Because this item transfers operating funds to a capital project, it is executed in two change requests, and there is a corresponding change request increasing funding in the capital project budget.	(\$1,000,000)

Item #	Title	Description	Amount/FTE
1.11	New Mobility Initiatives Grant Abandonment (Seattle Department of Transportation)	This item abandons \$1,965,011 of excess grant authority in Seattle Department of Transportation, Transportation Fund, in the Mobility Operations BCL (BO-TR-17003), for a Wayfinding Grant and Department of Energy Electric Vehicles Grant. Both grants have been closed out.	(\$1,965,011)
1.12	Move Seattle Levy Bond Debt Service Costs Abandonment (Seattle Department of Transportation)	This item reduces Move Seattle Levy funding in BSL BO-TR-18002 General Expense in the amount of 170,000 from operating Master Project M0-TR-D007. This represented expenditure authority for payment of interest costs associated with the issuance of a bond to support the Move Seattle Levy Portfolio. That bond is no longer being issued.	(\$170,000)
1.13	Grant Appropriation Abandonment for BioWatch 2019-20 Grant (Seattle Fire Department)	This item decreases grant-backed appropriation authority by \$3,911.63 in the Seattle Fire Department (SFD) General Fund FD0 BSL. This grant from the Department of Homeland Security ended, all expenses have been billed, all revenue received and the remaining appropriation is no longer needed.	(\$3,912)
1.14	Grant Appropriation Abandonment for Urban Search & Rescue (US&R) 2020 Deployment Grants (Seattle Fire Department)	This item decreases grant-backed appropriation authority by \$87,237.28 in the Seattle Fire Department (SFD) General Fund FD0 BSL. The Urban Search & Rescue (US&R) 2020 Deployment Grants from the Department of Homeland Security have been completed. SFD has billed all expenses, received all revenue and the remaining appropriation is no longer needed.	(\$87,237)
1.15	Grant Appropriation Abandonment for Sound Transit Lynnwood Link Design Project (Seattle Fire Department)	This item decreases contract-backed appropriation authority by \$8,714.67 in the Seattle Fire Department (SFD) General Fund FD0 BSL. This project, funded by Sound Transit, is completed. All work has been completed, all expenses billed, all revenue received and the remaining appropriation is no longer needed.	(\$8,715)

Item #	Title	Description	Amount/FTE
1.16	Abandonment of Library Grant Authority (Seattle Public Library)	This item decreases appropriation authority by \$4,690 in the Library Programs & Services Budget Control Level (BO-PL-B4PUB). This request is necessary to ensure Library budget authority remains representative of actual available resources. This represents left-over budget authority from a closed grant. There is no longer any revenue backing this authority, the grant was completed in full and has been billed with the grantor.	(\$4,690)
1.17	Automated Materials Handling System Operating to Capital Budget Transfer (Seattle Public Library)	This item transfers appropriation authority in the amount of \$2,200,000 from the Library Programs and Services Division Budget Control Level (BO-PL-B4100) to the Library Capital Improvements Division Budget Control Level (BC-PL-B3000). This transfer is necessary as the Automated Materials Handling System is a capital asset, rather than an operating expense. This request represents a single body of work associated with replacing the Library's Automated Materials Handling System. In operation since 2004, the existing system checks-in, sorts, and distributes nearly 80% of all circulating materials in the Seattle Public Library system.	(\$2,200,000)
Section 2 – Appropriation Increases – Operating Budgets			
2.1	Replace Investment Portfolio Management Software (Department of Finance and Administrative Services)	This item increases appropriation authority by \$250,000 in the Department of Finance and Administrative Services in the Finance and Administrative Services Fund City Finance Budget Control Level (50300-BO-FA-CITYFINAN). The appropriation will support the procurement and implementation of a new software for managing the City's investments. The current vendor stated that it is exiting this line of business as of December 31, 2021. Funding will ensure ease in transition and the ability of the City to continue management our major investment portfolio. Revenues will be recovered through 2022 FAS' Cost Allocation.	\$250,000

Item #	Title	Description	Amount/FTE
2.2	Add Position Support to Manage the New Citywide Contract Management System (Department of Finance and Administrative Services)	This item creates 1 full-time position in the Department of Finance and Administrative Services in the City Purchasing & Contracting Budget Control Level (50300-BO-FA-CPCS). This position will provide the ongoing support of the new Citywide Contract Management System (CCMS) launching in September 2021. This enterprise-wide system will incorporate comprehensive contract life cycle management. Adding this position will support department use of the new system, manage system security, and establish workflow and related business processes.	\$86,607
2.3	Redistricting (Department of Neighborhoods)	This item increases appropriation authority by \$100,000 in the Department of Neighborhoods in the General Fund Community Building BSL (00100-BO-DN-I3300). This request is necessary to fund expenses necessary to begin implementation of the citywide redistricting plan as required by the Revised Code of Washington (RCW 29A-76.010). In consultation with Law, the City is being advised to begin the redistricting process immediately with the goal of having a new district plan by March 15, 2023 with new district boundaries being used for the 2023-24 election cycle.	\$100,000
2.4	Vaccine Hesitancy Work (Department of Neighborhoods)	This item transfers appropriation authority in the amount of \$200,000 from the Office of Immigrant and Refugees (OIRA) in the General Fund, Office of Immigrant and Refugees BSL (00100-BO-IA-X1N00) to the Department of Neighborhoods in the General Fund, Community Building BSL (00100-BO-DN-I3300). This transfer is due to a change in the estimated expenditure level of each department for funding vaccine hesitancy activities.	\$200,000

Item #	Title	Description	Amount/FTE
2.5	Transportation Network Company Tax to Office of Labor Standards (Finance General)	This item increases appropriation authority by \$1,750,000 in the General Fund Appropriation to Special Funds Budget Control Level in Finance General (00100-BO-FG-2QA00). This is a technical item which gives authority to Finance General to transfer \$1.75 million of Transportation Network Company Tax that has been collected in the General Fund to the Office of Labor Standards Fund (00190) to support the implementation of the Drivers Resolution Center in accordance with SMC 14.32.060.	\$1,750,000
2.6	Cash Transfer of Tax-Exempt Bond funds to IT Fund (Finance General)	This item increases appropriation authority by \$10,000,000 in Finance General in the Appropriations to Special Funds 2020 Multipurpose LTGO Bond Fund BCL (36700-BO-FG-2QA00) and \$7,000,000 in Finance General in the Appropriations to Special Funds 2021 Multipurpose LTGO Bond Fund BCL (36800-BO-FG-2QA00). This is a technical adjustment related to updated accounting practices that will move bond funds for general government IT projects from the 2020 and 2021 Multipurpose LTGO Bond Fund to the Information and Technology Fund (50410). As part of the 2020 year end accounting process, it was determined that bonds related to the general government IT projects should reside in the general LTGO bond fund rather than be deposited into the IT Fund directly. There was not an opportunity to legislatively adjust appropriation for 2020.	\$17,000,000
2.7	Language Access Transfer from OIRA (Human Services Department)	This item increases appropriation authority by \$8,933 in the Human Services Department, in the Human Services Fund Supporting Affordability & Livability Budget Control Level (00100-BO-HS-H1000). This budget was authorized under Ordinance 126211 and is being transferred from Office of Immigrant and Refugee Affairs to HSD. This funding will provide language access support for COVID-19 response activities.	\$8,933

Item #	Title	Description	Amount/FTE
2.8	Community Facility Funding (Human Services Department)	This item increases appropriation authority by \$500,000 in the Human Services Department in the General Fund Supporting Affordability & Livability Budget Control Level (00100-BO-HS-H1000). This budget will support a community facilities project to support older adults to age in place.	\$500,000
2.9	Artwork Conservation - Waterworks (Office of Arts and Culture)	This item increases appropriation authority by \$131,851 in the Office of Arts & Culture (ARTS), in the Municipal Arts Fund, Public Art Budget Control Level (12010-BO-AR-2VMA0). This appropriation is necessary to pay for repairs of the Waterworks artwork at Cal Anderson Park that was badly damaged during the CHOP.	\$131,851
2.10	Artwork Conservation - Wall of Death (Office of Arts and Culture)	This item increases appropriation authority by \$70,491 in the Office of Arts & Culture (ARTS), in the Municipal Arts Fund, Public Art Budget Control Level (12010-BO-AR-2VMA0). This appropriation is necessary to pay for repairs of the Wall of Death artwork along the Burke Gilman Trail that was badly damaged due to a fire in 2020.	\$70,491
2.11	Waterfront Artwork Implementation (Office of Arts and Culture)	This item increases appropriation authority by \$1,610,500 in the Office of Arts & Culture (ARTS), in the Municipal Arts Fund, Public Art Budget Control Level (12010-BO-AR-2VMA0). These funds are needed for public art projects associated with the Waterfront Seattle project. Artist design and fabrication contracts are being issued sooner than anticipated and require additional appropriation.	\$1,610,500
2.12	Created Commons (Office of Arts and Culture)	This item increases appropriation authority by \$250,000 in the Office of Arts & Culture (ARTS), in the Municipal Arts Fund, Public Art Budget Control Level (12010-BO-AR-2VMA0). This request will use SDOT 1% for Art funds to support arts experiences intended to re-activate public spaces.	\$250,000

Item #	Title	Description	Amount/FTE
2.13	AMP Contract - Cal Anderson Park Artwork (Office of Arts and Culture)	This item increases appropriation authority by \$408,000 in the Office of Arts & Culture (ARTS), in the Municipal Arts Fund, Public Art Budget Control Level (12010-BO-AR-2VMA0). Office of Arts & Culture's Public Art Program requires an increase in its budget appropriation to cover expenses related to the AIDS Memorial Pathway.	\$408,000
2.14	Historic Central Area Arts Cultural District (HCAACD) Contract (Office of Arts and Culture)	This item increases appropriation authority by \$10,000 in the Office of Arts & Culture (ARTS), in the Arts & Culture Fund, Cultural Space Budget Control Level (12400-BO-AR-VA170). This appropriation is necessary to cover the encumbrance of a contract that was inadvertently missed during 2020 year end process.	\$10,000
2.15	Site-Specific Pre-Development Costs (Office of Housing)	This item increases appropriation authority in the amount of \$143,000 in the Office of Housing's Leadership and Administration BSL (16600-BO-HU-1000) for pre-development work related to two site-specific projects: UW Laundry (\$71,000) and Rainier Valley homeownership (\$72,000). OH will use existing administrative fund balances to cover these costs. Community engagement work will be paid for with existing OH appropriations: the Home & Hope program for the UW Laundry site, and the 2021 CDBG allocation for the Rainier Valley homeownership sites. Written agreements with our partners require the City to pursue due diligence on these properties in 2021 in order to meet established deadlines, and therefore this work cannot wait for the 2022 budget process.	\$143,000

Item #	Title	Description	Amount/FTE
2.16	Add Homeownership Staff (Office of Housing)	This item creates one full-time Community Development Specialist position in the Office of Housing’s homeownership program and increases appropriation authority by \$45,000 in the Leadership and Administration BSL (16600-BO-HU-H1000) for the costs of the position. The homeownership program is undergoing rapid growth given several new place-based initiatives, including the recent acquisition of 10 properties from Sound Transit in the Rainier Valley. The position would be funded with a combination of MHA and Levy administrative fund balances, and would be established as an ongoing position in the 2022 budget process. The cost reflects an estimated position start date of August 1.	\$63,213
2.17	Authority Transfer for COVID-Related Language Access Costs (Office of Housing)	This item transfers appropriation authority in the amount of \$35,000 from Office of Immigrant and Refugees to the Office of Housing’s Leadership & Administration BSL (16600-BO-HU-1000). Ordinance 126211 appropriated \$700,000 to OIRA for Language Access activities supporting COVID-19 relief. OIRA worked with other departments to identify appropriate language access support allocations for their direct expenditure, including this \$35,000 to OH.	\$35,000
2.18	Funding for language access from OIRA (Office of Sustainability and Environment)	This item transfers \$7,500 in budget authority from OIRA to OSE BCL (00100-BO-SE-X1000). Ordinance 126211 appropriated \$700,000 to OIRA for Language Access activities supporting COVID-19 relief. OIRA worked with other departments funded in Ordinance 126211 to identify appropriate language access support allocations for their direct expenditure, including translation of program materials and notices and community partnerships for in-language service delivery. See corresponding change request OIRA-002.	\$7,500

Item #	Title	Description	Amount/FTE
2.19	Drainage and Grading Permitting Support (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$54,328 in SDCI's Construction and Inspections Fund Permit Services BSL (48100-BO-CI-U2300); of this amount, \$51,460 is ongoing budget and position authority for one new FTE and \$2,868 is one-time authority for technology purchase. Adding this staff now will reduce the current backlog of drainage and grading permits which has developed due to changes in the stormwater code, side sewer code, and grading code.	\$54,328
2.20	Virtual Design Review Staffing (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$79,829 in SDCI's Construction and Inspections Fund Land Use Services BSL (48100-BO-CI-U2200) and \$18,523 in SDCI's Leadership & Administration BSL (48100-BO-CI-U2500); of the total amount, \$92,616 is ongoing budget and position authority for two positions and \$5,736 is one-time authority for technology purchases. This funding will ensure that SDCI can continue to support virtual Design Review Board meetings. Switching to virtual meetings during the pandemic has resulted in increased accessibility, equity, and participation.	\$98,352
2.21	Accela Permitting Staffing (Seattle Department of Construction and Inspections)	This item increases appropriation by \$253,853 in SDCI's Construction and Inspections Fund Process Improvements and Technology BSL (48100-BO-CI-U2800); of this amount, \$239,513 is ongoing budget and position authority for five FTEs and \$14,340 is one-time authority for technology purchases. These staff members will provide much needed expertise to correct problems in SDCI's permitting software, thereby improving the permitting process and associated permitting processing times.	\$253,853

Item #	Title	Description	Amount/FTE
2.22	Geographic Information System Costs (Seattle Department of Construction and Inspections)	This technical item increases appropriation authority by \$446,727 in SDCI's Construction and Inspections Fund Process Improvement and Technology BSL (48100-BO-CI-U2800). This one-time item funds SDCI-specific Geographic Information System (GIS) products and services from Seattle IT that will be provided in 2021. In the future, these costs will be included in the Central Cost Manual.	\$446,727
2.23	Electrical Inspector Staffing (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$80,590 in SDCI's Construction and Inspections Fund Inspections BSL (48100-BO-CI-U23A0); of this amount, \$42,722 is ongoing budget and position authority for one FTE and \$37,868 is one-time budget authority for a vehicle and technology purchase. This position will respond to the high volume of electrical inspections, which have become increasingly complex and therefore take longer to complete.	\$80,590
2.24	Portal Improvements and UX Research Lab (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$567,845 in SDCI's Construction and Inspections Fund Process Improvements and Technology BSL (48100-BO-CI-U2800). This item will extend the funding for the existing Portal Improvements Team through 2021; the team will improve permitting customer experiences during COVID-19 and beyond by supporting improvements to the Seattle Services Portal.	\$567,845
2.25	SDCI Accela Operations and Reporting (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$1,025,251 in SDCI's Construction and Inspections Fund Process Improvement and Technology BSL (48100-BO-CI-U2800). This action supports SDCI's existing capacity to streamline Accela permitting processes and reporting team through the end of 2021. This item allows this team to improve permitting and customer service during COVID-19 and beyond.	\$1,025,251

Item #	Title	Description	Amount/FTE
2.26	SDCI Accela/PeopleSoft Interface (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$398,450 in SDCI's Construction and Inspections Fund Process Improvements and Technology BSL (48100-BO-CI-U2800). This one-time funding will be used to develop an interface to transfer accounts receivable transactions from Accela to PeopleSoft.	\$398,450
2.27	Building Commissioning Oversight (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$85,770 in SDCI's Construction and Inspections Fund Inspections BSL (48100-BO-CI-U23A0); of this amount, \$47,902 is ongoing budget and position authority for one position and \$37,868 is one-time budget authority for vehicle and technology purchases. This position will be responsible for the development, implementation, and oversight of a building inspection commissioning process that is critical for life-safety building systems.	\$85,770
2.28	Add Structural Building Inspectors to Building Inspections (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$158,836 in SDCI's Construction and Inspections Fund Inspections BSL (48100-BO-CI-U23A0); of this amount, \$83,100 is ongoing budget and position authority for two Building Inspectors and \$75,736 is one-time authority for two vehicles and technology purchases. Adding structural building inspectors will increase the capacity for review and shorten review times. The complexity of multiple codes that must be studied, understood, and enforced has resulted in the need to build capacity.	\$158,836

Item #	Title	Description	Amount/FTE
2.29	Site Development Inspectors for NPDES (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$155,644 in SDCI's Construction and Inspections Fund Inspections BSL (48100-BO-CI-U23A0); of this amount, \$79,908 is ongoing budget and position authority for two FTEs and \$75,736 is one-time budget authority for vehicle and technology purchases. These positions will increase capacity, thus maintaining inspection turnaround times despite increased regulations. This will enable SDCI to provide good customer service.	\$155,644
2.30	Add Pressure System Inspectors to Boiler Inspection Program (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$233,016 in SDCI's Construction and Inspections Fund Inspections BSL (48100-BO-CI-U23A0); of this amount, \$119,412 is ongoing budget and position authority for 3 FTEs and \$113,604 is one-time budget authority for vehicle and technology purchases. Authorization of these positions will reduce the wait time for inspections and increase the number of audits, which are necessary to maintain a robust boiler and pressure vessel inspection program.	\$233,016
2.31	Paid Parking PayByPhone Carryforward Appropriation Correction (Seattle Department of Transportation)	This Item will increase appropriation by \$210,000 in Seattle Department of Transportation, Transportation Fund, in the Mobility Operations BCL (BO-TR-17003), Master Project MO-TR-G013 Curbspace Management. SDOT anticipated a carryforward of \$210k to be used for system setup up for a Commercial Vehicle Load Zone pay-by-use system to better manage commercial loading in the City of Seattle, per 2020 City Council Budget Action 100-A-1. This carryforward was not completed in error. This item restores the appropriations to correct this error.	\$210,000

Item #	Title	Description	Amount/FTE
2.32	West Seattle Bridge Operating Project Appropriations Increase (Seattle Department of Transportation)	This item increases appropriation authority by \$5,786,317 in the Seattle Department of Transportation, Transportation Fund, Mobility Operations (BO-TR-17003) BCL. This item is a companion to items 6.12 and 10.15 that transfer funding from the West Seattle Bridge CIP project to the West Seattle Bridge operating project. This change is necessary to continue funding for operations projects associated with the West Seattle Bridge closure. This work cannot be funded with capital project resources.	\$5,786,317
2.33	HSD Position Transfer to SFD (Seattle Fire Department)	This item increases appropriation authority by \$96,387 and 1 FTE Administrative Specialist III (position #10007047) in the Fire Department (SFD), in the Operations Budget Control Level (00100-F3000) of the General Fund. The budget and position will transfer to the Fire Department from the Human Services Department (HSD). The budget and position were added to HSD in 2021 under SFD-001-B-002 for the Health One program in error. SFD will utilize the position to support their operation of the Health One program.	\$96,387
2.34	Library Safety and Health (Seattle Public Library)	This item increases appropriation authority by \$34,000 in the Seattle Public Library in the Library Fund Budget Control Level (10410-BO-PL-B5HRS). These resources will be used to fund required support for employees exposed to bloodborne pathogens, mandatory safety training, respiratory protection fit testing, safe workplace ergonomics, and first aid. This budget authority is backed using existing fund balance within the Library Fund.	\$34,000

Item #	Title	Description	Amount/FTE
2.35	Library Information Technology Computing and Licensing (Seattle Public Library)	This item increases appropriation authority by \$275,000 in the Library Programs & Services BSL (BO-PL-B4PUB). This request will support adding server switches to support network continuity, purchasing replacements for 5+ year old computers, and replacing a number of staff desktop computers with laptops. The Library took a cut to the 2021 technology budget and this one-time use of fund balance (from Fund Code 10410) will provide stop gap support.	\$275,000
2.36	Fully Fund Firearms Surrender MOA with King County (Law Department)	This item increases appropriation authority by \$100,417 in the Law Department, in the General Fund Criminal Budget Control Level (00100-BO-LW-J1500). In 2017, position and funding were added for a Program Manager to lead the Firearm Surrender Regional entity. The position was filled by a King County employee in the King County Prosecuting Attorney Office and has been funded by an MOA based on the available City funding. This MOA also provides a prosecuting attorney in King County that was never funded in the Law Department budget. The department has absorbed increased costs associated with these positions and computer licensing since 2017 but is unable to continue to absorb these costs. Ongoing funding will be requested as part of the 2022 Proposed Budget process.	\$100,417

Item #	Title	Description	Amount/FTE
2.37	OIRA JS Transfer (Office of Economic Development)	This item increases appropriation authority by \$88,310 in the Office of Economic Development (OED) Business Services BSL to recognize funding transferred from the Office of Immigrant & Refugee Affairs (OIRA) to support language accessibility measure. Ordinance 126211 appropriated \$700,000 to OIRA for Language Access activities supporting COVID-19 relief. OIRA worked with other departments funded in Ordinance 126211 to identify appropriate language access support allocations for their direct expenditure, including translation of program materials and notices and community partnerships for in-language service delivery. OIRA's change request transfers a total of \$159,742.50 in budget authority for these expenditures from OIRA to OED, DEEL, OH, HSD, and OSE. This change request signifies OED's portion of that total. The balance of the \$700,000 is being expended directly by OIRA on behalf of the City's COVID relief efforts, including payments for translations for other departments billed in 2020.	\$88,310
2.38	Boards and Commissions Study (City Budget Office)	This item increases appropriation authority by \$100,000 in the General Fund for the City Budget Office Budget Control Level (00100-BO-CB-CZ00) to support a consultant study and Racial Equity Toolkit (RET) related to the Boards and Commissions Statement of Legislative Intent (SLI). The 2020 Adopted Budget included a SLI directing CBO in partnership with DON, OCR, SDHR, and LAW to develop a policy on compensating Boards and Commissions volunteers. This work was delayed in 2020 due to COVID, and CBO has resumed the work in 2021. The appropriation will support a comprehensive landscape analysis assessment of Boards and Commission and a RET. CBO will work closely with Council staff on developing a scope of work for the consultant study and process for the RET.	\$100,000

Item #	Title	Description	Amount/FTE
2.39	Shared - GIS Billing (Seattle Public Utilities)	This item increases appropriation authority by \$458,000 in Seattle Public Utilities (SPU) in the Leadership and Administration BSL (BO-SU-N100B) for all enterprise funds (44010 – Drainage and Wastewater Fund, 43000 – Water Fund, and 45010 – Solid Waste Fund). This item would increase the appropriation for Geographic Information System (GIS) work that was previously paid to Seattle Information Technology (SIT) through the general allocation of costs in the Central Cost Manual. In 2021, the subject \$458,000 was removed from the Central Cost Allocation and was intended to be charged directly to SPU. Due to timing issues in 2020, the \$458,000 was removed from the allocation but was not included in SPU’s Adopted Budget. This work is ongoing and is critical to SPU. This item would restore the \$458,000 in SPU’s Adopted Budget in 2021 and ongoing.	\$458,000
2.40	Drivers Resolution Center (Office of Labor Standards)	This item increases appropriation authority by \$1,750,000 in the Office of Labor Standards Budget Control Level (00190-BO-LS-1000). This request is necessary to implement the Drivers Resolution Center in accordance to the SMC.14.32.060. The increase will fund the Driver Resolution Center contract as well as a temporary position. This request aligns with the Transportation Network Company Tax spending plan outlined in Resolution 31914.	\$1,750,000

Item #	Title	Description	Amount/FTE
Section 3 – Appropriation Increases – Operating Budgets – Revenue Backed			
3.1	Integrate Performance Pay Functionality into CCMS (Department of Education and Early Learning)	This item increases appropriation authority by \$84,000 in the Department of Education and Early Learning Families Education Preschool Promise Levy Leadership and Administration Budget Control Level (17871-BO-EE-IL100) to fund the addition of a performance pay module into the City Contract Management System (CCMS). Currently, the calculation, management and invoicing of performance pay is performed in a failing access database. The database has significant performance issues that affect staff ability to access and use the application. With the launch of the CCMS, DEEL has an opportunity to include a performance pay module, eliminate an additional platform, and better integrate data.	\$84,000
3.2	Jump Start COVID Relief Language Access (Department of Education and Early Learning)	This item increases appropriation authority by \$20,000 in Department of Education and Early Learning (DEEL) General Fund Early Learning Budget Control Level (00100-BO-EE-IL100). Ordinance 126211 appropriated \$700,000 to the Office of Immigrant and Refugee Affairs (OIRA) for Language Access activities supporting COVID-19 relief. OIRA worked with departments funded in Ordinance 126211 to identify appropriate language access support allocations for their direct expenditure, including translation of program materials and notices and community partnerships for in-language service delivery. There is a corresponding reduction in the OIRA budget.	\$20,000
3.3	Market Rate Adjustments for FAS IT Staff (Department of Finance and Administrative Services)	This item increases appropriation authority by \$25,000 in the Department of Finance and Administrative Services in the FileLocal Agency Fund FileLocal Agency Budget Control Level (67600-BO-FA-FILELOC). The appropriation will support the 2020 and 2021 IT market rate adjustments for City Finance's staff who is on loaned to the Agency. FAS will recover the costs from billing to the Agency for the loaned staff.	\$25,000

Item #	Title	Description	Amount/FTE
3.4	Add Appropriation to Cover Vaccine Related Costs (Department of Finance and Administrative Services)	This item increases appropriation authority by \$24.5 million in the Department of Finance and Administrative Services, in the Finance and Administrative Services Fund Facilities Services Budget Control Level (50300-BO-FA-FACILITY). The appropriation will support the staffing, contracting, supplies and operation of the vaccine sites on behalf of the City. The City is expected to apply for FEMA reimbursement for a majority of these costs.	\$24,510,000
3.5	Utility Discount & Vehicle License Rebate Program Appropriation Increase (Human Services Department)	This item increases appropriation authority in the Human Services Department by \$1,001,342 in the Human Services Fund Supporting Affordability & Livability Budget Control Level (16200-BO-HS-H1000) and \$88,419 in the Human Services Fund Leadership & Administration Budget Control Level (16200-BO-HS-H5000). This is necessary to provide budget authority for increased operational expense in the Utility Discount Program and Vehicle License Rebate Program. These programs are funded under Memorandums of Agreement with Seattle City Light and Seattle Public Utilities. This increase appropriation for the Utility Discount Program right sizes the budget to fully fund current permanent staffing levels and adds budget for temporary employees in 2021 to allow the program to meet the increased demand in response to the impacts of COVID-19. The Vehicle Licensing Program was not budgeted in 2021 due to an anticipated end date of 12/31/2020. The program has been extended to 6/30/21. This action adds appropriation authority for the program through this date.	\$1,089,761
3.6	Technical Correction for HOME Grant (Office of Housing)	This item increases appropriation authority in the amount of \$92,197 in the Office of Housing's Multifamily Housing BSL (16400) in order to true-up the budget with the 2021 HOME grant award amount.	\$92,197

Item #	Title	Description	Amount/FTE
3.7	Industrial Maritime EIS (Office of Planning and Community Development)	This item increases appropriation authority by \$145,000 in OPCD's General Fund Planning and Community Development BCL (00100-BO-PC-X2P00). This item funds the transportation component of the Maritime/Industrial Strategy Environmental Impact Statement (EIS). This appropriation is being supported by revenue from SDOT's Transportation Fund. OPCD, in partnership with SDOT, will manage the consultant contract for the EIS. This work needs to be undertaken in 2021 so that it can be integrated into the Citywide Comprehensive Plan update.	\$145,000
3.8	Signage Debt Service (Seattle Center)	This item increases appropriation authority by \$63,183 in Seattle Center in the Seattle Center Fund Campus Budget Control Level (11410-BO-SC-60000). This request is necessary to pay the debt service associated with the purchase and installation of an electronic signage and readerboard package. Ordinance 120006 approved the issuance of \$8,000,000 in bonds to finance the purchase of this package. This item provides the appropriation authority to pay the debt service beginning in December 2021. The debt service will be funded through an increase in operating revenues generated via increased sponsorship and advertising opportunities.	\$63,183
3.9	Bike Share/Scooter Share Revenue Center Appropriation Increase (Seattle Department of Transportation)	This item increases appropriation authority by \$400,000 in Seattle Department of Transportation (SDOT), in the Transportation Fund - Mobility Operations BSL (13000-BO-TR-17003). The request is to align spending authority with increased permit revenue, which is reserved for use in the Bikeshare/Scooter share revenue center per Ordinance 126162.	\$400,000

Item #	Title	Description	Amount/FTE
3.10	Appropriation for Automated Traffic Enforcement Camera program (Seattle Department of Transportation)	This item increases appropriation authority by \$400,000 in Seattle Department of Transportation, in the Transportation Fund Mobility Operations Budget Control Level (13000-BO-TR-17003). This request is necessary to pay expenses of the Automated Traffic Enforcement Camera program passed by Ordinance 126183 on 9/29/2020.	\$400,000
3.11	Healthier Here 2021 Innovation Fund Award (Seattle Fire Department)	This item increases contract-backed appropriation authority by \$216,775 in the Seattle Fire Department (SFD) General Fund Operations BSL. This award from the HealthierHere Non-Profit Organization in Seattle will provide funding to SFD and partner agencies to support SFD's Fire-Based Mobile Integrated Health System. The funds will be used to pay for a Research Assistant with UW Medicine/Medic One, one FTE Case Manager at Seattle ADS, licensing for Case Management Software, and access to data and program analysis support from King County Public Health and UW Medicine. The period of performance is 4/1/21 through 3/31/22.	\$216,775
3.12	Sound Transit 3: West Seattle Ballard Link Extension Amendment (Seattle Fire Department)	This item increases appropriation authority by \$59,092 in the Operations BSL. This additional funding from Sound Transit will add to an initial contract that provides for the work completed by staff in the Fire Protection Division, who assist with planning for compliance with fire code life safety standards for the design and review for the ST3: WSBLE Light Rail Project. The period of performance for these funds is 11/1/2020 – 10/31/2021 and there are no new positions or match required for this project.	\$59,092

Item #	Title	Description	Amount/FTE
3.13	Sound Transit 3: Lynnwood Link CSA Amendment (Seattle Fire Department)	This item increases appropriation authority by \$38,893 in the Operations BSL. This additional funding from Sound Transit will add to an initial contract that provides for the work completed by staff in the Fire Protection Division, who assist with planning for compliance with fire code life safety standards for the design and review for the ST3: Lynnwood Link CSA Extension Project. The period of performance for these funds is 3/1/2020-5/31/2023 and there are no new positions or match required for this project.	\$38,893
3.14	FEMA Public Assistance Grant /Emergency Response Appropriations for SFD (Seattle Fire Department)	This item increases appropriation authority by \$7,935,737 in the Operations BSL. This appropriation is needed to pay for COVID-19 emergency response costs that will ultimately be reimbursed by FEMA-Public Assistance. Currently, there is no local match for this reimbursement per FEMA Federal Bulletin. The period of this appropriation is for 1/1/2021 through 9/30/2021.	\$7,935,737
Section 4 – Appropriation Increases – Operating Budgets – Backed by Grant Revenues			
4.1	Casey Whole Child Whole Day (Department of Education and Early Learning)	This item increases appropriation authority by \$415,000 for the Department of Education and Early Learning (DEEL) General Fund Budget Control Level K-12 Programs (00100-BO-EE-IL200). This grant will support the Whole Child - Whole Day; Creating School Culture & Climate to Address Elimination of Opportunity Gaps initiative. The grant supports school climate improvements through a contract with Seattle Public Schools (SPS). The Whole-Child Whole Day (WCWD) program supports SPS to improve, implement, and sustain a tiered system of support within designated pre-K - 8th grade school feeder programs that leverage school and community partnerships to eliminate opportunity gaps for all students with an intentional focus on improving school climate for African-American males and other students of color. No match is required and the grant is through June 2022.	\$415,000

Item #	Title	Description	Amount/FTE
4.2	Upward Bound Grant Increase (Department of Education and Early Learning)	This item increases appropriation authority by \$17,545 for DEEL in the Department of Education and Early Learning (DEEL) General Fund K-12 Programs Budget Control Level (00100-BO-EE-IL200) to support the Upward Bound Program. This federal grant focuses on low income and/or first generation students who cannot go to college without additional academic assistance and pre-college counseling. This increase supplements an existing award for the 21-22 school year. No match is required.	\$17,545
4.3	Older Adult Program Grant Appropriation Increase (Human Services Department)	This item increases appropriation authority in the Human Services Department by \$138,178 in the Human Services Fund Supporting Affordability & Livability Budget Control Level (16200-H1000) and \$189,801 in the Promoting Healthy Aging Budget Control Level (16200-H6000). These are increases in appropriation for existing HSD grants that provide services to older adults. The appropriation is revenue backed.	\$327,979
4.4	Consolidated Appropriations Act Grant for Older Americans (Human Services Department)	This item increases grant-backed appropriation authority by \$849,202 in the Human Services Department, in the Supporting Affordability & Livability Budget Control Level (16200-H1000). This one-time grant will provide nutrition programs to Older Adults in King County to address the impacts of COVID-19. The grant period is through December 31, 2021; no match is required.	\$849,202

Item #	Title	Description	Amount/FTE
4.5	Seattle Housing Authority annual grant (Office of Immigrant and Refugee Affairs)	This item increases appropriation authority by \$48,532 in the Office of Immigrant and Refugee Affairs (OIRA) General Fund Office of Immigrant and Refugee Affairs Budget Control Level (00100-BO-IA-X1N00) to reflect grant funding from the Seattle Housing Authority (SHA). This grant supports the participation of SHA residents 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 a State Department of Social and Health Services grant OIRA has received. The SHA grant funding is for the calendar year 2021.	\$48,532
4.6	SHSP FFY 2018 Grant Amendment (Seattle Fire Department)	This item increases grant-backed appropriation authority by \$10,000 in the Seattle Fire Department (SFD) General Fund Operations BSL. The grant amendment funds received from the Federal Emergency Management Agency (FEMA) of the Department of Homeland Security through the King County Office of Emergency Management, will fund additional Structural Collapse Heavy Lifting/Shoring equipment for Seattle Fire Department. There are no positions or match required for this grant. The period of performance is 11/1/20 through 6/30/21.	\$10,000
4.7	Spill, Prevention, Preparedness and Response Equipment Grant (SPPREG) FY 2020 Amendment (Seattle Fire Department)	This item increases grant-backed appropriation authority by \$100,000 in the Seattle Fire Department (SFD) General Fund Operations BSL. 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.	\$100,000

Item #	Title	Description	Amount/FTE
4.8	BioWatch 2021-22 Continuation Grant (Seattle Fire Department)	This item increases grant-backed appropriation authority by \$1,450,288 in the Seattle Fire Department (SFD) General Fund Operations BSL. 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.	\$1,450,288
4.9	Washington State Pre-Hospital Grant 2021 (Seattle Fire Department)	This item increases grant-backed appropriation authority by \$1,260 in the Seattle Fire Department (SFD) General Fund Operations BSL. 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
4.10	Rockefeller 2021 Grant Award (Seattle Fire Department)	This item increases grant-backed appropriation authority by \$300,000 in the Seattle Fire Department (SFD) General Fund Operations BSL. This award from the Rockefeller Foundation be used to support Mobile COVID-19 Vaccination Teams and implementing an equitable vaccination program for high-risk city residents. Grant funds will be used to partially fund two staff positions at SFD assigned to the Mobile Vaccination Team, provide assistance to Community Based Organizations for COVID-19 Vaccination activities, transportation to assist patients in accessing vaccination appointments and Ethnic Media Translation. There are no new positions being created for this grant. The period of performance is March 1, 2021-December 31, 2021.	\$300,000

Item #	Title	Description	Amount/FTE
4.11	20EMPG COVID Supplemental (Office of Emergency Management)	This item increases appropriation authority by \$33,684 in the Office of Emergency Management BSL from the Washington State Military Department, Emergency Management Division. This funding will be used to hire a consultant to facilitate the activities to address the city’s COVID-19 after action findings and to inform improvements in our planning, operations, and coordination. The term of the grant runs from January 27, 2020 to December 31, 2021. There is a \$33,684 matching requirement for this item, which will be met by resources in the OEM budget. There are no capital improvement projects associated with this item.	\$33,684
4.12	Pre-disaster Mitigation Grant (Office of Emergency Management)	This item increases appropriation authority by \$42,817 in the Office of Emergency Management BSL from the Federal Emergency Management Agency (FEMA). The Pre-Disaster Mitigation Grant (PDMG) provides funding to support 75% of the cost of a structural seismic retrofit on an affordable housing facility. Capitol Hill Housing (CHH), a partner organization of the Office of Housing, intends to retrofit the Bremer Apartments, a three-story unreinforced masonry wall (URM) building that is vulnerable to earthquake damage. The life safety retrofit will protect 49 units of affordable living space and the people who reside there. Grant reimbursement for eligible work on the seismic retrofit will be passed through to CHH. OEM will receive grant reimbursement to offset the costs of managing the grant. The term of this grant runs from October 1, 2018 through April 1, 2022. This grant has a 25% matching requirement that is met by Capitol Hill Housing.	\$42,817

Item #	Title	Description	Amount/FTE
Section 5 – Appropriation Transfers – Operating Budgets			
5.1	Transfer General Fund Position Budget (Seattle Department of Transportation)	This change request transfers \$910,235 in Seattle Department of Transportation, from General Fund - Leadership and Administration BSL (Budget Control Level 00100-BO-TR-18001) to General Fund - General Expense BSL (Budget Control Level 00100-BO-TR-18002). This transfer is needed to correct an error in the 2021 Adopted Budget and allows the department to utilize the General Fund allocation as intended by Council.	\$0
5.2	Net-zero Authority Shift for Health Care Costs (Office of Housing)	This item transfers appropriation authority in the amount of \$560,000 from the Office of Housing’s Leadership & Administration BSL (16600) as follows: \$300,000 to the Homeownership & Sustainability BSL (16600) and \$260,000 to the Multifamily Housing BSL (16600). Health care costs for all OH staff are budgeted in the Leadership & Administration BSL, but the actual costs are automatically assigned in PeopleSoft across all three operating BSLs in OH in line with salary costs. Therefore, this net-zero transfer of authority will ensure a match between budget and actuals. The 2022 Proposed Budget will establish this as an ongoing change.	\$0
5.3	Move Seattle Levy Transfer (Seattle Department of Transportation)	This item transfers \$1,069,133 from the Move Seattle Levy Fund, Mobility Operations BSL (BO-TR-17003) to two capital projects (BMP - Protected Bike Lanes at \$999,996 and PMP - Crossing Improvements at \$69,137). It receives \$1,069,133 from the Transportation Fund from these two capital projects. The other component of this transfer is described in item 10.14.	\$0

Item #	Title	Description	Amount/FTE
5.4	Zero Based Budget Realignment (Seattle Information Technology Department)	This item transfers appropriation authority of \$1,910,211 from the Applications (50410-BO-IT-D0600) and \$1,671,239 from the Digital Security & Risk (50410-BO-IT-D0500) Budget Summary Levels to realign funding where needed in the amount of \$2,213,978 in the Technology Infrastructure (50410-BO-IT-D0300) and \$1,367,472 in the Frontline Services & Workplace (50410-BO-IT-D0400) Budget Summary Levels. This net-zero transfer is needed to realign appropriation to where spending is planned for 2021. This is to correct where new appropriation was budgeted in 2021 between the Security and Technology Infrastructure divisions and realign where vacancies and abrogations were budgeted versus where they are being realized. Without this transfer spending cannot occur in the correct detail projects which will impact IT client rates in the annual revenue reconciliation.	\$0
Section 6– Appropriation Decrease – Capital Budgets			
6.1	MEEP Transfer to SPL (Department of Finance and Administrative Services)	This item transfers appropriation authority in the amount of \$205,000 from the Department of Finance and Administrative Services, in the REET 1 Capital Fund EXTPROJ Budget Control Level (30010-PC-FA-EXTPROJ) to Seattle Public Library for municipal energy efficiency projects in the Maintenance Operation Center. Transfer of these funds is needed to give SPL the necessary spending authority to complete the agreed upon projects for meeting the City’s energy and GHG reduction goals for CIP project MC-FA-ENFFMBLD.	(\$205,000)

Item #	Title	Description	Amount/FTE
6.2	MEEP Transfer to Seattle Center (Department of Finance and Administrative Services)	This item transfers appropriation authority in the amount of \$191,000 from the Department of Finance and Administrative Services, in the REET 1 Capital Fund EXTPROJ Budget Control Level (30010-PC-FA-EXTPROJ) to Seattle Center for municipal energy efficiency projects in McCaw Hall, Fisher Pavilion and Mercer Garage. Transfer of these funds is needed to give Seattle Center the necessary spending authority to complete the agreed upon projects for meeting the City’s energy and GHG reduction goals for CIP project MC-FA-ENFFMBLD.	(\$191,000)
6.3	MEEP Transfer to Parks (Department of Finance and Administrative Services)	This item transfers appropriation authority in the amount of \$380,000 from the Department of Finance and Administrative Services, in the REET 1 Capital Fund EXTPROJ Budget Control Level (30010-PC-FA-EXTPROJ) to Parks for municipal energy efficiency projects in Jefferson CC and Horticulture Building, Hiawatha CC and Helene Madison Pool. Transfer of these funds is needed to give Parks the necessary spending authority to complete the agreed upon projects for meeting the City’s energy and GHG reduction goals for CIP project MC-FA-ENFFMBLD.	(\$380,000)
6.4	SCL 2021 Abandonment (Seattle City Light)	This item is City Light's 2021 abandonment submission of \$15.7 million. It abandons \$4.8 million of budget from the Power Supply CIP BSL, \$5.1 million of budget from the Transmission & Distribution CIP BSL, and \$5.8 million of budget from the Customer Focused CIP BSL. These funds are available to abandon due to COVID delays and reductions.	(\$15,714,477)
6.5	Abandon Excess Reimbursable Authority (Seattle Department of Transportation)	This item decreases excess reimbursable appropriation authority by \$2,000.00 in the Mobility Capital BSL (BC-TR-19003). The original MOA with the Department of Neighborhoods was for a maximum of \$85,000, and total billings were \$83,000.00.	(\$2,000)

Item #	Title	Description	Amount/FTE
6.6	Canton & Nord Alley Improvements Abandonment (Seattle Department of Transportation)	This item decreases appropriation authority by \$1,269.75 in the Transportation fund in the Major Maintenance/Replacement BCL (BC-TR-19001). The project is closed and this authority is not needed.	(\$1,270)
6.7	Columbia Two Way Street Improvement Abandonment (Seattle Department of Transportation)	This item decreases appropriation authority by \$1,144,139.43 in the Transportation fund in the Major Maintenance/Replacement Budget Control Level (BC-TR-19001). The project is closed, and this authority is not needed.	(\$1,144,139)
6.8	Update West Seattle Bridge Appropriations (Seattle Department of Transportation)	This item reduces appropriation authority of \$16,850,000 in the Seattle Department of Transportation, Transportation Fund, Major Maintenance/Replacement BCL (BC-TR-19001). This adjusts 2021 appropriations to match the 2021 bond issuance in Ordinance 126219.	(\$16,850,000)
6.9	Abandon Excess Grant Authority for Post Ave Bridge Replacement (Seattle Department of Transportation)	This item decreases excess grant appropriation authority by \$548,270.52 in Seattle Department of Transportation, Transportation Fund in the Major Maintenance/Replacement BCL (BC-TR-19001). The grant is fully billed and closed.	(\$548,271)

Item #	Title	Description	Amount/FTE
6.10	Correct Bond Fund Appropriations Related to Interfund Loan Repayment (Seattle Department of Transportation)	This item decreases appropriation authority by the amount of \$289,873 in the Central Waterfront REET II Capital Fund BCL (30020-BC-TR-16000), and \$4,221,925 in the Central Waterfront 2019 Multipurpose LTGO Bond Fund BCL (36600-BC-TR-16000), and \$407,548 in the Central Waterfront Transportation Fund BCL (13000-BC-TR-16000) . This is a technical adjustment to abandon excess appropriations related to how the City accounts for the repayment of interfund loans. This item is related to the "Correct Bond Fund Appropriations Related to Interfund Loan Repayment" change in the Capital Appropriation Increases section.	(\$4,919,346)
6.11	Align West Marginal Way Appropriations with Bond Issuance (Seattle Department of Transportation)	This item decreases appropriation authority by \$1,150,000 in the Seattle Department of Transportation, 2021 LTGO Taxable Bond Fund, in the Mobility-Capital BCL (BC-TR-19003). This change aligns the 2021 budget with the actual issuance of bonds for this project in Ordinance 126219. There is no change to the spending plan for this project in 2021.	(\$1,150,000)
6.12	West Seattle Bridge Capital Project Appropriations Decrease (Seattle Department of Transportation)	This item decreases appropriation authority by \$5,786,317 in the Seattle Department of Transportation, 2021 West Seattle Bridge Bond Fund, Major Maintenance/Replacement (BC-TR-19001) BCL. This item is a companion to items 2.32 and 10.15 that transfer funding from the West Seattle Bridge CIP project to the West Seattle Bridge operating project. This change is necessary to continue funding for operations projects associated with the West Seattle Bridge closure. This work cannot be funded with capital project resources.	(\$5,786,317)

Item #	Title	Description	Amount/FTE
6.13	Workers Comp Sys Replacement Abandonment (Seattle Information Technology Department)	This item decreases appropriation authority by \$108,412 in the IT Capital Improvement Project BSL (50410-BC-IT-C0700). The Worker's Comp System Replacement project (MC-IT-C6309) is complete. The remaining legal appropriation is no longer needed in this project, and ongoing costs have transitioned to O&M. This project was direct bill so there are no revenue impacts.	(\$108,412)
6.14	Apps Dev-SDOT Abandonment (Seattle Information Technology Department)	This item decreases appropriation authority by \$898,101 in the IT Capital Improvement Project BSL (50410-BC-IT-C0700). This abandonment reflects the remaining appropriation balances in Apps Dev-SDOT (MC-IT-C6306) projects that are either complete (SDOT Asset Work Order Field Access) or not moving forward (SDOT Medgate Safety Mgmt & SDOT Parking Availability Data & API). There are no revenue impacts.	(\$898,101)
6.15	Apps Dev-GF Abandonment (Seattle Information Technology Department)	This item decreases appropriation authority by \$264,913 in the IT Capital Improvement Project BSL (50410-BC-IT-C0700). The CBO/LEG Budget System Replacement project is complete. The remaining legal appropriation is no longer needed in this project, and ongoing costs have transitioned to O&M with the remaining funds.	(\$264,913)
6.16	Criminal Justice Information System Abandonment (Seattle Information Technology Department)	This item decreases appropriation authority by \$3,000,000 in the IT Capital Improvement Project BSL (50410-BC-IT-C0700). The MCIS Replacement project is bond funded, and the adopted 2021 budget and expected bond issuance was \$10,000,000. However, based on updated project spend plans, the MCIS Replacement project is projected to only need \$7,000,000 of bonds issued in 2021, with the remaining \$3,000,000 needed in 2022. The abandonment of legal appropriation is needed to align with the expected bond issuance of \$7,000,000 for 2021. Seattle IT will plan to add \$3,000,000 of appropriation to the 2022 legal budget and bond issuance.	(\$3,000,000)

Item #	Title	Description	Amount/FTE
6.17	Scheuerman Creek Grant Abandonment (Seattle Parks and Recreation)	This item abandons appropriation authority by \$3,778 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Fix It First Budget Control Level (10200-BC-PR-40000) for the Beach Restoration Program project (MC-PR-41006).	(\$3,778)
6.18	Abandon Excess Grant Authority for Bridge - Seismic CIP (Seattle Department of Transportation)	This item decreases excess appropriation authority by \$214,547.06 in the Major Maintenance/Replacement BSL BC-TR-19001. This grant is fully billed and closed.	(\$214,547)
6.19	Bridge Seismic FEMA Grant Abandonment (Seattle Department of Transportation)	This item decreases excess appropriation authority by \$602,318.11 in Seattle Department of Transportation, Transportation Fund in the Major Maintenance/Replacement BSL BC-TR-19001. The FEMA grant was over-appropriated.	(\$602,318)
6.20	Apps Dev-DON Abandonment (Seattle Information Technology Department)	This item decreases appropriation authority by \$200 in Seattle IT in the IT Capital Improvement Project BSL (50410-BC-IT-C0700). The DON Grants System Replacement project is complete. The project budget was fully utilized, with only a small remaining legal appropriation balance to be abandoned. Revenue rebates will be processed for the Cable Fund.	(\$213)
6.21	Apps Dev-DPR Abandonment (Seattle Information Technology Department)	This item decreases appropriation authority by \$95,880 in the IT Capital Improvement Project BSL (50410-BC-IT-C0700). The Parks Budget System Replacement project is complete. The remaining legal appropriation is no longer needed because the project came in under budgeted costs. Revenue rebates will be processed for the General Fund.	(\$95,880)
Section 7 – Appropriation Increase – Capital Budgets			

Item #	Title	Description	Amount/FTE
7.1	Campus Signage Package (Seattle Center)	This item increases appropriation authority by \$8,000,000 in Seattle Center in the 2021 Taxable LTGO Bond Fund Building and Campus Improvements Budget Control Level (36820-BC-SC-S03PO01). This item appropriates the money that was generated by the debt issuance approved in Ordinance 120006. These funds will be used to purchase an electronic signage and readerboard package for the Seattle Center campus.	\$8,000,000
7.2	Skate Park Sewer Line (Seattle Center)	This item increases appropriation authority by \$300,000 in Seattle Center in the REET I Capital Fund Building & Campus Improvements Budget Control Level (30010-BC-SC-S03P01). This request is necessary to fund increased costs related to the relocation of the Seattle Center Skate Park. During construction, it was discovered that an alternative route to connect the sewer line had to be found as the anticipated shallower connection was not feasible. This item funds the increased costs associated with connecting to the sewer line at a greater depth.	\$300,000
7.3	Central Boiler Repair (Seattle Center)	This item increases appropriation authority by \$150,000 in Seattle Center in the REET I Capital Fund Building & Campus Improvements Budget Control Level (30010-BC-SC-S03P01). This request is necessary to fund repairs to the boilers which provide heating and cooling to the Seattle Center campus which are experiencing failures. One boiler requires a retubing of the entire system. Since both boilers are of the same age and have been used similarly, we are replacing the tubing for both boilers. The cost of retubing the boilers is \$75,000 per boiler, or \$150,000 for the entire system.	\$150,000

Item #	Title	Description	Amount/FTE
7.4	Exhibition Hall Fire System Leak (Seattle Center)	This item increases appropriation authority by \$300,000 in Seattle Center in the REET I Capital Fund Building and Campus Improvements Budget Control Level (30010-BC-SC-S03P01). This request is necessary to fund repairs piping system providing water to the Exhibition Hall. The funds will be used to replace the entire 8' water main providing water to the building after an underground leak was recently discovered below Taylor Ave N.	\$300,000
7.5	MEEP Project Funding (Seattle Center)	This item transfers \$191,000 in REET 1 funding from Finance and Administrative Services (FAS) Budget Control Level (PC-FA-EXTPROJ) to Seattle Center in the REET I Capital Fund Building and Campus Improvements Budget Control Level (30010-BC-SC-S03P01) for Municipal Energy Efficiency Projects in McCaw Hall, Fisher Pavilion and Mercer Garage. Transfer of these funds is needed to give Seattle Center the necessary spending authority to complete the agreed upon projects for meeting the City's energy and GHG reduction goals for CIP project (MC-FA-ENFFMBLD).	\$191,000
7.6	Transfer from Def O&M to Energy Conservation (Seattle City Light)	This item increases appropriation authority in the amount of \$1.0 million in the Power Supply CIP BSL and decreases appropriation authority by \$1.0 million in the General Manager BSL. Funding will be used to cover higher-than-expected costs incurred in the Facilities, Security and Emergency Management Division to complete utility-wide conservation projects such as installing programmable thermostats and upgrades to lighting at numerous SCL facilities. Funds are available from the conservation deferred O&M account which is where these costs are budgeted. Because this item transfers operating funds to a capital project, it is executed in two change requests, and there is a corresponding change request increasing funding in the capital project budget.	\$1,000,000

Item #	Title	Description	Amount/FTE
7.7	Neighborhood Large and Vision Zero Safety Projects (Seattle Department of Transportation)	This items increases the 2021 appropriation amount in BC-TR-19003 Mobility-Capital by \$2,000,000. The appropriation increase is funded by drawing on fund balance to accelerate work currently programmed in 2024 in CIP MC-TR-C018 Neighborhood Large Projects. In addition, this item transfers \$700,000 in 2021 from CIP MC-TR-C018 (Neighborhood Large Projects) to CIP MC-TR-C064 (Vision Zero). These changes were recommended by the Levy Oversight Committee to increase support for safety projects and accelerate in-demand neighborhood projects.	\$2,000,000
7.8	Madison Street Bus Rapid Transit - Reimbursable Authority Increase and Advance Move Seattle Funding (Seattle Department of Transportation)	This item increases reimbursable authority by \$12,774,011 and accelerates Move Seattle Levy funding in the amount of \$2,000,000 in BCL BC-TR-19003 Mobility Capital (Move Seattle Levy Fund, Transportation Fund) for MC-TR-C051, Madison BRT Capital Project. The reimbursement will be from SCL, SPU, and Casita Grande. The advance of Move Seattle Levy funding, from 2024 to 2021 is required to cover costs as a consequence of delays on the award of the FTA Small Starts Grant and will be supported by existing Move Seattle Levy fund balance.	\$14,774,011
7.9	Correct Bond Fund Appropriations Related to Interfund Loan Repayment (Seattle Department of Transportation)	This item increases appropriation authority by the amount of \$3,977,000 in the Central Waterfront 2020 Multipurpose LTGO Bond Fund BCL (36700-BC-TR-16000). This is a technical request to add appropriations, backed by 2020 bond issuance, to address changes in how the City accounts for the repayment of interfund loans. This appropriation is backed by existing bond proceeds. This item is related to the "Correct Bond Fund Appropriations Related to Interfund Loan Repayment" change in the Capital Appropriation Decreases section.	\$3,977,000

Item #	Title	Description	Amount/FTE
7.10	Golf Net Operating Revenue to Capital Appropriation (Seattle Parks and Recreation)	This item increases appropriation authority by \$1,400,000 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Debt and Special Funding Budget Control Level (10200-BC-PR-30000). The amount reflects net operating revenue from City golf facilities in 2020. This revenue will be used to support the Golf Master Plan Project (MC-PR-31004) which provides improvements to the four City-owned golf courses (Interbay, Jackson, Jefferson, and West Seattle), including but not limited to building replacements, driving ranges, cart path improvements, and course and landscaping renovation. This appropriation increase is consistent with SPR's financial policy for golf requiring excess operating revenues to support capital projects.	\$1,400,000
7.11	Be'er Sheva Funding Appropriation (Seattle Parks and Recreation)	This item increases appropriation authority by \$568,000 in the Seattle Parks and Recreation Department in the Real Estate Excise Tax I Fund Fix It First Budget Control Level (30010-BC-PR-40000). This request is necessary to support the Beach Restoration Program project (MC-PR-41006), and will be used to fund Phase 1 of the Be'er Sheva Park Shoreline Restoration Project (the waterfront area), which is estimated at \$808,000. The Council previously appropriated \$250,000 towards Phase 1 work in 2020.	\$568,000
7.12	Insurance Proceeds Appropriation (Seattle Parks and Recreation)	This item increases appropriation authority by \$130,342 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Fix It First Budget Control Level (10200-BC-PR-40000). This request is necessary to accept and appropriate insurance proceeds SPR received in 2020. Funding will be added to the Major Maintenance Backlog Project (MC-PR-41001) for the re-build of Bradner Gardens Comfort Station due to arson. Additional future insurance proceeds are expected to come to this project.	\$130,342

Item #	Title	Description	Amount/FTE
7.13	Add REET funds For Waterfront Park Emergency Demolition Appropriation (Seattle Parks and Recreation)	This item increases appropriation authority by \$3,300,000 in the Seattle Parks and Recreation Department in the Real Estate Excise Tax I Fund Building for the Future Budget Control Level (30010-BC-PR-20000). This request is necessary to support the Parks Central Waterfront Piers Rehabilitation project (MC-PR-21007), and will be used to address increased costs for the reconstruction of Pier 58 due to the need to perform an emergency demolition of the pier in late 2020 and early 2021.	\$3,300,000
7.14	Add MEEP Funding (Seattle Parks and Recreation)	This item increases appropriation authority by \$380,000 in the Seattle Parks and Recreation Department in the Real Estate Excise Tax I Fund Fix it First Budget Control Level (30010-BC-PR-40000). This request is necessary to support the Municipal Energy Efficiency Program-Parks Project (MC-PR-41030) and will be used for municipal energy efficiency projects in Jefferson Community Center and Horticulture Building, Hiawatha Community Center and Helene Madison Pool. The REET I funds are being transferred to parks from FAS BCL (PC-FA-EXTPROJ). The appropriation is needed to give Parks the necessary spending authority to complete the agreed upon projects for meeting the City’s energy and Green House Gas reduction goals.	\$380,000
7.15	SPL Q2 OSE MEEP supplemental transfer (Seattle Public Library)	This item transfers \$205,000 in REET 1 funding from Finance and Administrative Services (FAS) BCL PC-FA-EXTPROJ to Seattle Public Library (SPL) BCL BC-PL-B3000 for municipal energy efficiency projects in the Maintenance Operation Center. Transfer of these funds is needed to give SPL the necessary spending authority to complete the agreed upon projects for meeting the City’s energy and GHG reduction goals for CIP project MC-FA-ENFFMBLD.	\$205,000

Item #	Title	Description	Amount/FTE
7.16	Automated Materials Handling System Operating to Capital Budget Transfer (Seattle Public Library)	This item transfers appropriation authority in the amount of \$2,200,000 from the Library Programs and Services Division Budget Control Level (BO-PL-B4100) to the Library Capital Improvements Division Budget Control Level (BC-PL-B3000). This transfer is necessary as the Automated Materials Handling System is a capital asset, rather than an operating expense. This request represents a single body of work associated with replacing the Library’s Automated Materials Handling System. In operation since 2004, the existing system checks-in, sorts, and distributes nearly 80% of all circulating materials in the Seattle Public Library system.	\$2,200,000
7.17	SPU Q2 Abandonment Increases Only (Seattle Public Utilities)	This item increases appropriation in 2021 and resolves negative carryforwards in the CIP budget. This item affects multiple Capital BCLs and affects all funds including the Drainage and Wastewater Fund (44010), the Water Fund (43000), and the Solid Waste Fund (45010).	\$7,220,508
Section 8 – Appropriation Increase – Capital Budgets – Revenue Backed			
8.1	South Park Seattle Academy Agreement Appropriation (Seattle Parks and Recreation)	This item increases appropriation authority by \$4,000,000 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Building for the Future Budget Control Level (10200-BC-PR-20000). This request is necessary to support the South Park Campus Improvements project (MC-PR-21013), and will be used towards renovation of the South Park Playground, Spray Park, and Playfield. Seattle Parks and Recreation (SPR) and the Seattle Academy have a signed MOA which formalizes the scope of this work. This add is supported by revenue from the Seattle Academy and the agreement was previously authorized by the Seattle City Council in May 2019 (Ordinance 125819).	\$4,000,000

Item #	Title	Description	Amount/FTE
8.2	Be'er Sheva Agreement Appropriation (Seattle Parks and Recreation)	This item increases appropriation authority by \$25,000 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Fix It First Budget Control Level (10200-BC-PR-40000). This request is necessary to support the Beach Restoration Program project (MC-PR-41006), and will be used towards project management time for 30% design development through completion of bid documents, professional design review; and permitting fees for the Be'er Sheva Park In-water Restoration Project. Seattle Parks and Recreation (SPR) and the Seattle Foundation have a signed MOA which formalizes the scope of this work. This add is supported by revenue from the Seattle Foundation.	\$25,000
8.3	Conservation Futures Tax Appropriation (Seattle Parks and Recreation)	This item increases appropriation authority by \$5,000,000 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Building for the Future Budget Control Level (10200-BC-PR-20000). This request is necessary to support the Park Land Acquisition & Leverage fund project (MC-PR-21001), and will be used towards accepting future Conservation Futures Tax (CFT) funds from King County. There are frequent opportunities to acquire property adjacent to existing parks and greenbelts and the County will provide CFT to match SPR's investment or fully fund certain acquisitions. New sites are prioritized in underserved areas based on SPR's gap analysis. This funding helps ensure that SPR does not lose the opportunity to secure County funds the department has applied for above and beyond the amount currently appropriated in SPR's Capital Improvement Plan so the City park system can continue to grow to meet the needs of an increasing population.	\$5,000,000

Item #	Title	Description	Amount/FTE
8.4	Seattle Metro Pickleball Donation (Seattle Parks and Recreation)	This item increases appropriation authority by \$20,230 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Fix It First Budget Control Level (10200-BC-PR-40000). This donation from Seattle Metro Pickleball Association (SMPA), which is a fiscal sponsor of the Laurelhurst Pickleball Group, supports the Major Maintenance Backlog CIP project (MC-PR-41001). Funding will be used towards new pickleball surfacing and lines at Laurelhurst Playfield and for Lakeridge PG Projects. The donation will likely consist of two payments; one by the end of June and the other in the beginning of October 2021. Seattle Parks and Recreation (SPR) and Seattle Metro Pickleball Association have a signed MOA which formalizes the scope of this work.	\$20,230
8.5	Delridge Neighborhood Development Association Camp Long Donation (Seattle Parks and Recreation)	This item increases appropriation authority by \$58,611 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Fix It First Budget Control Level (10200-BC-PR-40000). This donation from the Delridge Neighborhood Development Association supports the Major Maintenance Backlog CIP project (MC-PR-41001). Funding will be used towards widening the southwest Brandon Street entry to Camp Long and the installation of stone columns and a simple wood or wood-like sign that says “Camp William C. Long” designed to be similar to the one at the main entrance to Camp Long. The donation is expected to be received by June of 2021. Seattle Parks and Recreation (SPR) and the Delridge Neighborhood Development Association have a signed MOA which formalizes the scope of this work.	\$58,611

Section 9 – Appropriation Increase – Capital Budgets – Grant Backed

Item #	Title	Description	Amount/FTE
9.1	Washington Department of Commerce Clean Energy Fund 3 Grant Acceptance (Seattle City Light)	This item increases grant-backed appropriation authority by \$600,000 in Seattle City Light, in the Light Fund, Power Supply - CIP BSL (BC-CL-X). This grant will support the development and implementation of a microgrid serving a local community center. The microgrid will integrate solar, battery storage, and a backup generator, and will balance supply and demand.	\$600,000
9.2	Walker and Safety Enhancement Grant Acceptance and Appropriations (Seattle Department of Transportation)	This item accepts a grant from the WA Traffic Safety Commission (WTSC) and increases appropriation authority by \$250,000 in Seattle Department of Transportation, Transportation Fund, in the Mobility-Capital BSL (BC-TR-19003). This grant will fund public education efforts in the Vision Zero program focused on pedestrian safety. Design for this project will occur in 2021 and implementation is expected in 2022. The grant funding constitutes approximately 75% of the project budget and a 10% local match is required, which has been budgeted.	\$250,000
9.3	15th Ave. W and W Nickerson St. Interchange Grant Acceptance and Appropriation (Seattle Department of Transportation)	This item increases appropriation authority by \$1,500,000 in the Seattle Department of Transportation, Transportation Fund, in the Major Maintenance/Replacement BSL (BC-TR-19001) from the Puget Sound Regional Council (PSRC). This item also accepts this grant in the amount of \$1,500,000. This grant will help construct 15th Avenue West and West Nickerson Street interchange project in the Arterial Asphalt and Concrete Master project. This grant will supplement the Move Seattle levy funding needed to complete this project. Design for this project will occur in 2022 and construction is expected in 2023. The grant funding constitutes approximately 10% of the project budget and a 13.5% local match is required, which has been budgeted.	\$1,500,000

Item #	Title	Description	Amount/FTE
9.4	Downtown Bike Network Grant Acceptance and Appropriations (Seattle Department of Transportation)	This item accepts and increases appropriation authority of \$1,900,000 in Seattle Department of Transportation, Transportation Fund, in the Mobility-Capital BSL (BC-TR-19003) from the Federal Highways Administration. This grant will fund the Downtown Bike Network project to construct the northern and southern extensions of the 4th Ave PBL for a total of 1.1 miles; this will complete a north/south pathway through the downtown core that offers direct access to dense employment centers and bike facilities connecting other parts of the city. Design for this project will occur in 2021 and 2022 and construction is expected in 2023 and 2024. The grant funding constitutes approximately 50% of the budget for the 4th Ave component and a 13.5% local match is required, which has been budgeted.	\$1,900,000
9.5	Georgetown to South Park Trail Grant Acceptance and Appropriations (Seattle Department of Transportation)	This item accepts and increases appropriation authority by \$1,500,000 in Seattle Department of Transportation, Transportation Fund, in the Mobility-Capital BCL (BC-TR-19003) from the Puget Sound Regional Council (PSRC). This grant will fund the Georgetown to South Park Trail project to construct multi-use paths and biking networks to create an all ages all abilities route between the Georgetown and South Park neighborhoods. Design for this project will occur in 2021 and 2022 and construction is expected in 2023. The grant funding constitutes approximately 20% of the project budget and a 13.5% local match is required, which has been budgeted.	\$1,500,000

Item #	Title	Description	Amount/FTE
9.6	Pedestrian Refuge Islands Grant Acceptance and Appropriations (Seattle Department of Transportation)	This item accepts and increases appropriation authority by \$1,210,000 in Seattle Department of Transportation, Transportation Fund, in the Mobility-Capital BCL (BC-TR-19003) from the Federal Highways Administration (FHWA). This grant will fund the construction of pedestrian refuge islands at various locations to reduce pedestrian exposure. Design for this project will occur in 2021 and construction is expected in 2022. The grant funding constitutes approximately 90% of the project budget and a 10% local match is required for the design portion only, which has been budgeted.	\$1,210,000
9.7	23rd Ave Bus Rapid Transit Grant Acceptance and Appropriations (Seattle Department of Transportation)	This item increases appropriation authority by \$1,152,000 in the Mobility Capital BSL (BC-TR-19003) from the Puget Sound Regional Council (PSRC). This item also accepts this grant in the amount of \$1,152,000. This grant will help the Route 48 Transit Improvements project construct improvements to increase transit speed and reliability, as well as transit passenger access and convenience, along 23rd/24th Ave and E Montlake Pl. Design for this project will occur in 2021 and 2022 and construction is expected in 2023. The grant funding constitutes approximately 80% of the project budget and a 13.5% local match is required, which has been budgeted.	\$1,115,300

Item #	Title	Description	Amount/FTE
9.8	Northgate to Downtown Transit Improvements Grant Acceptance and Appropriation (Seattle Department of Transportation)	This item accepts and appropriates grants in the amount of \$1,000,000 (FHWA) and \$3,000,000 (FTA) in the Mobility Capital BCL (BC-TR-19003). These grants will fund Design (\$1,000,000) and construction (\$3,000,000). This project will construct transit spot improvements and multimodal corridor improvements along King County Metro Route 40 to improve connections to major destinations in North and Central Seattle. Design for this project will occur in 2021 and 2022 and construction is expected in 2023. The grant funding constitutes approximately 25% of the project budget and a 13.5% local match is required, which has been budgeted.	\$4,000,000
9.9	Rapidride Roosevelt (J-Line), Eastlake Segment Grant Acceptance & Appropriation (Seattle Department of Transportation)	This item accepts grants and appropriates in the amount of \$4,000,000 in the Mobility-Capital BCL (BC-TR-19003) from FHWA . This grant will fund construction in the Eastlake segment of the project.	\$4,000,000

Item #	Title	Description	Amount/FTE
9.10	South Park RCO Grant (Seattle Parks and Recreation)	This item increases appropriation authority by \$1,070,323 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Building for the Future Budget Control Level (10200-BC-PR-20000). This grant from the WA State Recreation and Conservation Office (RCO) 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. Additionally, this project will add synthetic turf, lighting, field amenities, an adult fitness zone, a loop trail, improve (ADA) compliance and accessible pathways. The primary recreational opportunity provided by this project is active play. The project will occur entirely on City property. This is a reimbursable grant and requires a \$6,430,015 match, which the total project budget satisfies. The grant expiration date is 12/31/2022.	\$1,070,323
9.11	King County 4Culture Grant (Seattle Parks and Recreation)	This item increases appropriation authority by \$150,000 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Building for the Future Budget Control Level (10200-BC-PR-20000). This King County 4Culture grant supports the Major Projects Challenge Fund Master project (MC-PR-21002), and will be used towards renovations at the Volunteer Park Amphitheater (VPA). This reimbursable grant does not require a match, and the grant expiration date is upon completion of scope of work or April 1, 2035.	\$150,000

Item #	Title	Description	Amount/FTE
9.12	Kubota Garden Renovation RCO Grant (Seattle Parks and Recreation)	This item increases appropriation authority by \$500,000 in the Seattle Parks and Recreation Department in the Park and Recreation Fund Building for the Future Budget Control Level (10200-BC-PR-20000). This Land and Water Conservation Fund (LWCF) grant from the Washington State Recreation and Conservation Office (RCO) supports the Major Project Challenge Fund Master Project (MC-PR-21002) and will be used to support renovations at Kubota Garden. Specifically, the grant funds will be used for a long-overdue enhancements at Kubota Gardens. The project will occur entirely on City property. This is a reimbursable grant, requiring a \$117,120 match which the project budget satisfies. The grant expiration date is 12/31/22.	\$500,000
9.13	Magnuson CC State of Washington- Department of Commerce Grant (Seattle Parks and Recreation)	This item increases appropriation authority by \$1,450,000 in Fix It First (10200-BC-PR-40000) Budget Control Level in the Seattle Parks and Recreation Department for a grant award from the State of Washington Department of Commerce. The grant supports the Magnuson Community Center project (MC-PR-41067) and will be used towards renovations at the center. Specifically, this grant will be used to expand the center's ability to provide programming to the community. The project will occur entirely on City property. This is a reimbursable grant. An amendment to the agreement extends the original grant expiration date to 6/30/23 in order to be able to complete the work within the current project schedule.	\$1,450,000

Item #	Title	Description	Amount/FTE
Section 10 – Appropriation Transfers – Capital Budgets			
10.1	Net Zero Transfer funding for Fire Station 5 (Department of Finance and Administrative Services)	This item transfers appropriation authority in the amount of \$700,000 in the Department of Finance and Administrative Services from the REET I Capital Fund Fire Facilities South Lake Union Budget Control Level (30010-MC-FA-PSFSSLU) to the REET 1 Capital Fund Fire Station 5 Budget Control Level (30010-MC-FA-FS5). The South Lake Union Project is complete. Excess REET Budget from the South Lake Union project is being transferred to support Fire Station 5 dock replacement work.	\$0
10.2	Consolidation of Fire Station 31 Projects (Department of Finance and Administrative Services)	This item is a net zero changes in the Finance and Administrative Services Department in the REET 1 Capital Fund Public Safety Facilities Fire Budget Control Level (30010-BC-FA-PSFACFIRE). This request consolidates two projects relating to the replacement of Fire Station 31 into a single project. The projects were separate initially to segregate the building of the replacement station from the improvements to the interim station. It is no longer practical to have the scopes of work be in separate projects.	\$0

Item #	Title	Description	Amount/FTE
10.3	EV Fast Charging Stations (Seattle City Light)	This item reallocates \$650,000 of budget within Power Supply CIP BSL. Funds are needed to complete City Light's commitment to install a minimum of 26 EV fast chargers in the service area. Sixteen chargers are completed as of May 2021; five additional chargers will begin construction at the Shoreline and Burien sites in June/July 2021; five additional chargers at sites for the benefit of Environmental Justice Communities will also be installed this year. The additional funds will be used for higher than predicted design, outreach, construction management and environmental compliance costs. Funds are available from the Transportation Electrification project for general transportation electrification work and resources are needed from this project to install the remaining public EV charging stations under the Electric Vehicle Infrastructure project.	\$0
10.4	Enterprise Document Management System Software Costs (Seattle City Light)	This item reallocates \$300,000 within the Customer Focused CIP BSL. Funds are needed to cover costs associated with unanticipated software defects under the Enterprise Content Management (ECM) Upgrade project. Funds are available in the Data Warehouse Implementation project because the project is delayed.	\$0
10.5	Boundary Unit 51 Generator Rebuild (Seattle City Light)	This item reallocates \$500,000 within the Power Supply CIP BSL, and transfers \$4.0 million from the Transmission & Distribution CIP BSL to the Power Supply CIP BSL. Funds are needed to cover the costs of the re-assembly of Unit 51 which will require considerably higher than anticipated labor costs. Funds are available from the Denny Network due to a combination of constrained resources with Engineering and Operations as well as delayed customer moves to the Network in South Lake Union– both related to Covid-19. Funds are available from Boundary Minor Emergent as the resources normally allocated to this project will be working on the Unit 51 overhaul.	\$0

Item #	Title	Description	Amount/FTE
10.6	Boundary Powerhouse Unit 52 (Seattle City Light)	This item reallocates \$1.0 million within the Power Supply CIP BSL. Funds are needed to cover the costs of an encumbrance for the existing contract with General Electric to overhaul Boundary Unit 52 generator which will be executed this year instead of in 2022. Funds are available because the Cedar Falls Substation Contractor work has slowed thereby freeing up funding for higher priority work.	\$0
10.7	Skagit DC Battery System (Seattle City Light)	This item reallocates \$600,000 within the Power Supply CIP BSL. Funds are needed in the Skagit DC Battery System project to cover the costs of invertors at three powerhouses that were not originally scoped. Funds are available from Boundary DC Battery Change Modification because it is delayed until 2022 due to limited electrical engineering resources.	\$0
10.8	Skagit Minor Emergent Project Transfers (Seattle City Light)	This item reallocates \$3.1 million within the Power Supply CIP BSL. The funds are needed to cover three items: 1) the replacement of Ross Powerhouse industrial cooling water pipes which require more labor than originally anticipated; 2) the replacement of the Gorge Dam emergency generator, which costs more than originally anticipated; and 3) the replacement of the Ross Powerhouse thrust bearing coolers which failed due to a leak. Funds are available from the Ross Exciters 41-44 and Ross Dam AC-DC Distribution Systems projects due to delays in these projects.	\$0
10.9	Ross Powerhouse Controls (Seattle City Light)	This item reallocates \$1.3 million within the Power Supply CIP BSL. Funds are needed to cover the costs of several change orders due to unexpected problems with the 60 year old equipment. In addition, funding is needed because original projections underestimated the amount of Skagit crew support needed. Funds are available as upgrades to three residential facilities at Skagit will be postponed to fund higher priority powerhouse work.	\$0

Item #	Title	Description	Amount/FTE
10.10	Cedar Falls-South Fork Tolt Emergency Generators (Seattle City Light)	This item reallocates \$800,000 within the Power Supply CIP BSL. Funds are needed to cover the costs of the unplanned replacement of the masonry dam emergency generator. Funds are available due to budget savings in the completed Boundary U56 and Cedar Falls Rehabilitation projects.	\$0
10.11	University Substation & Union Street Substation Networks (Seattle City Light)	"This item reallocates \$1.5 million within the Transmission & Distribution CIP BSL. Funds are needed for the University Substation Network to cover costs of an unplanned duct bank rebuild caused by a cable explosion in late 2020. Funds are needed for the Union Street Substation Network to cover the costs of a larger than average number of service requests brought on by recent zoning changes.	\$0
10.12	Transfer Levy funds to Bridge Seismic CIP (Seattle Department of Transportation)	This item transfers appropriation authority in the amount of \$120,000 in the Seattle Department of Transportation, Move Seattle Levy Fund from Mobility Capital (BC-TR-19003) BCL to the Major Maintenance/Replacement (BC-TR-19001) BCL. There are no outstanding projects in PMP Stairways Program that will go unfunded if this transfer is granted. This funding was borrowed from the Bridge Seismic Program in 2020 to cover overspend in the Stairways Program with the agreement it would be repaid in 2021. The 2021 PMP Stairways Program spend plan can be achieved with remaining budget.	\$0
10.13	Transfer Transportation Network Company Funds to West Marginal Way CIP (Seattle Department of Transportation)	This item transfers appropriation in the 2021 adopted budget from the Major Maintenance/Replacement (BC-TR-19001) BCL to the Mobility Capital (BC-TR-19003) BCL. The TNC Funds were intended to support the West Marginal Way Project, which was moved out of the West Seattle Bridge Master Project back to its own Master Project. This item moves the budget to the correct Master Project.	\$0

Item #	Title	Description	Amount/FTE
10.14	Move Seattle Levy Transfer (Seattle Department of Transportation)	This item transfers \$1,069,133 from the Transportation Fund, BMP - Protected Bike Lanes (\$999,996) and PMP - Crossing Improvements at \$69,137) capital projects to Mobility Operations BSL (BO-TR-17003). It receives \$1,069,133 from the Move Seattle Levy Fund from this operating BSL. The other component of this transfer is described in item 5.3.	\$0
10.15	West Seattle Bridge Transfer (Seattle Department of Transportation)	This item transfers appropriation authority in the Seattle Department of Transportation between the Transportation Fund, the 2021 West Seattle Bridge Bond Fund, Major Projects (BC-TR-19002), Major Maintenance/Replacement (BC-TR-19001), Mobility-Capital (BC-TR-19003), and Central Waterfront (BC-TR-16000) BCLs. This item is a companion to items 2.32 and 6.12 that transfer funding from the West Seattle Bridge CIP project to the West Seattle Bridge operating project. This item is net-zero in appropriation change. This change is necessary to continue funding for operations projects associated with the West Seattle Bridge closure. This work cannot be funded with capital project resources.	\$0
Section 11 – Position Adds			
11.1	Impact Analysis and Evaluation and Affordable Seattle Staff (City Budget Office)	This item creates three full-time sunsetting positions in the City Budget Office for conducting impact analysis and evaluation of the City's recovery investments, optimization of existing City affordability investments, and implementation of a unified application tool for those investments. Funding for these pockets will be appropriated as part of the bill accepted and appropriating funding from the first tranche of the Coronavirus Local Fiscal Recovery Funds. These pockets will sunset at the end of 2024. There is a related item for pocket additions in the Seattle Information Technology Department.	3.0

Item #	Title	Description	Amount/FTE
11.2	Human Services Coordinator (Department of Education and Early Learning)	This items adds 1 full-time Human Services Coordinator to support the Seattle Preschool Program (SPP). The HSC is responsible for managing and supporting all enrollment requirements and processes for identifying and selecting children for the program. This position is needed to support the expansion of SPP and the position is funded by the Families, Education, Preschool and Promise (FEPP) Levy.	1.0
11.3	Education Specialist Position (Department of Education and Early Learning)	This Change Request adds 1 full-time Early Education Specialist (Coach) to support the Seattle Preschool Program (SPP) in the Department of Education and Early Learning (DEEL). The Early Education Specialist (coach) position provides instructional coaching to help teachers implement SPP standards, trains teachers on effective teaching practices, helps set up the learning environment, and provides training on the required curriculum. Coaches also ensure that teachers develop appropriate individual learning plans for each child and conduct observations and assessments to measure progress towards meeting developmental and academic milestones. This position is needed to support the expansion of SPP and the position is funded by the Families, Education, Preschool and Promise (FEPP) Levy.	1.0
11.4	Remove Sunset Date for Administrative Staff Analyst Position (Department of Education and Early Learning)	This item creates 1 full-time administration staff analyst position in the Department of Education and Early Learning (DEEL). The position is funded by the Families Education Preschool and Promise (FEPP) Levy. This is not a new position and is being added to remove a sunset date for a position that was intended to be permanent.	1.0

Item #	Title	Description	Amount/FTE
11.5	Seattle Promise Staff (Department of Education and Early Learning)	This item adds two full-time positions to support the Seattle Promise program in the Department of Education and Early Learning (DEEL). The positions will initially be supported by the Federal Rescue Plan Act funding and will transition to FEPP Levy funding in future years. These positions are needed to support the expansion of the Seattle Promise program.	2.0
11.6	Add Position Support to Manage the New Citywide Contract Management System (Department of Finance and Administrative Services)	This item creates 1 full-time position in the Department of Finance and Administrative Services in the City Purchasing & Contracting Budget Control Level (50300-BO-FA-CPCS). This position will provide the ongoing support of the new Citywide Contract Management System (CCMS) launching in September 2021. This enterprise-wide system will incorporate comprehensive contract life cycle management. Adding this position will support department use of the new system, manage system security, establish workflow and related business processes.	1.0
11.7	Safe & Thriving Communities Administrative Positions (Human Services Department)	This item creates 5 full time FTEs in the Human Services Department. These positions will support the implementation of funding added in 2021 for community safety programs including the administration of a Request for Proposal process, implementing contracts with community-based organizations, and associated finance work. These positions will be funded by existing one-time budget through 2022 and will sunset on December 31, 2022 unless new funding is secured.	5.0
11.8	Principal Accountant to Replace Temporary Position (Human Services Department)	This item creates 1 full time FTE in the Human Services Department. This position replaces a temporary position added to HSD in 2019 to increase financial management capacity. This position is funded by existing base budget in HSD.	1.0

Item #	Title	Description	Amount/FTE
11.9	Affordable Seattle Back-End Staffing (Seattle Information Technology Department)	This change request adds 3.0 FTE to support Affordable Seattle ("Affordability Portal"). The Google.org team that has created the platform will be offboarding in June 2021, and these positions will serve as the lead for maintaining and developing Affordable Seattle.	3.0
11.10	Critical IT Infrastructure Needs (Seattle Information Technology Department)	This change request adds 20.0 FTE to continue to provide critical IT services Citywide. As a result of the COVID-19 pandemic, Seattle IT has experienced increased demand from customer departments. These resources will help Seattle IT meet the demand for increased capacity across multiple lines of businesses including the solution desk, cybersecurity, GIS, Accela, and database and application monitoring.	20.0
11.11	Add Homeownership Staff (Office of Housing)	This item creates one full-time Community Development Specialist position in the Office of Housing's homeownership program and increases appropriation authority by \$45,000 in the Leadership & Administration (16600) BSL for the costs of the position. The homeownership program is undergoing rapid growth given several new place-based initiatives, including the recent acquisition of 10 properties from Sound Transit in the Rainier Valley. The position would be funded with a combination of MHA and Levy administrative fund balances, and would be established as an ongoing position in the 2022 budget process. The cost reflects an estimated position start date of August 1.	1.0

Item #	Title	Description	Amount/FTE
11.12	Virtual Design Review Staffing (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$79,829 in SDCI's Construction and Inspections Fund Land Use Services BSL (48100-BO-CI-U2200) and \$18,523 in SDCI's Leadership & Administration BSL (48100-BO-CI-U2500); of the total amount, \$92,616 is ongoing budget and position authority for two positions and \$5,736 is one-time authority for technology purchases. This funding will ensure that SDCI can continue to support virtual Design Review Board meetings. Switching to virtual meetings during the pandemic has resulted in increased accessibility, equity, and participation.	2.0
11.13	Drainage and Grading Permitting Support (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$54,328 in SDCI's Construction and Inspections Fund Permit Services BSL (48100-BO-CI-U2300); of this amount, \$51,460 is ongoing budget and position authority for one new FTE and \$2,868 is one-time authority for technology purchase. Adding this staff now will reduce the current backlog of drainage and grading permits which has developed due to changes in the stormwater code, side sewer code, and grading code.	1.0
11.14	Electrical Inspector Staffing (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$80,590 in SDCI's Construction and Inspections Fund Inspections BSL (48100-BO-CI-U23A0); of this amount, \$42,722 is ongoing budget and position authority for one FTE and \$37,868 is one-time budget authority for a vehicle and technology purchase. This position will respond to the high volume of electrical inspections, which have become increasingly complex and therefore take longer to complete.	1.0

Item #	Title	Description	Amount/FTE
11.15	Building Commissioning Oversight (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$85,770 in SDCI's Construction and Inspections Fund Inspections BSL (48100-BO-CI-U23A0); of this amount, \$47,902 is ongoing budget and position authority for one position and \$37,868 is one-time budget authority for vehicle and technology purchases. This position will be responsible for the development, implementation, and oversight of a building inspection commissioning process that is critical for life-safety building systems.	1.0
11.16	Site Development Inspectors for NPDES (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$155,644 in SDCI's Construction and Inspections Fund Inspections BSL (48100-BO-CI-U23A0); of this amount, \$79,908 is ongoing budget and position authority for two FTEs and \$75,736 is one-time budget authority for vehicle and technology purchases. These positions will increase capacity, thus maintaining inspection turnaround times despite increased regulations. This will enable SDCI to provide good customer service.	2.0
11.17	Add CBA Elevator Inspector Sr positions to Conveyance Program (Seattle Department of Construction and Inspections)	This technical item creates 4.0 full-time positions in the Seattle Department of Construction and Inspections. These Elevator Inspector Senior (Expert) to positions were approved earlier in 2021 through Contingent Budget Authority. This item amends the 2021 budget to include these positions.	4.0
11.18	Add Pressure System Inspectors to Boiler Inspection Program (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$233,016 in SDCI's Construction and Inspections Fund Inspections BSL (48100-BO-CI-U23A0); of this amount, \$119,412 is ongoing budget and position authority for 3 FTEs and \$113,604 is one-time budget authority for vehicle and technology purchases. Authorization of these positions will reduce the wait time for inspections and increase the number of audits, which are necessary to maintain a robust boiler and pressure vessel inspection program.	3.0

Item #	Title	Description	Amount/FTE
11.19	Add Structural Building Inspectors to Building Inspections (Seattle Department of Construction and Inspections)	This item increases appropriation authority by \$158,836 in SDCI's Construction and Inspections Fund Inspections BSL (48100-BO-CI-U23A0); of this amount, \$83,100 is ongoing budget and position authority for two Building Inspectors and \$75,736 is one-time authority for two vehicles and technology purchases. Adding structural building inspectors will increase the capacity for review and shorten review times. The complexity of multiple codes that must be studied, understood, and enforced has resulted in the need to build capacity.	2.0
11.20	Staffing for Property Owner and Tenant Assistance Program (Seattle Department of Construction and Inspections)	This item creates 1 full-time position in the Seattle Department of Construction and Inspections. This position will support the Property Owner and Tenant Assistance Program (POTA) and reduce the time to resolve cases. This resource is urgently needed because the POTA workload has increased in quantity and complexity due to COVID and recent changes in state law.	1.0
11.21	Accela Permitting Staffing (Seattle Department of Construction and Inspections)	This item increases appropriation by \$253,853 in SDCI's Construction and Inspections Fund Process Improvements and Technology BSL (48100-BO-CI-U2800); of this amount, \$239,513 is ongoing budget and position authority for five FTEs and \$14,340 is one-time authority for technology purchases. These staff members will provide much needed expertise to correct problems in SDCI's permitting software, thereby improving the permitting process and associated permitting processing times.	5.0

Item #	Title	Description	Amount/FTE
11.22	Office of the Waterfront - Staffing Needs (Seattle Department of Transportation)	This change request adds two pockets to ensure adequate staffing to deliver the commitments to elected officials, internal City Departments, external agencies, LID property owners and other members of the public to efficiently construct the Central Waterfront improvements and to provide a high level of on-going operations and maintenance. One pocket is an additional project manager to deliver the many capital projects which are finishing design in 2021 and beginning construction in 2022. The second pocket is for a Oversight Committee liaison and operations advisor who will help the Central Waterfront Advisory Committee (appointed by Mayor and Council) develop performance standards for on-going operations and maintenance of the Waterfront improvements. This position will also work with SDOT, Parks and Friends of Waterfront Seattle to guide and oversee management programs for the new parks/public open space areas along the Waterfront and other facilities.	2.0
11.23	Shared - Accounting Division Positions (Seattle Public Utilities)	This item creates 5 full-time positions in the Accounting Division at Seattle Public Utilities (SPU). The subject permanent positions will replace term-limited or temporary positions that have expired or will expire in 2021 and where the positions cannot be extended any further. The term-limited or temporary positions were implemented in 2018 after the City activated the PeopleSoft accounting system with the goal of stabilizing within three years. PeopleSoft continues to require a significant amount of labor from the Accounting Division and the requested positions are critical for day-to-day financial transactions within the Utility. SPU is requesting these positions now with the goal of filling the positions in 2021 and to avoid further delays and backlogs in billing transactions. This request is for positions only and does not require any appropriation increase.	5.0

Item #	Title	Description	Amount/FTE
11.24	Community Safety and Communications Center Staffing	Add an Accountant, Principal position to provide administrative support and stand up accounting and human resources for this new department.	1.0
11.25	Community Safety and Communications Center Staffing	Add a Strategic Advisor 1, Exempt, position to provide administrative support and stand up accounting and human resources for this new department.	1.0
Section 12 – Position Transfers			
12.1	Transfer HealthOne Position from HSD to SFD (Human Services Department)	This item decreases appropriation authority by -\$96,387 and -1 FTE (position #10007047) in the Human Services Department, in the General Fund Promoting Healthy Aging Budget Control Level (00100-H6000). The budget and position will transfer to the Seattle Fire Department. The budget and position were added to HSD in 2021 under SFD-001-B-002 for the HealthOne program in error. SFD will utilize the position to support their operation of the HealthOne program.	0
12.2	Transfer in FY2020 Law Enforcement-Based Victim Specialist Grant (Position Only) (Human Services Department)	This item transfers 1 full-time Grant-funded Victim Advocate position (#10007052) from the Seattle Police Department to the Human Services Department. This position was created in the 2020 Fourth Quarter Supplemental budget legislation (Ordinance 126257, Section 4, item # 4.33), which appropriated funds for the Law Enforcement-Based Victim Specialist Grant.	0
Section 13 – Position Reductions			
13.1	Eliminate Position #10007029 (Employees' Retirement System)	Non-budgeted Position Elimination – Created in error.	(1.0)
13.2	Eliminate Executive 1 Position in Seattle Emergency Communications Center	Position was created in error.	(1.0)

Item #	Title	Description	Amount/FTE
13.3	Eliminate Strategic Advisor 1 Position in Seattle Emergency Communications Center	Position was created in error.	(1.0)
Section 14 – Position Modifications			
14.1	Increase Accounting Tech II Position to Full-time (Law Department)	This item changes 1 part-time position in the Law Department. The Finance and Accounting Section of the Law Department has seen both an increase of accounts payable work and general accounting work since the implementation of the PeopleSoft 9.2 system. A part-time Admin Spec position was reclassified to an Accounting Tech position to handle increased invoice payment. Increasing this position from .8 FTE to 1.0 FTE will address workload, assist with recruitment and Citywide retention of accounting talent. The department will absorb the additional cost in 2021, and seek ongoing funding in the 2022 Proposed Budget.	1.0
14.2	Converting 0.5 FTE to 1.0 FTE (Seattle Public Utilities)	This item converts an existing Administrative Staff Analyst positions from 0.5 FTE to 1.0 FTE. This Administrative Staff Analyst position will support the Financial and Risk Services Branch at Seattle Public Utilities. That Branch includes over 100 staff in several groups including Accounting, Finance, Contracts and Procurement, Real Property, Risk and Quality Assurance, and Internal Controls.	1.0

July ~~16~~20, 2021¹

MEMORANDUM

To: Finance & Housing Committee
From: Tom Mikesell, Analyst
Subject: Council Bills 120111 & 120112: Midyear Grant Acceptance & Supplemental Budget Ordinances

On July 20, 2021, the Finance & Housing Committee will discuss [Council Bill \(CB\) 120112](#) and [CB 120111](#). CB 120112 would amend the City’s 2021 Budget and CB 120111 would authorize departmental acceptance of monies from external sources.

This memo provides (1) background on budget adjustments to date; (2) describes CBs 120111 and 120112; (3) describes known amendments to these bills; and (4) describes next steps in the budget adjustment process for 2021.

Background - Approved Budget Adjustments to Date

As shown in Table 1 below, as of July 16, 2021, a combination of automatic and Council-approved adjustments have increased the City’s 2021 Adopted Budget by \$2 billion or 31 percent.

Table 1. 2021 Revised budget-to-Date

Fund	2021 Adopted	Adjustments as of 7/16/21	Revised Budget 7/16/2021	Percent Change
General Fund	\$1,607 M	\$168 M	\$1,775 M	10%
Other Funds	\$5,034 M	\$1,862 M	\$6,895 M	37%
Total:	\$6,641 M	\$2,029 M	\$8,670 M	31%

Of this amount, \$1.9 billion (28 percent) is from legislation and automatic carryforwards described in the [staff memo](#) for the 2021 carryforward bill ([Ordinance 126326](#)), which Council passed on May 10, 2021. The remainder is from legislation passed after the carryforward bill, including:

- [Ordinance 126332](#): Adopted the 2021 Annual Action Plan (AAP) of the 2018-2022 Consolidated Plan and substantial amendments to The City of Seattle 2019 and 2020 AAPs and authorized their submittal to the US Department of Housing and Urban Development (HUD), resulting in a net appropriation increase of \$6,138.

¹ [Memo updated on July 20, 2021, to correct the description of proposed amendment 4 to accurately reflect the sponsors intent \(see page 7\).](#)

- [Ordinance 126327](#): Amended appropriations in the 2021 Adopted Budget for several programs and projects funded by a \$20 annual increase in Seattle Transportation Benefit District Vehicle License Fees due to the passage of [Ordinance 126234](#) in November 2020.
- [Ordinance 126338](#): Appropriated \$12,000 of grant funds accepted in the General Fund (GF) for the Department of Neighborhoods to support the creation and implementation of a Civic Engagement Digital Academy that is designed for cohorts of historically undercounted communities.
- [Ordinance 126360](#): Amended appropriations in the 2021 Adopted Budget to support the Seattle Office for Civil Rights’ implementation of the Participatory Budgeting program. This action did not result in an overall increase in the 2021 Budget, it simply transferred funds that were reserved in Finance General for this purpose.
- [Ordinance 126371](#): Appropriated \$103.4 million of Coronavirus Local Fiscal Recovery Funds received from the American Rescue Plan Act for a suite of COVID-19 community relief and response expenditures.
- [Ordinance 126372](#): Appropriated \$25 million from the GF to the Office of Immigrant and Refugee Affairs to provide direct cash assistance to residents who have been disproportionately impacted by the COVID-19 emergency.
- [Ordinance 126378](#): Appropriated \$7.5 million from Seattle City Light’s Light Fund for 2021 budget impacts of the Collective Bargaining Agreement with International Brotherhood of Electrical Workers Local 7.
- [Ordinance 126382](#): Appropriated \$2.5 million from the GF for 2021 budget impacts of the Collective Bargaining Agreement with Seattle Fire Chief’s Association, International Association of Fire Fighters, Local 2898.

After accounting for all approved and automatic adjustments through July 17, 2021, the revised 2021 Budget is \$8.67 billion.

CB 120112

CB 120112 is the second comprehensive supplemental budget legislation transmitted by the Executive in 2021, proposing mid-year appropriation, position, and capital project changes to meet needs that are assumed to be unforeseeable² at the time the 2021 budget was adopted in November 2020. CB 120112 would increase the revised budget by \$15 million and would add 68 positions. After the Executive transmitted this legislation to the Council, the Chair worked with central staff to make the following technical corrections:

- The City Budget Office requested a correction to adjust the proposed appropriation for the Seattle Fire Department (SFD). This change reflects SFD’s updated FEMA spending

² RCW 35.32A.060 allows appropriating “from the emergency fund, or other designated funds, an amount sufficient 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”.

projection that was reduced due to an earlier ramp down on testing/vaccination activities (Line 3.14 in CB 120112).

- This change adds two positions to the Community Safety and Communication Center that were incorrectly included in the Adopted Budget to the previously proposed but not implemented Seattle Emergency Communications Center (Lines 11.25, 11.26, 13.2, and 13.3 in CB 120112).
- This change makes a correction to update appropriations in Parks to match the size of the grant included in CB 120111 (Line 9.13 in CB 120012).

As shown in Attachment 1, several department's total midyear supplemental requests represent significant increases compared to their 2021 Revised Budget. The following represent notable adjustments as a percentage of departments' revised budgets:

- **Office of Labor Standards:** A \$1.8 million (23 percent) GF increase to implement the Drivers Resolution Center required by Seattle Municipal Code Section 14.32.060. The increase will fund the Driver Resolution Center contract as well as a temporary position.
- **Seattle Center:** A \$9 million (13 percent) increase from a combination of items, the largest of which is an \$8 million 2021 Taxable LTGO Bond fund increase to purchase electronic signage and a reader board package for the Seattle Center campus, funded by the issuance of bonds authorized in [Ordinance 126288](#).
- **Office of Arts and Culture:** A \$2.5 million (12 percent) increase across several items, the majority of which is \$1.6 million from the Municipal Arts Fund for public art projects associated with the Waterfront Seattle project.
- **Finance General:** A \$48.6 million (12 percent) decrease, largely from two partially offsetting adjustments including:
 - Two \$33.7 million technical reductions to the General Fund and Emergency Fund, respectively, to streamline the transactions included in Council Budget Action FG-006-B-002, which, in light of improved revenue forecasts received in November 2020, reversed a portion of the Mayor's use of Emergency Funds in the 2021 Proposed Budget.
 - A \$17.5 million technical increase across the 2020 and 2021 Multipurpose LTGO Bond Funds to move bond funds for general government information technology projects from the 2020 and 2021 Multipurpose LTGO Bond Fund to the Information and Technology Fund.

Other notable items include:

- **Seattle Parks and Recreation:** A \$16 million increase across several funds for capital projects increases, a portion of which are funded from grant revenues that would be accepted through CB 120111, which is described below.
- **Department of Finance and Administrative Services (FAS):** An \$18 million increase, primarily the net result of a two partially offsetting changes, including:

- \$24.5 million increase from the FAS Fund to support the staffing, contracting, supplies and operation of vaccine sites on behalf of the City. The Executive indicates that it expects to apply for Federal Emergency Management Agency (FEMA) for reimbursement for most of these costs.
- A \$6 million reduction from the 2021 West Seattle Bridge LTGO Bond Fund to reflect a delay, from 2021 to 2022, of a planned debt issuance on behalf of the Pike Place Market Public Development Authority. FAS anticipates re-proposing this amount as part of the 2022 Proposed Budget.
- **Seattle City Light (SCL):** A \$15.1 million decrease from the Light Fund primarily due to the abandonment of \$15.7 million of capital projects that were delayed and/or reduced due to COVID-19 which is partially offset by a \$1 million increase for higher-than-expected electric utility-wide conservation project costs.
- **Seattle Department of Transportation (SDOT):** A \$9.7 million net increase from several funds covering several items. Notable changes include:
 - **Madison Street Bus Rapid Transit:** A \$12 million increase from the Transportation Fund funded with reimbursements from SCL, Seattle Public Utilities and Casita Grande, and a \$2 million increase from the Move Seattle Levy. These changes are consistent with SDOT reporting to Council during consideration of [Ordinance 126333](#) and [Ordinance 126334](#).
 - **Appropriation of grants:** a \$15.75 million increase from the Transportation fund to provide expenditure authority for grants that would be accepted in CB 12011 described below.
 - **Neighborhood Large and Vision Zero Projects:** a \$2 million increase from the Move Seattle Levy Fund to implement changes recommended by the Levy Oversight Committee to increase support for safety projects and accelerate in-demand neighborhood projects
 - **Abandonment of capital budget authority:** a \$25 million reduction from several funds to reflect abandonment of unneeded capital appropriations.
- **Seattle Fire Department:** A \$10.1 million increase from the GF, \$7.9 million of which is for potentially FEMA reimbursable COVID-19 emergency response costs. Other noteworthy items include \$1.5 million from the GF for early detection of bioterrorism events, funded by federal Department of Homeland Security Biowatch program grants which would be accepted in CB 120111, as described below; and \$300,000 from the GF to partially fund two positions assigned to the Mobile Vaccination Team, to provide assistance to Community Based Organizations for COVID-19 Vaccination activities, transportation to assist patients in accessing vaccination appointments and Ethnic Media Translation, all of which is funded by a Rockefeller Foundation grant that would be accepted in CB 120111.

These and all other expenditure items in the bill are described in [Attachment A](#) to the summary and fiscal note submitted by the Executive. The bill requires approval by $\frac{3}{4}$ of the City Council to pass.

CB 120111

CB 120111 is the first comprehensive grant acceptance legislation transmitted by the Executive in 2021, authorizing City departments to accept a total of \$23.3 million from external funding sources. Table 2 on the following page shows, by department, the total award amount from each granting agency.

Table 2. 2021 Midyear Grant Awards by Department

Department	Grantor	Amount
Department of Education and Early Learning	Casey Family Programs	\$415,000
	Federal Department of Education	\$17,545
<i>Department of Education and Early Learning Total</i>		\$432,545
Human Services Department	State Department of Social and Health Services	\$1,177,181
	<i>Human Services Department Total</i>	
Seattle City Light	State Department of Commerce	\$600,000
	<i>Seattle City Light Total</i>	
Seattle Department of Transportation	State Traffic Safety Commission	\$250,000
	Federal Highway Administration	\$10,325,300
	Federal Transit Authority	\$3,000,000
	Federal Highway Administration	\$1,900,000
<i>Seattle Department of Transportation Total</i>		\$15,475,300
Seattle Fire Department	Rockefeller Foundation	\$300,000
	State Department of Ecology	\$100,000
	State Department of Health	\$1,260
	Federal Department of Homeland Security	\$1,450,288
	King County Office of Emergency Management	\$10,000
<i>Seattle Fire Department Total</i>		\$1,861,548
Seattle Parks and Recreation	State Department of Commerce	\$1,950,000
	State Recreation and Conservation Office	\$1,070,323
	King County - 4Culture	\$150,000
	State Recreation and Conservation Office	\$500,000
<i>Seattle Parks and Recreation Total</i>		\$3,670,323
Office of Emergency Management	State Military Department - Emergency Management Division	\$33,684
	Federal Emergency Management Agency	\$42,817
<i>Office of Emergency Management Total</i>		\$76,501
Office of Immigrant & Refugee Affairs	Seattle Housing Authority	\$48,532
<i>Office of Immigrant & Refugee Affairs Total</i>		\$48,532
Grand Total		\$23,341,930

These grants largely provide funding for items included in CB 120112, the midyear supplemental budget bill described above. Of the total amount, three quarters is federal funding for transportation and transit programs in SDOT. Grants for Biowatch and mobile vaccination work in SFD make up a significant portion of the remainder, and a \$1.95 million grant from the State Department of Commerce will provide for Seattle Parks and Recreation renovations at the Magnuson Community Center.

These and all other grants that would be accepted in the bill are described in [Attachment A](#) to the summary and fiscal note submitted by the Executive.

Potential Amendments

While the committee will not consider or vote on amendments on July 20, Councilmembers may bring the amendments described below for the Committee’s consideration at the next Finance and Housing Committee meeting on August 3.

#	Sponsor/Author	Title	Description
1.	Chair Mosqueda	Add \$50k and 1.0 FTE to SFD for mental health nurse	Add \$50,000 GF and 1.0 FTE to the Seattle Fire Department (SFD) to fund a Crisis Counselor to assist with training SFD personnel. The Crisis Counselor would provide trauma-informed counseling services, referrals, and training that would focus on de-escalation, scene safety, and evasive defense to keep firefighters safe and increase positive interactions with persons in crisis or suffering with mental illness. The new position would also provide firefighters with help to manage the stresses and process the traumatic environments they face regularly, especially under compounding crises.
2.	Herbold	Add \$300k to CSCC for a protocol system for CSCC 911 Dispatchers	Add \$300,000 GF for acquisition of a protocol system for the CSCC 911 dispatchers. Like what Seattle Fire uses in its dispatch center, the protocol system will implement a more consistent process for obtaining key information from 911 callers and support better data analysis to plan for resource deployment, including alternatives to police response.
3.	González	Add position authority for the Director and create a new BLS to implement the new Office of Economic and Revenue Forecasts	Add position authority and create a Budget Summary Level for the Office of Economic and Revenue Forecasts. This will allow FAS and SDHR to proceed with the administrative work to set up the new office and launch a search for the office’s Director.

#	Sponsor/Author	Title	Description
4.	González	Add funds or impose a proviso to provide resource to <u>update the City's public disclosure issues technology and practices</u> ³	<p>This amendment would provide resources, either by imposing a proviso on existing appropriations in Seattle IT, or by increasing appropriations, to address deficiencies with <u>update and enhance</u> the City's public disclosure technology and practices.</p> <p>The need for these resources was illustrated by the findings published on May 6, 2021 by the Executive Director of the Ethics and Elections Commission in response to a complaint under the Whistleblower Protection Code, concluding that efforts by the Mayor's Counsel in responding to a public records request violated the Public Records Act by not retaining text messages and narrowly interpreting requests to exclude text messages, and violated best practices by failing to inform requestors about the fact that ten months of texts from the Mayor's phone were unavailable for review or production. This amendment would ensure that there are resources available to Seattle IT to address these issues.</p>
5.	González	Add \$97k to the Legislative Department for staff in the Office of City Auditor	<p>This amendment would add \$97,000 to the Legislative (LEG) Department's 2021 Budget to address salary needs for existing staff in the Office of City Auditor (OCA). The 2021 Adopted Budget assumed that the OCA could absorb some budget reductions that all LEG department divisions were asked to absorb to address the City's overall revenue shortfalls in 2021. The bulk of the OCA's budget is needed for the staffing costs for the office; due to some staff departures and associated separation costs that will absorb any otherwise assumed salary savings, additional funds are needed to support OCA's staff in 2021 and will be an ongoing need in 2022.</p>
6.	Lewis and Pedersen	Add \$25k to LEG and 1.0 TLT position to monitor homelessness investments	<p>This amendment would add \$25,000 and 1.0 FTE to the Legislative Department to hire one Term-Limited Temporary (TLT) position. The new Homelessness Response Project Analyst would track and oversee the progress of local and regional government agencies as well as contracted nonprofit partners in standing up City-funded emergency shelter assets. The new staff member would report directly to the Chair of the Select Committee on Homelessness Strategies and Investments and makes their analysis available to all members of said committee. Responsibilities include maintaining up-to-date progress reports on all City-funded emergency shelter assets, mapping hurdles and solutions to project completion, and fostering intergovernmental relations for completing and operating projects in an effective manner.</p> <p>Funding provided in this amendment would be used to pay for the fully loaded costs of the position for the last three months of 2021 (\$25,000). This amendment would make the position part of the base budget in 2022 and assumes that the Mayor's 2022 Proposed</p>

³ The description of amendment 4 was updated on 7/20/21 to accurately reflect the sponsors intent to add resources to update and enhance resources for the City's public disclosure work. In v1 of the memo staff had mischaracterized the intent.

#	Sponsor/Author	Title	Description
			<p>Budget will include funding for the fully loaded costs of the position in 2022 (\$100,000).</p> <p>The new staff member would be expected to support the Select Committee on Homelessness Strategies and Investments from October 1st, 2021, through December 31st, 2022. Council would expect to consider future separate action in order to consider any extension of this term.</p>
7.	Sawant	Add \$500k to Parks for the Garfield Super Block project and cut \$500k from SPD's budget	<p>This amendment would cut \$500,000 from the Seattle Police Department's (SPD) 2021 budget and add \$500,000 to Parks 2021 budget for the Garfield Super Block Park.</p> <p>The Garfield Super Block Campus is comprised of the Garfield Community Center, Medger Evars Pool, the Tennis Courts and adjoining Garfield Park, including the historic Garfield Ball Fields; the Teen-Life Center, the Quincy Jones Performing Arts Center; and Garfield High School and Track and Field. The proposed project includes site improvements throughout the park and the creation of a pathway that integrates art and amenities that reflect the Cultural Arts and Heritage of the Central Area. The proposed \$500,000 is requested by the Garfield Super Block organization to support the predevelopment work for this project (including to cover the cost of construction drawings and permitting).</p> <p>The proposed \$500,000 cut to SPD's budget is predicated on the proposed cut to SPD's 2021 budget proposed in CB 119981. On December 14, 2020, the Council passed the 2020 Fourth Quarter Supplemental Budget Ordinance (ORD 126257), which included \$5.4 million in new GF appropriation authority for SPD. At the same time of passage of that ORD, the Council introduced CB 119981 that proposed a \$5.4 million cut to SPD's 2021 budget to offset the increase in ORD 126257. Subsequently, after several committee discussions and passing amendments to the bill, the Council did not pass CB 119981.</p>
8.	Pedersen	Add 2.0 FTE Civilian Positions in SPD	<p>This amendment would add 2.0 civilian FTEs to SPD (see position description below). The author requests that the Department use salary savings from civilian positions in SPD that should be available due to the delayed hiring of the Northend Crime Prevention Coordinator 1 position in 2021 to fund this position and that the Mayor include in her 2022 Proposed Budget new General Fund funding for this position.</p> <p>Crime Prevention Coordinator Position: Add 1.0 FTE Crime Prevention Coordinator (CPC) position to SPD to work with the community and the personnel of the North Precinct to reduce and prevent crime. SPD currently has six funded CPC positions: one assigned to each precinct and an Asian Liaison. The existing North Precinct CPC position is currently vacant. The Department is in the process of filling this position and would use the candidate pool to hire a second, new CPC position to serve areas North of the ship</p>

#	Sponsor/Author	Title	Description
			<p>canal because the North Precinct is SPD's largest precinct and has in the past been served by two CPCs.</p> <p>Accountability Agency Liaison Position: Add 1.0 FTE Strategic Advisor 2 position to the Seattle Police Department (SPD) to facilitate communication between the Department, Community, the Office of the Inspector General for Public Safety (OIG), the Office of Police Accountability (OPA) and the Community Police Commission (CPC). The liaison would interface with accountability agency staff to provide regular updates on SPD's strategic policy initiatives, to keep the Chief apprised of emerging police reform issues, to keep an open line of communication between the Chief and Accountability Agency Directors and to ensure that SPD's community outreach efforts are coordinated with those of the accountability agencies.</p>

Next Steps

After a briefing and discussion on CB 120111 and CB 120112 at the July 20, 2021, Finance & Housing Committee meeting, the committee will consider amendments and vote at the August 3, 2021, Finance & Housing Committee meeting.

Future 2021 budget adjustments will include the year-end comprehensive supplemental adjustment and grant acceptance bills, anticipated to be submitted as budget legislation with the Mayor's 2022 Proposed Budget in late- September, and any other stand-alone supplemental bills necessary to address unforeseen circumstances, consistent with [RCW 35.32A.060](#).

Attachments:

1. 2021 Budget Adjustments through July 16, 2021

cc: Dan Eder, Interim Director
Aly Pennucci, Policy and Budget Manager

Attachment 1 - 2021 Budget Adjustments Through 7/17/21

	(a)	(b)	(c)	(d) = (a+b+c)	(e)	(f) = e/d
Department	2021 Adopted Budget	Automatic Carryforward	Approved Supplementals as of 7/17/21	2021 Revised Budget	CB 120112 (midyear supplemental)	% Increase to Revised Budget
Civil Service Commissions	\$ 522,731.00	\$ -	\$ 27,935.00	\$ 550,666.00	\$ -	0%
Community Safety and Communications Center	\$ 17,887,094.75	\$ -	\$ -	\$ 17,887,094.75	\$ -	0%
Department of Education and Early Learning	\$ 104,462,913.42	\$ 65,851,192.53	\$ 10,937,449.00	\$ 181,251,554.95	\$ (13,455.00)	0%
Department of Neighborhoods	\$ 16,419,692.67	\$ 2,127,915.89	\$ 683,500.00	\$ 19,231,108.56	\$ 300,000.00	2%
Department of Parks and Recreation	\$ 228,815,911.65	\$ 161,602,084.40	\$ 6,322,169.00	\$ 396,740,165.05	\$ 18,048,728.00	5%
Employees' Retirement System	\$ 8,646,344.61	\$ 59,706.88	\$ -	\$ 8,706,051.49	\$ -	0%
Ethics and Elections Commission	\$ 9,467,736.70	\$ -	\$ -	\$ 9,467,736.70	\$ -	0%
City Budget Office	\$ 7,145,311.00	\$ 98,659.00	\$ 639,320.00	\$ 7,883,290.00	\$ 100,000.00	1%
Office for Civil Rights	\$ 6,997,982.07	\$ 264,555.00	\$ 2,150,900.00	\$ 9,413,437.07	\$ -	0%
Office of Arts and Culture	\$ 14,415,374.99	\$ 2,899,189.30	\$ 3,543,345.00	\$ 20,857,909.29	\$ 2,480,842.00	12%
Office of Economic Development	\$ 14,617,133.92	\$ 7,250,848.23	\$ 20,482,949.00	\$ 42,350,931.15	\$ 88,310.00	0%
Office of Emergency Management	\$ 2,483,750.00	\$ -	\$ 4,477,445.00	\$ 6,961,195.00	\$ 76,501.00	1%
Office of Housing	\$ 84,536,305.59	\$ 329,256,030.34	\$ 51,774,541.00	\$ 465,566,876.93	\$ 333,410.00	0%
Office of Immigrant and Refugee Affairs	\$ 3,864,853.69	\$ 1,313,943.04	\$ 26,394,570.00	\$ 31,573,366.73	\$ (445,438.00)	-1%
Office of Intergovernmental Relations	\$ 2,810,942.15	\$ 10,000.00	\$ -	\$ 2,820,942.15	\$ -	0%
Office of Labor Standards	\$ 7,276,456.57	\$ 252,752.86	\$ -	\$ 7,529,209.43	\$ 1,750,000.00	23%
Office of Planning and Community Development	\$ 13,833,107.82	\$ 7,998,111.55	\$ 27,139,641.00	\$ 48,970,860.37	\$ 145,000.00	0%
Office of Sustainability and Environment	\$ 16,315,125.67	\$ 1,726,886.60	\$ 2,457,100.00	\$ 20,499,112.27	\$ 7,500.00	0%
Office of the Community Police Commission	\$ 1,712,564.21	\$ 102,568.00	\$ 80,000.00	\$ 1,895,132.21	\$ -	0%
Office of the Mayor	\$ 7,440,359.00	\$ 126,220.23	\$ 160,000.00	\$ 7,726,579.23	\$ -	0%
Finance and Administrative Services	\$ 359,584,637.14	\$ 80,425,031.06	\$ 6,925,729.00	\$ 446,935,397.20	\$ 18,095,607.00	4%
Finance General	\$ 415,635,293.71	\$ 5,175,940.00	\$ (788,741.00)	\$ 420,022,492.71	\$ (48,624,000.00)	-12%
Firefighters Pension	\$ 21,020,461.00	\$ -	\$ -	\$ 21,020,461.00	\$ -	0%
Human Services Department	\$ 301,475,270.12	\$ 24,413,400.37	\$ 60,916,425.00	\$ 386,805,095.49	\$ 1,505,294.00	0.39%
Law Department	\$ 35,445,408.60	\$ 286,732.81	\$ 28,000.00	\$ 35,760,141.41	\$ 100,417.00	0%
Legislative Department	\$ 18,441,783.83	\$ 2,177,447.27	\$ 300,000.00	\$ 20,919,231.10	\$ -	0%
Office of Hearing Examiner	\$ 1,061,517.28	\$ 4,382.50	\$ -	\$ 1,065,899.78	\$ -	0%
Office of Inspector General for Public Safety	\$ 2,979,486.38	\$ 489,571.75	\$ -	\$ 3,469,058.13	\$ -	0%
Office of the City Auditor	\$ 2,520,212.00	\$ 1,423,045.28	\$ 500,000.00	\$ 4,443,257.28	\$ -	0%
Office of the Employee Ombud	\$ 733,297.76	\$ -	\$ 214,200.00	\$ 947,497.76	\$ -	0%
Police Relief and Pension	\$ 26,651,531.00	\$ -	\$ -	\$ 26,651,531.00	\$ -	0%
Seattle Center	\$ 42,799,533.17	\$ 26,697,262.20	\$ 519,325.00	\$ 70,016,120.37	\$ 9,004,183.00	13%
Seattle City Light	\$ 1,357,757,306.69	\$ 288,504,406.61	\$ 13,013,288.00	\$ 1,659,275,001.30	\$ (15,114,477.00)	-1%
Seattle Department of Construction and Inspections	\$ 99,106,359.93	\$ 930,533.90	\$ 610,000.00	\$ 100,646,893.83	\$ 3,558,662.00	4%
Seattle Department of Human Resources	\$ 335,620,960.13	\$ 561,180.00	\$ 2,405,836.00	\$ 338,587,976.13	\$ -	0%
Seattle Department of Transportation	\$ 636,630,029.44	\$ 407,042,730.51	\$ 40,578,823.00	\$ 1,084,251,582.95	\$ 9,669,409.00	1%
Seattle Fire Department	\$ 249,339,131.23	\$ 13,405,711.21	\$ 2,638,487.00	\$ 265,383,329.44	\$ 10,108,568.00	4%
Seattle Information Technology Department	\$ 276,559,500.76	\$ 59,345,303.72	\$ 8,863,365.00	\$ 344,768,169.48	\$ (4,367,519.00)	-1%
Seattle Municipal Court	\$ 38,377,201.00	\$ 37,531.00	\$ -	\$ 38,414,732.00	\$ -	0%
Seattle Police Department	\$ 362,988,810.27	\$ 20,770,418.55	\$ (4,203,190.00)	\$ 379,556,038.82	\$ -	0%
Seattle Public Library	\$ 86,911,995.00	\$ 8,307,871.25	\$ 4,896,100.00	\$ 100,115,966.25	\$ 509,310.00	1%
Seattle Public Utilities	\$ 1,399,444,094.65	\$ 211,019,020.88	\$ 2,777,967.00	\$ 1,613,241,082.53	\$ 7,678,508.00	0%
Total	\$ 6,640,755,512.59	\$ 1,731,958,184.72	\$ 297,466,478.00	\$ 8,670,180,175.31	\$ 14,995,360.00	0%



City of Seattle

Seattle Police Department

July 23, 2021

MEMORANDUM

To: Greg Doss and Aly Pennucci
Council Central Staff

From: Angela Socci, Executive Director of Budget/Finance
Seattle Police Department

Subject: July Budget Update

I. Executive Summary

On January 25, 2021, I transmitted a memorandum describing the probable impacts of CB 119981, which would have reduced SPD's 2021 budget by \$5.4 million. At the time, I flagged several budget issues; however, it was too early in the year to fully assess the impact of the proposed budget actions and adopted provisos. This memorandum serves as an update to the January memo.

To summarize:

- Sworn salary underspend is accumulating due to late separations in 2020 and continued high attrition in 2021. This year, SPD has reallocated some of this salary underspend to unbudgeted costs that are necessary to mitigate against the staffing shortage or represent unavoidable consequences of the staff losses, including civilian hiring, technology costs, and separation payouts.
- SPD is still experiencing an extreme staffing shortage. Police separations continue to outpace police hires, requiring changes to the City's response protocols and expansion of web-based, self-service tools, such as online reporting.
- The department remains committed to discharge its public safety obligation in 2021. To achieve this, SPD is seeking authorization to use sworn salary underspend to offset overtime costs, including costs for special events (which have been reinitiated sooner than the original 2021 budget anticipated) in lieu of requesting an appropriation increase to cover these costs.
- Under Executive Order 2020-10, an interdepartmental team (IDT) developed recommendations for expanding alternative response options in Seattle and supporting other community safety investments, such as the creation of a new triage response model in the Seattle Fire Department (SFD) and the addition of a new dispatch protocol system for the new Community Safety and Communications Center (CSCC). Some of these new initiatives may be funded with sworn

vacancy underspend with the understanding that they may also help mitigate sworn staffing shortages.

II. Background

In January, the department provided a comprehensive overview of the 2021 budget to help inform Council discussions related to CB 119981. At that time, it was difficult to predict how and when the pandemic would end and nearly impossible to project sworn staffing levels. Since then, Seattle achieved a 70% vaccination rate and Washington State officially reopened all while SPD staffing levels declined even further from year-end 2020.¹

III. Staffing Update

As previously reported, in 2020, SPD lost more officers than any other year on record. Of the 186 separations, 46% had 7 years of service or less. With recruitment and hiring significantly constrained in the context of COVID, SPD realized a net loss of 135 officers. This year, SPD is continuing to separate officers at an alarming rate. Through June 30, SPD separated 100 officers, suggesting 2021 will soon be the department's second highest attrition year on record. The department is unable to precisely predict how many officers will leave this year and next. However, our current trajectory indicates SPD could separate as many as 160 officers in 2021. That would mean a loss of 321 officers in just two years.

Through June 30, the department hired 38 new officers. Recovery efforts are underway to allow for the return to normal hiring levels by year end. For example, SPD recently engaged a third-party backgrounding service to ensure the police staffing shortage does not impede hiring progress. For budget planning, the department is currently assuming roughly 90 new hires in 2021.

Table 1: Draft SPD Police Officers Hired, Funded, and Available

Year ¹	Funded FTE	New Hires	Separations	Net New Officers	All Sworn Officers ²	Fully Trained ³	Sworn in Service	% Funded in Service
2020 ⁴	1,497	51	(186)	(135)	1,276	1,231	1,094	73.08%
2021 - Forecast	1,343	87	(160)	(73)	1,186	1,165	1,086	80.86%
2021 - Actuals YTD	1,343	38	(100)	(62)	1,212	1,178	1,070	79.67%

¹Based on Q4 figures for 2012-2020.

²All Sworn Officers: total count of sworn personnel who have graduated from the Academy and earned sworn commission

³ Fully Trained Officers: total count of sworn personnel who have successfully completed Phase II-Field Training

⁴Includes new officer positions added in 2020.

Source: SPD Draft Sworn Hiring Projections with Actuals through June 2021, 7/14/21

█ = Budget Estimates as of 7/14/21

¹ <https://durkan.seattle.gov/2021/06/seattle-becomes-first-major-american-city-to-fully-vaccinate-70-percent-of-residents-12-and-older/>

The SPD staffing model is used for budgeting and planning purposes only. The calculated fields used to estimate staffing levels in current and future months are based on a series of assumptions that may result in slight deviations from actual staff counts.

IV. Budget Implications

SPD predicts approximately \$15M in sworn salary savings will be available for reinvestment or reallocation to unanticipated or unbudgeted department needs by year end. Much of this funding can be reallocated administratively, and a portion has been directed to the critical civilian staffing needs and essential IT investments identified in our January memo. For the remainder we will seek Council action to lift existing restrictions on portions of SPD's budget.

Overtime

The department's overtime budget for 2021 was reduced by \$7.9M compared to the 2020 adopted overtime budget. As a result, SPD must prioritize overtime needs and expenditures and plan for contingencies in order to operate within the overall budget parameters set for this year. Since January, the department produced quarterly overtime allocations to allow for adjustments during uncertain times. Based on year-to-date actuals and the expectation that the end of COVID restrictions will allow for large-scale public gatherings, it is all but certain department will need additional overtime budget for special events and sporting events. Through June 30, the department has incurred \$1M in event-related overtime. This total excludes overtime related to planned/unplanned demonstrations.

Event overtime is being closely tracked and reported to the Council on a recurring basis with the expectation that unbudgeted event overtime may require a future appropriation increase or use of vacancy savings. Preliminary estimates indicate an additional \$3M may be needed to cover unbudgeted event activities, many of which are revenue backed (e.g., scheduled regular season Seahawks games (9 remaining), Sounders games (10 remaining), Mariners games (32 remaining) and Kraken games (20 remaining)). SPD may be able to use the budget authority provided by sworn vacancy savings to address these costs, if Council lifts the restrictions now imposed on a portion of SPD's spending authority.

Civilian Support

SPD resumed civilian hiring in the second quarter of 2021. Sworn salary savings is currently being used to support civilian positions that were unfunded in the 2021 budget process. Based on current hiring timelines, the department expects \$1.3M in sworn vacancy savings will be used to fund the positions identified below. In January, the department projected \$1.4M would be needed for this purpose. Additional positions have been approved for hire in the second half of 2021 in response to critical needs. New positions that were not included in the January memo are marked with an asterisk.

- *Crime Prevention Coordinator (CPC) – North Seattle (2.0 FTE) - \$98k*
- *Community Service Officers (CSOs) – citywide (5.0 FTE) - \$244k*
- *Community Service Officer Supervisor – citywide (1.0 FTE) - \$54k*
- *Management Systems Analyst Supervisor – citywide (1.0 FTE) - \$66k*
- *Admin Staff Analyst – citywide (5.0 FTE) - \$263k**
Previously reported, increased from 2.0 FTE to 5.0 FTE in response to public disclosure recommendations
- *Admin Staff Assistant – citywide (2.0 FTE) - \$105k**
Added in response to public disclosure recommendations
- *Video Specialist II – citywide (1.0 FTE) - \$53k**

Added in response to public disclosure recommendations

- *Sr. Management Systems Analyst – citywide (1.0 FTE) - \$62k*
- *CID Public Safety Liaison – West Precinct (1.0 FTE) - \$73k**
Not included in January memo; flagged in subsequent correspondence regarding CB 119981
- *Bias Crimes Coordinator – citywide (1.0 FTE) - \$68k**
Not included in January memo; flagged in subsequent correspondence regarding CB 119981
- *Pre-BLEA Training Coordinator – citywide (1.0 FTE) - \$68k**
This position will develop relational policing curriculum for new police recruits and laterals to equip new officers with skills necessary to engage community and promote equitable and just police services.

The department is currently planning for the expansion of the CSO program to address the increased demand for alternative response services. SPD is prioritizing the filling of vacant CSO pockets and will initiate expansion efforts in the fourth quarter of 2021. The estimated cost to add a new CSO squad in 2021 is \$120k.

Technology Needs

SPD has initiated the critical technology upgrades and improvements necessary to implement community safety reforms and deliver fair and equitable police services. The Data Analytics Platform, Early Intervention System and Capacity Planning Tool projects are scheduled for completion in 2021. The department plans to use sworn vacancy savings to cover the associated contract costs (est. \$2.25M).

In addition to the technology needs identified in the January memo, SPD has also reserved a portion of its sworn salary savings to finance the continuation of the Work, Scheduling and Timekeeping project in 2021 (est. \$500k) as well as consultant services provided by the National Institute for Criminal Justice Reform (NICJR), who was engaged to review and analyze calls-for-service data in connection with the reimagining policing work for \$50k.

Hiring, Retention and Wellness

To address the sworn staff shortage, SPD is contemplating various initiatives to attract and retain qualified police employees. The department is evaluating near and long-term solutions to address the root causes of increased attrition. Investments in officer wellness efforts will not only serve staffing objectives; they also advance the City's vision for reimagining policing and improving community safety. SPD's Wellness Unit contracted with a mental health professional (MHP) and is in the process of expanding access to mental health resources for police employees (est. \$300k through 12/2022). Providing embedded MHP services represents best practices for any police wellness program by reducing barriers to support and promoting a necessary culture of care. SPD will be joining the ranks of many nationwide police departments incorporating wellness into established departmental expectations. Research connects law enforcement wellness support to decreased officer injuries and use of force and community complaints. Similar investments are currently being made at SFD.

The department has also contracted with a third-party backgrounding service (est. \$328k through 12/2022) to prevent the sworn staffing shortage in the SPD Background Unit from further impeding the hiring process.

Lastly, the department is also considering, with Executive support, the reinstatement of a hiring incentive program to help attract police candidates. Most agencies in the region offer incentives, ranging from \$5k to \$20k.

Separation Pay

CB 119981 was proposed to reduce SPD’s budget in 2021 for general fund reimbursement for separation pay in 2020. Due to the high number of separations in 2020 and a combined mid-year budget cut of \$19.5M, SPD was unable to absorb the increased cost of separation pay last year without additional appropriation. Similarly, SPD will be unable to absorb the separation pay overage in 2021 due to the budget cuts already imposed during the 2021 budget process. Historically, SPD used salary savings to cover this expense.

In January, SPD estimated the budget shortfall for separation pay could be as much as \$1.8M. Factoring in the year-to-date separations, the updated projected shortfall has increased. Through June 30, the department expended \$2.5M on separation payouts. The department plans to use sworn vacancy savings to cover the full budget shortfall (est. \$2.6M) unless another funding source is identified.

Deferred Compensation

Like separation payouts, the budget for deferred compensation benefits for sworn personnel does not fully support annual expenditures. Historically, the budget shortfall has been offset by sworn salary savings. In 2019, the budget shortfall was \$880k and nearly \$400k in 2020. In 2021, the estimated shortfall is \$600k. The department will need an appropriation increase to cover the budget shortfall (est. \$602k) for the deferred compensation benefit in 2021. Sworn vacancy savings cannot be used to cover this expense without Council action to lift existing restrictions on portions of SPD’s budget.

Table 2. Deferred Compensation, 2018-2021, as of 7/8/21

Year	Revised Budget	Expenses	Available Balance
2018	\$3,448,059	\$3,911,264	(\$463,205)
2019	\$4,232,707	\$5,112,592	(\$879,885)
2020	\$4,277,502	\$4,665,312	(\$387,810)
2021 Forecast	\$4,277,502	~\$4,879,522	~(\$602,020)

Paid Parental Leave

The City Budget Office (CBO) has historically recommended against providing City departments with an adopted budget appropriation for paid parental leave (PPL). As a relatively new benefit, CBO did not have a methodology to predict PPL needs by department. Because of this, all appropriation for PPL is kept in Finance General and distributed based on actual utilization within the departments. Because of this, SPD does not use salary savings to cover PPL costs and will continue to ask for a supplemental budget appropriation for these costs. In 2021, the department estimates backfill cost for PPL will be around \$1.8M. Through July 6, the department expended an estimated \$1M on PPL backfill. The department will need an appropriation increase from the City’s Finance General reserve to cover the full unbudgeted cost of PPL backfill. Alternatively, sworn vacancy savings described above may be used to cover a portion of this expense.

Potential COVID-Related Compensation Adjustments

The City is currently evaluating options to provide additional compensation for City employees who have been required to report to a workplace during the current pandemic. This work is ongoing and final costs have not been determined, but we recommend establishing a reserve of \$2.5 million.

V. Community Safety Reinvestments

Following a global pandemic, a summer of protests against police brutality, and a civil rights reckoning that demanded leadership from across the country to confront our nation's history of systemic racism and oppression of BIPOC communities, the City of Seattle and SPD committed to re-envision and reimagine what public safety could look like in our City. But we are also facing enormous public safety challenges. Our region has experienced a significant increase in gun violence and firearm-related homicide over the past several years. Homicide is up 42% across the nation since the onset of COVID, and here at home, by August 2020, we had already surpassed the number of homicides recorded throughout all of 2019. At the same time, losses at SPD have resulted in increasing call times, an urgent need to shift non-emergency call responses elsewhere, and historic levels of attrition among sworn officers, as outlined above. The need to stand up alternate response models and increase administrative support and alternatives is urgent.

Specialized Triage Response

The City of Seattle proposes to field a new specialized triage response, housed within the SFD Mobile Integrated Health (MIH) program, that will respond directly to non-criminal and non-medical calls, such as wellness checks, identified by 9-1-1 at the CSCC. Utilizing a new 9-1-1 call-taking protocol system (outlined below), dispatchers will be furnished with a new specialized triage response that will not include sworn police officer.

The specialized response model will operate out of SFD in close connection with the CSCC. SFD already operates an alternative response program – Health One – out of its Mobile Integrated Health program; location of the new team within MIH will avoid creating new silos or program gaps. The specialized triage response will be dispatched after SFD and SPD 911 determines the call is a wellness check for individuals who do not need an urgent medical or safety intervention.

Key to these efforts is removing the burden from 9-1-1 dispatchers to make an immediate determination, sight-unseen, on what the most appropriate response is for these non-emergent calls that do not require urgent medical or safety intervention. Staffing will include professionals that are experts in outreach, system navigation, behavioral health, and have tangible connections to the communities they will serve. SFD will be able to provide a warm handoff to community-based organizations and follow-up to help ensure that individuals' needs are met and to reduce the likelihood that they are called for assistance in the future. The specialized triage response startup costs for staffing and related items are estimated at \$700k for 2021.

CSCC Dispatch Protocol System

Part of the recommendations for expanding alternative response include a new 9-1-1 protocol dispatch system now housed in the new CSCC. A protocol dispatch system allows call takers to gather essential information about incident (i.e., vehicles involved, individuals at the scene, threats to life) in a consistent and replicable manner. This ensures the call taker dispatches the correct response to the

incident. Additionally, the system can increase situational awareness by ensuring dispatched resources have the information they need and that callers are given clear instructions.

This proposal will help improve 9-1-1 operations by streamlining response, reducing bias among call takers, and ensuring crucial decision-making information is recorded. Additionally, this system could be built out further to also accommodate non-uniformed police response to incidents. The new system will cost \$340k in 2021.

Peacekeepers Collective

The Regional Peacekeepers Collective is a violence prevention program that uses a public health approach to provide high-intensity engagement to young people likely to be victims or perpetrators of gun violence. The Collective connects at-risk young people to violence-prevention services by using referrals from Harborview Medical Center (HMC), the King County Prosecuting Attorney’s Office, community-based outreach workers, and partner organizations to Regional Peacekeepers Collective partners.

Collective partners provide intervention, restoration, and prevention services including outreach, mentoring, wrap-around case management, and connection to family support services. Partners complete a comprehensive training on delivering these services as well as using data analysis to ensure strategic data-driven referrals and engagement with at-risk youth. The program will also implement a community engagement strategy to build awareness for public health solutions to violence.

Regional Peacekeepers launched a year-long pilot beginning on June 4, 2021, to build capacity and ramp up to full scale services with a goal to serve approximately 200 youth and their families directly impacted by gun violence. The program will require additional resources to build and maintain quality service delivery. Funding for the program will go towards staffing of project managers, family support specialists, a restoration services and administrative coordinator, in addition to local assistance for youth and family support services, training, and technical assistance. Total investment for the program through July 2023 is \$2M.

VI. Conclusion

SPD’s spending plan for the salary underspend, outlined in Table 3, addresses critical needs in the department and public safety arena.

Table 3. Spending Plan *(Items listed in same order as above)*

SPD Budget Adjustments	(\$13,749,646)
Event Overtime - est.	(\$3,000,000)
Civilian Support	(\$1,154,000)
Additional CSO Unit	(\$120,000)
Technology Investments (Accenture)	(\$2,250,000)
Work Scheduling Timekeeping Project	(\$500,000)
NICJR Contract	(\$50,000)
SPD MHP Program	(\$150,000)
Contract Background Services	(\$110,000)
Hiring and Retention Incentives	(\$520,000)

Separation Pay Shortfall - est.	(\$2,593,626)
Deferred Compensation Shortfall - est.	(\$602,020)
Paid Parental Leave (partial; see above for full estimate)	(\$200,000)
Potential COVID-Related Compensation - est.	(\$2,500,000)
Community Safety Reinvestments	(\$1,540,000)
Triage One (SFD)	(\$700,000)
CSCC Dispatch Protocol System	(\$340,000)
Regional Community Safety Plan/Peacekeepers Collective	(\$500,000)

Total (SPD Adjustments + CS Reinvestments)	(\$15,289,646)
Salary underspend - gross est. as of 6/30/21	\$15,353,750
Remaining Balance	\$64,104

The above underspend is an estimate based on the attached staffing model. This amount is subject to change as actual hires and separations are realized over the course of the entire year. Please refer to the sections above for actual costs incurred year-to-date.

Although there is salary underspend given the high attrition at SPD over the past year, the resulting staffing crises created by officers leaving makes it critical to redirect this money towards mitigating public safety investments that will provide real relief in the near-term as proposed above.

Attachments:

- Overtime Report – June
- Staffing Model – June



Legislation Text

File #: Inf 1857, **Version:** 1

Multifamily Tax Exemption (MFTE) Annual Report

Multifamily Tax Exemption 2020 Report

SEATTLE OFFICE OF HOUSING

MARCH 2021



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INTRODUCTION

The City of Seattle’s Multifamily Tax Exemption (MFTE) program provides a property tax exemption to owners of multifamily rental properties and buyers of homes in multifamily developments. For rental properties, the property owner does not owe property tax on residential improvements in exchange for limiting housing costs for income-qualified households on at least 20 percent of the units. For condominiums or other for-sale multifamily developments, the tax exemption accrues to the eligible buyer of each income- and price-restricted home. The property tax exemption, which is for up to 12 years unless extended according to State Substitute House Bill 2950, is for residential and related improvements in multifamily structures (not including land or non-residential uses).

MFTE Programs

The City’s current MFTE program is codified in SMC Chapter 5.73. The Seattle City Council reauthorized the program, with amendments, six times since its adoption in 1998. MFTE’s unique iterations over time are commonly referred to as Programs 1 through 6.

PROGRAM 1 ¹	PROGRAM 2	PROGRAM 3	PROGRAM 4	PROGRAM 5	PROGRAM 6
Ordinance 119237 1/1/1999	Ordinance 121415 4/18/2004	Ordinance 122730 8/6/2008	Ordinance 123550 4/8/2011	Ordinance 124877 11/1/2015	Ordinance 125932 10/24/2019
Up to 10-year MFTE	Up to 10-year MFTE	Up to 12-year MFTE	Up to 12-year MFTE	Up to 12-year MFTE	Up to 12-year MFTE
<u>MFTE Units</u> 40% @ 60% AMI Pike-Pine urban center village	<u>MFTE Units</u> Rental 20% @ 60% AMI, or 25% @ 65% AMI, or 30% @ 70% AMI	<u>MFTE Units</u> Rental 20% @ 80% AMI or 90% AMI, depending on unit size	<u>MFTE Units</u> Rental 20% @ 65% AMI, 75% AMI, or 85% AMI, depending on unit size ²	<u>MFTE Units</u> set-aside = 20% or 25% of total units depending on number of 2+ BR units	<u>MFTE Units</u> set-aside = 20% or 25% of total units depending on share of 2+ BR units
25% @ 80% AMI other Residential Target Areas	Owner ≤ 80% AMI	Owner ≤ 100% AMI or 120% AMI,	Owner ≤ 100% AMI or 120% AMI,	Rental 40% AMI, 65% AMI, 75% AMI,	Rental 40% AMI, 60% AMI, 70% AMI,
<u>Amendments</u> Ordinance					

¹ SMC Chapter 5.72 codified MFTE Program 1. SMC Chapter 5.73 codified MFTE Programs 2 through 6.

² Ordinance 124724, adopted in February 2015, amended MFTE Program 4 to require a lower, 40% AMI, affordability/income limit for SEDUs.

PROGRAM 1 ¹	PROGRAM 2	PROGRAM 3	PROGRAM 4	PROGRAM 5	PROGRAM 6
119371 (2/16/1999) Ordinance 120135 10/30/2000	<u>Amendments</u> Ordinance 121700 12/17/2004 Ordinance 121915 9/22/2005	depending on unit size	depending on unit size <u>Amendments</u> Ordinance 123727 10/12/2011 Ordinance 124724 2/27/2015	85% AMI, or 90% AMI, depending on unit size Owner ≤ 100% AMI or 120% AMI, depending on unit size	85% AMI, or 90% AMI, depending on unit size Owner ≤ 100% AMI or 120% AMI, depending on unit size

The Seattle Office of Housing administers the MFTE Program. SMC Chapter 5.73 outlines the minimum requirements for MFTE program applications, recorded agreements, and issuance of Final Certificates of Tax Exemption. Multifamily housing property owners must apply for a Final Certificate of Tax Exemption within 30 days of issuance of a temporary certificate of occupancy, or a permanent certificate of occupancy if no temporary certificate is issued.³ Final Certificates approved by the Office of Housing are filed with the King County Assessor. The tax exemption begins on January 1 of the calendar year following the date of the Final Certificate of Tax Exemption.

Annual Report

City Council reauthorized the MFTE Program with adoption of Ordinance 125932 in September of 2019. Ordinance 125932 requires the Office of Housing to provide the following to City Council in an annual report: summary of MFTE activity including property types, sizes, locations, unit mixes, and MFTE set asides; analysis of rent data, to the extent available, for both unrestricted units and MFTE Units in multifamily housing for which a Final Certificate was issued; identification of any potential changes in the housing market; estimate of the value of tax exemptions granted to date; identification of changes to State law related to the MFTE program and labor standards; and recommended program changes based on report findings, if any.

The metrics reported for purposes of the 2020 MFTE Annual Report reflect initial application approval and exemption status as December 31, 2020.

Definitions for Terms Used in this Report

“Approved application” means, as of December 31, 2020, the Office of Housing approved the initial MFTE application for the property. Properties with an approved application may have an MFTE status of pipeline, in service, expired, or opted out, each defined below.

“Final Certificates of Tax Exemption” means properties for which, as of December 31, 2020, the Office of Housing issued a Final Certificate of Tax Exemption. Properties with an issued

³ If no certificate of occupancy is required, the application for a Final Certificate of Tax Exemption is due within 30 days of the final building permit inspection.

Final Certificate of Tax Exemption may have an MFTE property status of in service, expired, or opted out. Pipeline properties, although they have approved applications, have yet to demonstrate eligibility for issuance of Final Certificates of Tax Exemption.

"Multifamily housing" means the residential uses in one or more residential or mixed-use structures, each of which includes at least four net new dwelling units, SEDUs, or congregate residence sleeping rooms designed for permanent residential occupancy. The property tax exemption accrues to the owner of eligible renter-occupied multifamily housing or to eligible buyers of homes in owner-occupied multifamily developments.

MFTE property status:

"Expired" means, as of December 31, 2020, the maximum 10- or 12-year term, as applicable, of the tax exemption ended and affordability/income requirements for MFTE units no longer apply.

"In service" means, as of December 31, 2020, the Office of Housing issued a Final Certificate of Tax Exemption for the property and affordability/income requirements MFTE units are available for lease or sale according to terms of a recorded agreement with the City.

"Opted out" means, as of December 31, 2020, the property owner chose to relinquish the tax exemption prior to its expiration date and affordability/income requirements for MFTE units no longer apply.

"Pipeline" means, as of December 31, 2020, the Office of Housing approved an initial MFTE application for the property. Pipeline properties have not yet demonstrated eligibility for issuance of Final Certificates of Tax Exemption. Size and AMI limits for pipeline units are estimates until construction completion.

MFTE property type:

"Low-income housing" means MFTE properties that are City-funded and/or Low-Income Housing Tax Credit/bond-financed.

"Market-rate housing" means MFTE properties that are not subsidized beyond MFTE (i.e. not City-funded and/or Low-Income Housing Tax Credit/bond-financed.)

Unit type:

"MFTE Unit" means a unit with maximum rent or sales price and income limits for residents. MFTE Units are provided as a condition of the multifamily tax exemption.

"Unrestricted unit" means a unit in an MFTE property that is not restricted (i.e. units that are not MFTE Units).



SECTION I: MFTE PROPERTY ACTIVITY

Participation in the MFTE program grew steadily since its adoption by the City of Seattle in 1998. Since 1998, as of the end of 2020, the number of approved applications totals 344 for rental multifamily housing and 136 for homes for income-eligible buyers. Of the 344 rental properties with approved applications, 265 are in service, 60 are in permitting or under construction, and the exemption ended for 19. Of the 136 owner homes with approved applications, 72 are in service, 20 are in permitting or under construction, and the exemption ended for 44.

Table 1.1: Approved Applications, by MFTE Status (Properties)

MFTE STATUS	NUMBER OF RENTAL PROPERTIES	NUMBER OF FOR-SALE HOMES
IN SERVICE	265	72
PIPELINE	60	20
EXPIRED	16	24
OPTED OUT	3	20
TOTAL PROPERTIES	344	136

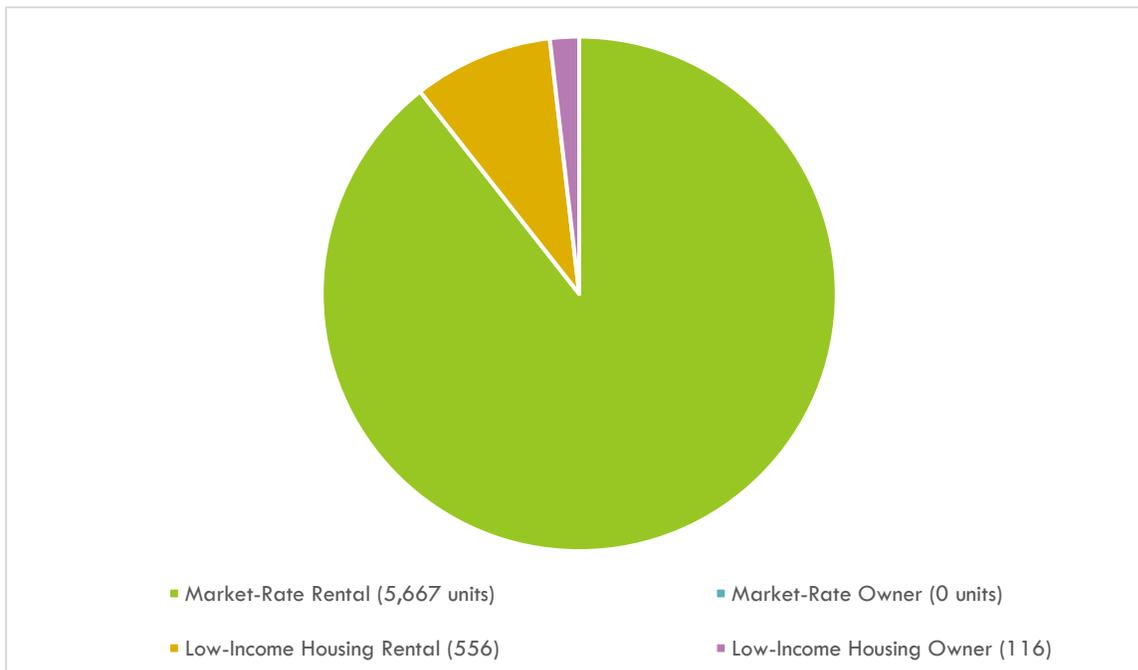
Table 1.2: Approved Applications, by MFTE Status (Units)

MFTE STATUS	RENTER-OCCUPIED		OWNER-OCCUPIED	TOTAL UNITS	
	TOTAL UNITS	MFTE UNITS	MFTE UNITS	TOTAL UNITS	MFTE UNITS
IN SERVICE	28,483	5,832	72	28,555	5,904
PIPELINE	8,958	1,854	20	8,978	1,874
EXPIRED AND OPTED OUT	1,643	391	44	1,687	435
TOTAL UNITS	39,084	8,077	136	39,220	8,213

Multifamily market-rate rental housing currently comprises the vast majority of MFTE activity. That contrasts with MFTE Program 1 and 2 activity, when more than half of properties benefitting from MFTE were low-income housing. Housing costs remained stable and affordable beyond the expiration of MFTE for that cohort of housing due to long-term regulatory agreements (minimum 50 years) as a condition of funding. For low-income housing, MFTE acts as a stopgap measure in the event of loss of its State exemption.

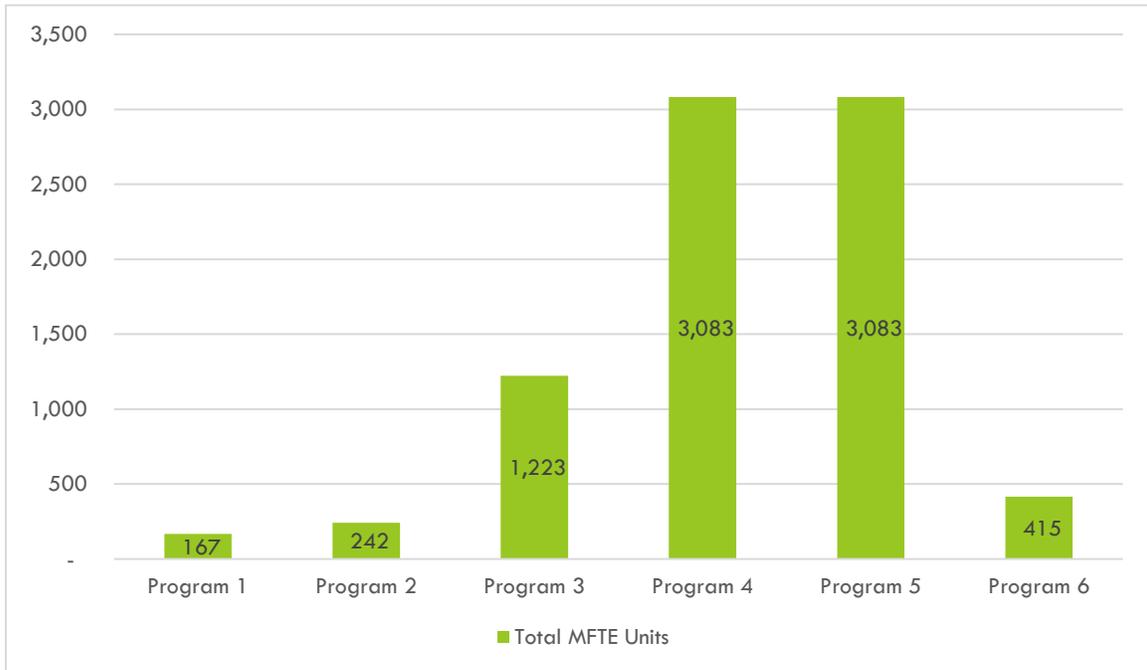
As of 12/31/2020, market-rate housing for rental occupancy accounts for nine out of ten MFTE units in properties for which the Office of Housing issued a final certificate of tax exemption. Overall, MFTE properties range from 4 to 532 total units and average 104 units in size.

Chart 1.A: Final Certificates of Tax Exemption, by Tenure (MFTE Units)



Based on available information for the current pipeline, the Office of Housing projects that market-rate rental properties will continue to constitute the large majority of future MFTE activity.

Chart 1.B: Approved Applications, by MFTE Program (MFTE Units)



MFTE Program 6 became effective on October 24, 2019. The MFTE application deadline for Program 6 is extended significantly compared to prior MFTE programs. Whereas an initial application previously was due prior to issuance of the first building permit for a project, applications now can be received any time up to six months prior to issuance of a temporary certificate of occupancy. The additional time allows property owners several more years to weigh whether or not to pursue MFTE. At this time, it is difficult to compare application rates for Program 6 with those of prior MFTE programs. As of December 31, 2020, the Office of Housing approved applications under Program 6 for 14 properties that could potentially include 415 MFTE units.

Table 1.3: Approved Application, by MFTE Program and Status (Units; Rental Only)

MFTE PROGRAM AND MFTE STATUS	UNITS IN MARKET-RATE RENTAL HOUSING WITH MFTE		UNITS IN LOW-INCOME RENTAL HOUSING WITH MFTE		UNITS IN ALL RENTAL MFTE PROPERTIES	
	TOTAL	MFTE UNITS	TOTAL	MFTE UNITS	TOTAL	MFTE UNITS
P1 - TOTAL	454	118	122	25	576	143
EXPIRED	291	77	122	25	413	102
OPTED OUT	163	41			163	41
P2 - TOTAL	475	126	563	116	1,038	242
EXPIRED	475	126	563	116	1,038	242
P3 - TOTAL	5,006	1,013	603	122	5,609	1,135
IN SERVICE	5,006	1,013	603	122	5,609	1,135
P4 - TOTAL	14,630	2,990	433	89	15,063	3,079
IN SERVICE	14,630	2,990	433	89	15,063	3,079
P5 - TOTAL	13,236	2,743	1,658	340	14,894	3,083
IN SERVICE	6,607	1,375	1,010	204	7,617	1,579
OPTED OUT	29	6			29	6
PIPELINE	6,600	1,362	648	136	7,248	1,498
P6 - TOTAL	1,294	272	610	123	1,904	395
IN SERVICE	194	39			194	39
PIPELINE	1,100	233	610	123	1,710	356
GRAND TOTAL	35,095	7,262	3,989	815	39,084	8,077

Table 1.4: Approved Applications, by MFTE Program and Status (Units; Ownership Only)

MFTE PROGRAM AND MFTE STATUS	MFTE HOMES FOR LOW-INCOME BUYERS
P1 - TOTAL	24
EXPIRED	24
P2 - TOTAL	0
P3 - TOTAL	88
IN SERVICE	68
OPTED OUT	20
P4 - TOTAL	4
IN SERVICE	4
P5 - TOTAL	0
P6 - TOTAL	20
PIPELINE	20
GRAND TOTAL	136

The percentage set-aside and affordability/income limits of MFTE Units vary by MFTE program depending on SMC Chapter 5.73 at the time of initial MFTE application. The affordability/income limit applicable to each MFTE Unit is determined by its size (e.g. SEDU, studio, 1-BR, etc.), as verified the Office of Housing prior to issuance of a certificate of occupancy.

A lower set-aside percentage may apply if the property includes a minimum number of units with two or more bedrooms. For Program 6, a 20% set-aside (versus 25%) is conditioned on at least 8 percent of total residential units having two or more bedrooms. To date, in properties for which the Office of Housing issued a Final Certificate of Tax Exemption, the share of MFTE units that have two or more bedrooms is 13% for market-rate properties and 43% for low-income housing. Nearly eight in ten for-sale MFTE units, which are all City funded, have two or more bedrooms.

Chart 1.C: Final Certificates of Tax Exemption, by Unit Type (MFTE Units; Market-Rate Housing Only)

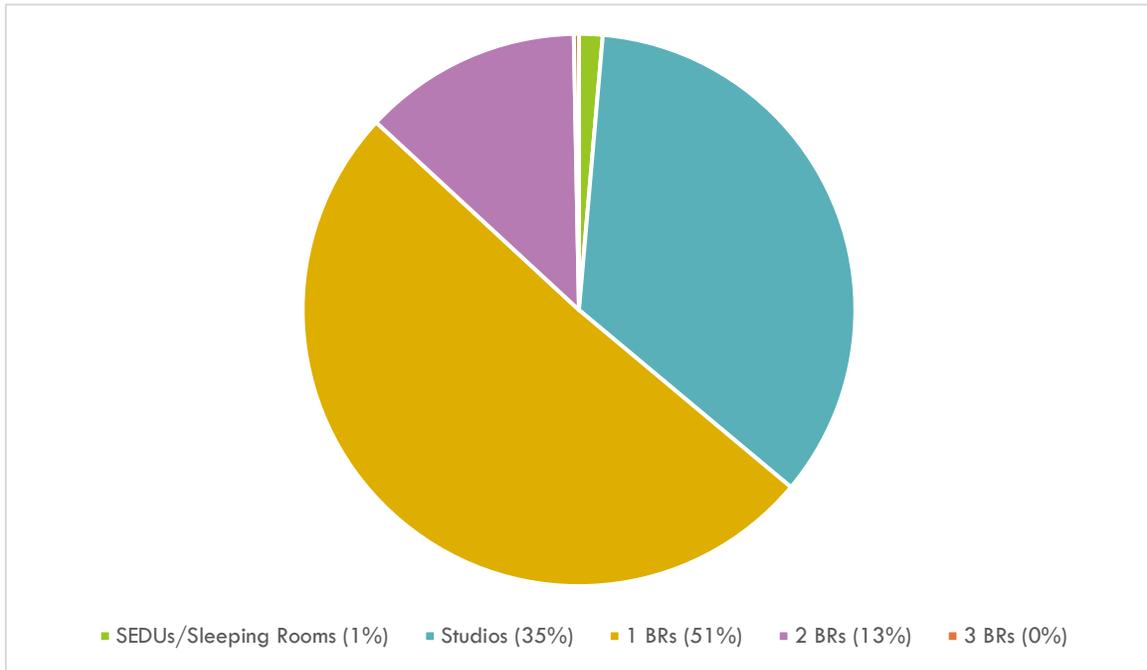
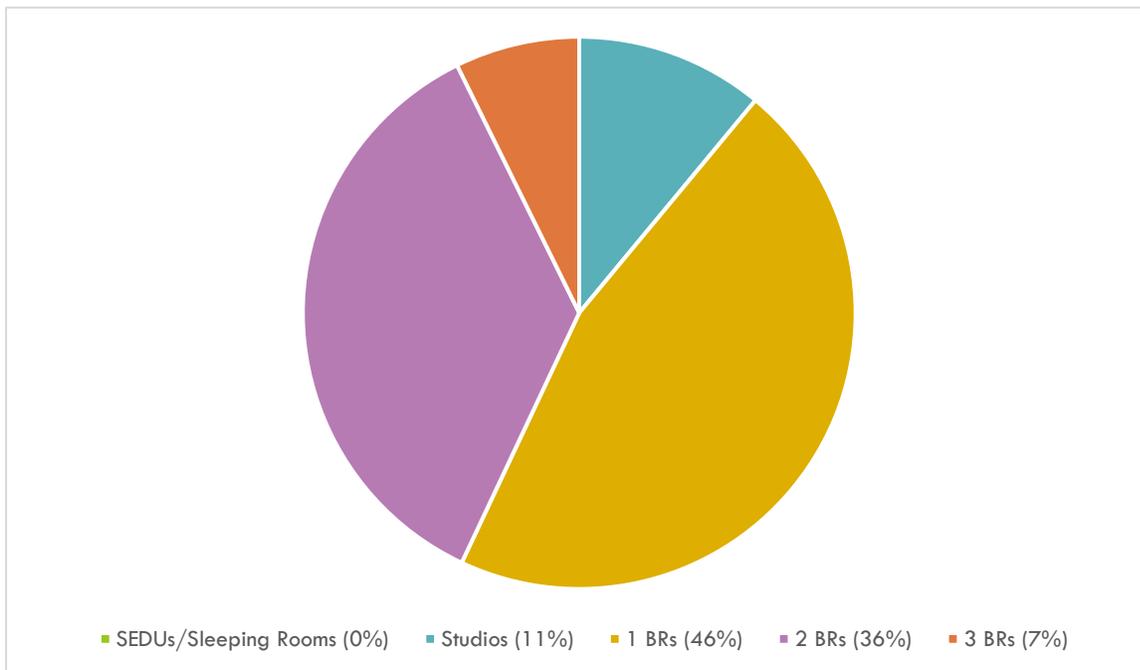


Chart 1.D: Final Certificates of Tax Exemption, by Unit Type (MFTE Units; Low-Income Housing Only)



Shares of units by unit type will gradually shift as pipeline properties place in service. Based on available information for market-rate properties currently in the pipeline, a higher share of MFTE units (nearly one in ten) will be SEDUs or congregate residence sleeping rooms. For

pipeline low-income housing properties, projected distribution of MFTE units by type is approximately one-third SEDUs, congregate residence sleeping rooms, and studios, one-third one bedrooms, and one third two or three bedrooms.

The following are the affordability limits for Program 6, the latest MFTE program:

- Congregate Residence sleeping room 40% of AMI
- SEDU (if in building with mix of unit types) 40% of AMI
- SEDU (if in building with 100% SEDUs) 50% of AMI
- Studio 60% of AMI
- One-Bedroom 70% of AMI
- Two-Bedroom 85% of AMI
- Three or more Bedroom 90% of AMI

As with the preceding program, MFTE Program 6 income and affordability limits for owner-occupied developments are 100% of AMI for studio and one-bedroom units and 120% of AMI for larger units.

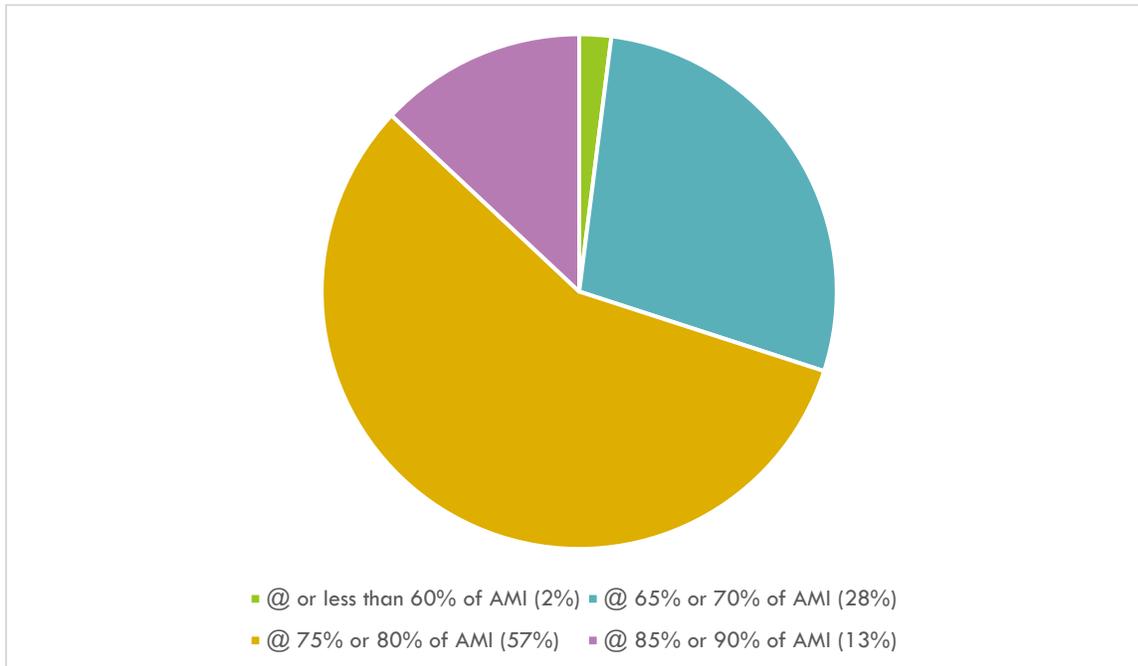
Per SMC Chapter 5.73, replacement housing units must be provided in addition to MFTE units if at any time during the 18 months prior to application for the land use permit or, if a land use permit is not required, prior to application for the building permit for the project, a tenant or tenants receiving or eligible to receive a tenant relocation assistance payment under Chapter 22.210 resided in a four or more unit structure to be demolished on the lot of the MFTE development. Replacement units must be leased at affordable rents to households with incomes at or below 50% of AMI for the duration of the multifamily property tax exemption. To date, owners of eight rental properties have each provided between one and three replacement units (17 replacement units in total).

Table 1.5: Approved Applications, by MFTE Status and AMI Limit (MFTE Units; Market-Rate Housing Only)

MFTE STATUS	40% AMI	50% AMI	60% AMI	65% AMI	70% AMI	75% AMI	80% AMI	85% AMI	90% AMI
PIPELINE	127	10	47	410	88	680		211	22
IN SERVICE	51		19	1,508	15	2,244	861	559	160
EXPIRED			35		91		77		
OPTED OUT							41	6	
TOTAL	178	10	101	1,918	194	2,924	979	776	182

Within MFTE rental properties with issued Final Certificates of Tax Exemption, MFTE Units are restricted as follows: 2% @ or less than 60% of AMI, 28% @ 65% or 70% of AMI, 57% @ 75% or 80% of AMI, and 13% @ 85% or 90% of AMI. Size and AMI limits for pipeline units are estimates until construction completion. The Office of Housing projects that the shares of MFTE units @ or less than 60% of AMI and @ 65% or 70% of AMI will slowly increase as MFTE Program 6 pipeline properties are placed in service.

Chart 1.E: Final Certificates of Tax Exemption, by AMI Limit (MFTE Units; Market-Rate Housing Only)





SECTION III: LOCATION OF MFTE PROPERTIES

To be eligible for a property tax exemption under SMC Chapter 5.73, the multifamily housing must be located in a residential targeted area, as designated by the jurisdiction consistent with Washington state statute requirements. For purposes of SMC Chapter 5.73, the Residential Targeted Area is comprised of all parcels in Seattle zoned to allow multifamily housing according to Title 23.

See Attachment A for a map showing locations of MFTE properties.

SECTION II: FINAL CERTIFICATES OF TAX EXEMPTION

In 2020, OH issued Final Certificates of Tax Exemption for 19 multifamily housing properties in neighborhoods throughout Seattle. One of the 19 multifamily housing developments is low-income housing. Market-rate multifamily properties receiving Final Certificates in 2020 total 2,183 rental units, including 454 MFTE units. Exemptions for properties with Final Certificate issued in 2020 became effective on January 1, 2021.

Table 2.1: Multifamily Housing Issued Final Certificates of Tax Exemption (2020)

PROPERTY NAME	NEIGHBORHOOD	MARKET-RATE OR LOW-INCOME HOUSING	TOTAL UNITS	MFTE UNITS
An Lạc	23 rd & Union-Jackson	Low-Income Housing	69	14
Bode Greenview	Aurora Licton Springs	Market-Rate	68	17
Capitol Hill Station Apartments - Park Building	Capitol Hill	Market-Rate	74	15
Capitol Hill Station Apartments - Ander South	Capitol Hill	Market-Rate	94	21
Center Steps	Uptown	Market-Rate	269	54
Cubix Crown Hill	Crown Hill	Market-Rate	40	8
Emerson Seattle	First Hill	Market-Rate	288	58
Ivy Apartments	Interbay	Market-Rate	93	19
Jackson Apartments	23 rd & Union-Jackson	Market-Rate	532	107
Jackson Street Apartments	23 rd & Union-Jackson	Market-Rate	75	15
Junction Landing	West Seattle Junction	Market-Rate	58	12
Livingstone Apartments	Westwood-Highland Park	Market-Rate	28	7
Loop at Green Lake, the	Green Lake	Market-Rate	45	12
Midtown Flats	Aurora Licton Springs	Market-Rate	27	7
Modera Broadway - South	Capitol Hill	Market-Rate	85	17

PROPERTY NAME	NEIGHBORHOOD	MARKET-RATE OR LOW-INCOME HOUSING	TOTAL UNITS	MFTE UNITS
Sienna Apartments	23 rd & Union-Jackson	Market-Rate	29	8
Solis	Capitol Hill	Market-Rate	36	8
STAZIONE25 - South	Mt. Baker	Market-Rate	194	39
Stream Dexios	South Lake Union	Market-Rate	79	16
TOTAL			2,183	454
Market-Rate Multifamily Housing with MFTE			2,114	440
Low-Income Housing with MFTE			69	14



SECTION IV: COMPLIANCE MONITORING, INCLUDING EXPIRATIONS AND OPT OUTS

Compliance Monitoring

As of March 1, 2021, the Office of Housing Asset Management Division received 234 annual compliance reports and lease-up reports for the 2020 reporting period from owners and property managers for properties that have a tax exemption through the MFTE Program. This response rate for reports due was over 96%, and OH continues to pursue collection of remaining reports.

Asset Management staff completed 20 property file audits in 2020. MFTE compliance training sessions for prospective applicants and property managers are held regularly. In 2020, staff from the Asset Management unit incorporated protective measures in response to COVID-19 by converting in-person trainings into virtual remote trainings. OH held 17 virtual training sessions, including 2 property management-specific sessions, for 350 registered attendees. Training attendees responded positively to the safety, convenience, and effectiveness of the virtual training format. The Office of Housing also released an updated compliance manual for MFTE and its other incentive programs in 2020.

Annual compliance reports and property file audits demonstrate that violations for issues such as overcharged rent, income ineligible occupants, or missing designated affordable units are relatively rare occurrences. Corrective action includes issuing credits for rent overages, correcting lease terms, collecting additional income documentation, and requiring properties to provide alternate MFTE units.

MFTE Ended Due to Expiration or Opt Out

MFTE agreements and the related property tax exemption end upon expiration of a tax exemption, or upon decision of the property owner to opt out prior to expiration of the exemption.

To date, MFTE opt outs include 20 condominium units at The Pontedera, in addition to opt outs for three rental properties. For the ownership units, the property tax exemption ended upon sales to non-eligible buyers.

Since the inception of MFTE in 1998, owners of three rental properties opted out of MFTE after issuance of the Final Certificate of Tax Exemption, prior to expiration of the tax exemption. Two of those rental properties, which were converted to owner-occupied condominiums, included 41 Program 1 MFTE units prior to opt out. The third included six Program 5 MFTE units.

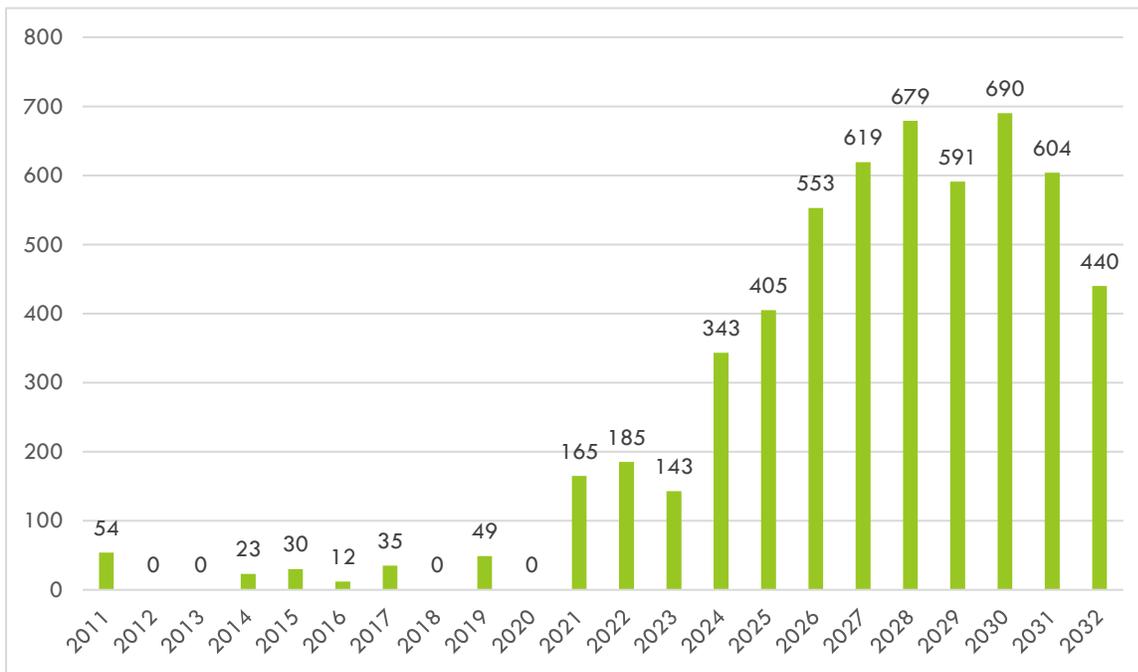
As of 12/31/2020, the multifamily property tax exemption expired for 16 rental properties totaling 344 MFTE units, plus 24 owner-occupied units. Seven of the 16 rental properties that no longer have a property tax exemption are market-rate multifamily housing. The other nine rental properties are low-income housing with long-term housing affordability covenants.

The inventory of market-rate rental multifamily housing with a set-aside of MFTE units in service currently totals 247 properties and 5,417 MFTE units. The property tax exemption for those properties expires in years 2021 through 2032. In the next five years (2021-2025), tax exemptions are scheduled to expire for the owners of 48 market-rate multifamily rental housing properties with 1,241 MFTE units.

In 2019, the Washington state legislature passed legislation allowing extension of the property tax exemption until December 31, 2021 for properties with MFTE exemptions expiring in 2020. MFTE was extended for the one property that was set to expire in 2020. In 2021, MFTE is scheduled to expire for four market-rate rental properties with 165 MFTE units. These MFTE units currently have rent/income limits of 80% AMI and 90% AMI.

Table 4.A below shows past expirations and the growing number of expirations in market-rate rental housing anticipated in the coming years.

Chart 4.A: Expirations by Year (MFTE Units; Market-Rate Housing Only)⁴



⁴ Includes past expirations and projected expirations of properties currently in service. Does not include properties for which Office of Housing issued a Final Certificate of Tax Exemption that opted out prior to expiration of the property tax exemption.



SECTION V: RENTAL HOUSING MARKET ANALYSIS

Based on data reported by property owners of market-rate properties with MFTE, average contract rents range from \$1,279 for SEDUs to \$2,765 for 2-bedroom units, compared to average contract rents of \$757 to \$1,885 for MFTE units of that size range. The estimated rent differential based on contract rents as reported in annual compliance reports is approximately \$522 for SEDUs, \$314 for studios, \$501 for 1-bedroom units, and \$880 for 2-bedroom units.

Table 5.1: Contract Rents in MFTE Properties (Market-Rate Housing Only)⁵

	SEDU	STUDIO ⁶	1-BEDROOM	2-BEDROOM
Average Contract Rent – Unrestricted Units	\$1,279	\$1,438	\$1,997	\$2,765
Average Contract Rent – MFTE Units	\$757	\$1,124	\$1,496	\$1,885
Current MFTE Unit Rent Limit (MFTE P6) ⁷	\$760	\$1,140	\$1,520	\$2,077

⁵ Based on contract rents for a sample of roughly 1,900 units as reported by property owners or owner representatives for 115 MFTE annual compliance reports for the 2020 reporting period.

⁶ Studios include SEDUs for those multifamily properties with an MFTE initial application submittal date prior to adoption of Ordinance 124724. Ordinance 124724 (adopted February 2015) increased the set-aside percentage and decreased the AMI limit for SEDUs, as defined by the land use code (SMC 23.42.048 and SMC 23.84A).

⁷ MFTE Program 6 rent limits are provided for comparison purposes. With the exception of one Program 6 MFTE property currently in service, in service MFTE units are in properties participating in MFTE Programs 3, 4, and 5. For MFTE units, the base rent that may be charged is equal to the gross rent, less the household’s utility estimate for their unit’s utility usage, less any required recurring fees that are a condition of occupancy (renter’s insurance, month-to-month charges, King County sewer treatment capacity fee, etc.). The utility estimate is based on household utility responsibility and number of bedrooms in the unit, using the schedule published by the Seattle Housing Authority. Table 5.1 compares average “contract rents,” without adjustments for utility or other costs, for unrestricted units or MFTE units as reported by property owners or owner representatives.

Based on Yardi data for Seattle in Quarter 4, the average asking rent in the City of Seattle fell from \$2,176 in 2019 to \$1,937 in 2020, a decline of 11%, while the occupancy rate fell from 95.3% to 91.4% during this same period. The use of concessions rose from 10.5% of properties and an average concession of \$79 per month, to a 23.8% of properties and an average concession of \$196 per month.



SECTION VI: MFTE TAX IMPACTS AND COST

There are two ways to evaluate the MFTE program's tax impacts and cost. The first and simplest approach quantifies the amount of exempted property tax burden – that is, the amount of property tax that MFTE property owners collectively avoid in a given year due to offering income and rent-restricted set-aside units. Other (non-exempt) taxpayers absorb this tax burden.

The second way of looking at the program considers the amount of net new property tax revenue that active MFTE properties' new construction value would have generated. As intended under State law, the majority of that potential revenue is forgone when MFTE properties' new construction value is excluded from the tax base for the duration of the exemption period. The remainder of the net new revenue is indeed collected, with the associated net new tax burden shifted to other taxpayers.

Exempted Tax

As of December 31, 2020, the MFTE program exempted 265 multifamily rental properties and 72 owner-occupied homes in multifamily buildings from property tax on the residential portion of their properties. The combined benefit of the tax exemption to these property owners totaled \$73.6 million in 2020. The exempted amount of tax specific to owners of market-rate housing properties was \$70.3 million.⁸

The public agencies slated to receive this property tax revenue still collect the \$70.3 million of exempted property tax; it is not forgone.⁹ Rather, the tax burden is absorbed by other (non-exempt) taxpayers.

Revenue Impacts

Forgone Revenue

Under most circumstances new construction activity increases the maximum amount of property tax revenue that public agencies can collect. However, for MFTE and per RCW

⁸ As described in Section I of this report, both market-rate and low-income housing properties find value in the MFTE program. However, only in the case of market-rate housing is the MFTE program the primary driver for income and rent restrictions; low-income housing is already governed by other, and typically more stringent, restrictions.

⁹ Multiple public agencies use property tax receipts to support operations. Seattle's property tax rate (\$9.311 per \$1000 of assessed value for tax year 2021) includes support for the City of Seattle (23 percent), King County (12.7 percent), and public schools (50.4 percent). The remainder supports specific levies, the Port, flood control, and other various uses.

84.14, taxing agencies, including the King County Assessor's Office, establish -- but set aside -- the value of any new building that has committed to participation in the MFTE program. Deferring acknowledgment of this new construction value, as intended under State law, in essence mimics a scenario in which the buildings had never been constructed. The deferred new construction value is not introduced into the revenue calculation until expiration of the exemption, typically 12 years after a development is complete.

As of the end of 2020 the King County Assessor had set aside a cumulative \$3.18 billion in new construction value for properties with commitments to participate in MFTE over the past 12 years. The formula that establishes the maximum amount of property tax revenue allowable for 2021 therefore excluded this \$3.18 billion of new construction value from the calculation. Jurisdictions that receive revenue from property taxes paid in Seattle will therefore collect up to \$31 million less than they would have had the deferred-value properties been taxable.

The forgone revenue equates to an implicit per-unit subsidy of \$5,722 when averaged across the 5,417 MFTE-restricted units in these otherwise market-rate housing properties. Over the 12-year exemption period, the estimated subsidy is \$68,664 per unit.

Collected Revenue

As a final complication, a portion of the appraised new construction value of some MFTE properties is in fact included in the tax base. This occurs when the Assessor appraises partially completed properties but does not yet know that the property owner will ultimately participate in the MFTE program. So-called "captured" new construction value is factored into the revenue calculation, similar to any non-exempt property.

For 2020 the revenue associated with captured new construction totaled \$20.7 million across all jurisdictions. This amount represents a subset of the \$70.3 million of market-rate housing properties' shifted tax burden described in the "Exempted Tax" subsection, above. The captured new construction value increases 2021 property taxes for property owners throughout King County. In Seattle, owners of a median value home will experience a net increase of \$23.49, assuming a current median home value of \$674,000 and total real property value of \$620.6 billion as reported by King County. This amount changes from year to year.

Attachment B provides detail on both the tax impacts and revenue impacts of MFTE properties in service.



SECTION VII: STATE LEGISLATIVE CHANGES

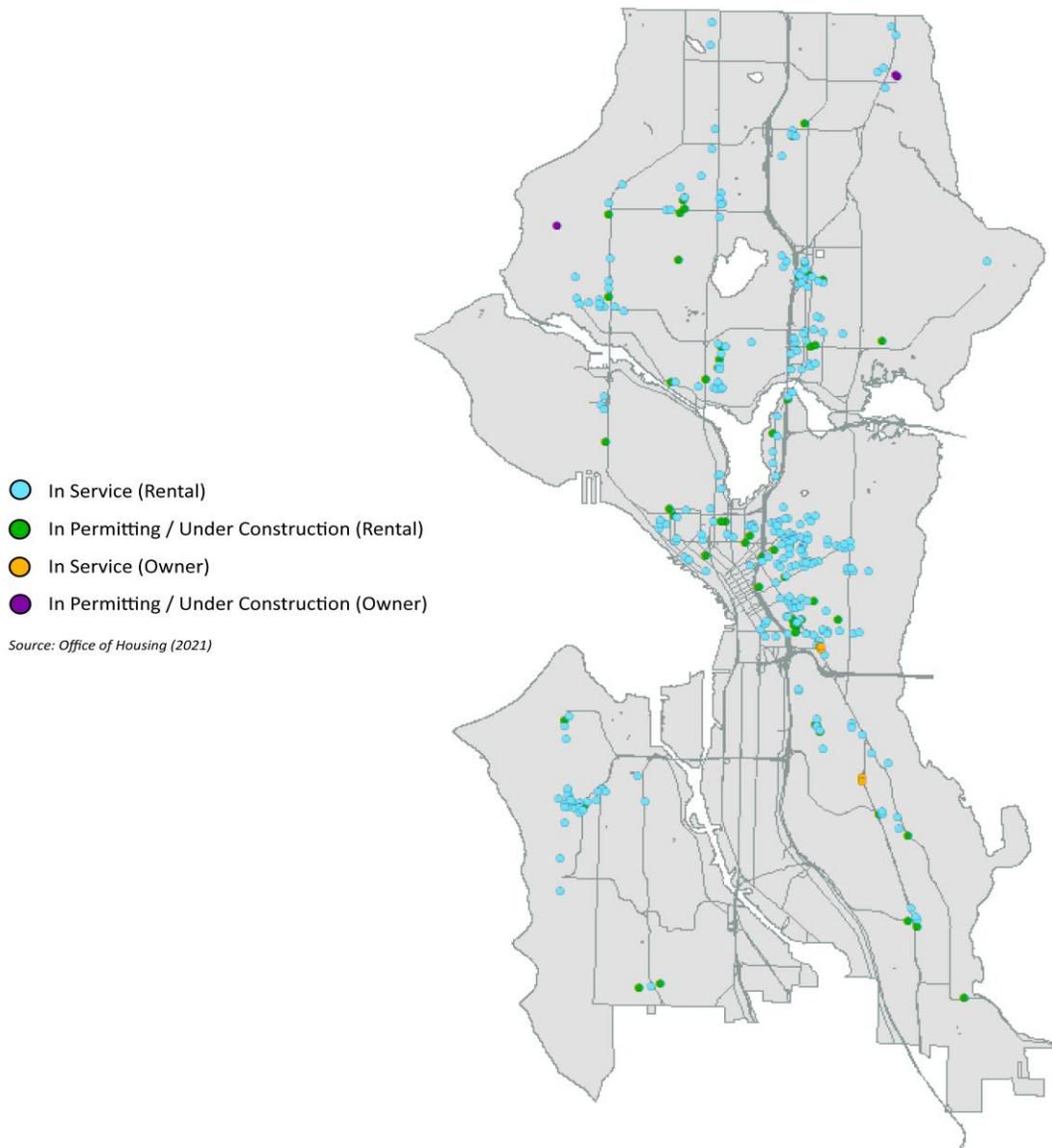
The Washington state legislature is currently considering legislation to amend [Chapter 84.14 RCW](#), the authorizing statute for MFTE. Information about [SB 5287 - 2021/2022](#), including current status, is available online. SB 5287 authorizes a 12-year extension of MFTE provided properties meet local affordability requirements. Other potential changes to Chapter 84.14 RCW include a new 20-year property tax exemption for new permanently affordable homes, authorization for local governing authorities to adopt prevailing wage or other requirements for development of MFTE properties, and extended deadlines to allow construction completion up to 10 years after MFTE application approval.

ATTACHMENTS

Attachment A – Location of MFTE Properties

Attachment B – Property Tax Impact Analysis (Tax Year 2021)

Attachment A – Location of MFTE Properties¹⁰



¹⁰ Map shows location of MFTE properties in service or pipeline as of 12/31/2020.

Attachment B – Property Tax Impact Analysis (Tax Year 2021)¹¹

Properties with MFTE: Total

APPRAISAL YEAR	TAX YEAR	TOTAL TAX CAPTURED	TOTAL 1% ANNUAL GROWTH	TOTAL TAX NOT CAPTURED	TOTAL 1% ANNUAL GROWTH
2019	2020	\$1,771,009	\$17,887	\$4,324,568	\$43,246
2018	2019	\$4,061,826	\$81,642	\$1,909,658	\$38,384
2017	2018	\$5,430,096	\$164,537	\$6,767,304	\$205,056
2016	2017	\$2,384,136	\$96,805	\$7,407,538	\$300,776
2015	2016	\$1,536,286	\$78,366	\$3,186,887	\$162,563
2014	2015	\$921,380	\$56,683	\$3,158,225	\$194,294
2013	2014	\$520,037	\$37,513	\$2,472,938	\$178,386
2012	2013	\$1,621,496	\$134,352	\$144,493	\$11,972
2011	2012	\$281,284	\$26,352	\$435,863	\$40,834
2010	2011	\$743,317	\$77,767	\$618,667	\$64,726
2009	2010	\$1,216,377	\$140,696	\$178,636	\$20,663
2008	2009	\$217,971	\$27,644	\$0	\$0

TOTAL APPRAISED VALUE	\$5,527,287,572	CAPTURED APPRAISED VALUE	\$2,262,300,464	NOT CAPTURED APPRAISED VALUE	\$3,264,987,108
2021 Total Property Tax Exempted	\$73,643,921	Total Tax Captured + 1% Gains	\$21,627,575	Total Tax Not Captured + 1% Gains	\$31,865,678
		2021 City Share of Tax Revenue Captured	\$5,874,369	2021 City Share of Tax Revenue Not Captured	\$8,655,189

¹¹ Analysis is for MFTE properties in service as of 12/31/2020. Appraisal and tax information is current as of 12/31/2020. Total tax captured and not captured is calculated by multiplying the appraised values of each property by the corresponding tax rate in its appraisal year(s).

Properties with MFTE: Market-Rate Housing

APPRAISAL YEAR	TAX YEAR	TOTAL TAX CAPTURED	TOTAL 1% ANNUAL GROWTH	TOTAL TAX NOT CAPTURED	TOTAL 1% ANNUAL GROWTH
2019	2020	\$1,692,736	\$16,927	\$4,116,547	\$0
2018	2019	\$3,621,476	\$72,792	\$1,784,343	\$35,865
2017	2018	\$5,128,202	\$155,390	\$6,767,304	\$205,056
2016	2017	\$2,239,040	\$90,914	\$7,202,408	\$292,447
2015	2016	\$1,536,286	\$78,366	\$3,007,608	\$153,418
2014	2015	\$852,365	\$52,438	\$3,158,225	\$194,294
2013	2014	\$511,752	\$36,915	\$2,445,048	\$176,374
2012	2013	\$1,567,587	\$129,885	\$141,824	\$11,736
2011	2012	\$272,003	\$25,483	\$435,863	\$40,788
2010	2011	\$651,346	\$739,228	\$355,343	\$37,139
2009	2010	\$969,268	\$112,114	\$156,091	\$18,038
2008	2009	\$180,150	\$22,808	\$0	\$0

TOTAL APPRAISED VALUE	\$5,229,178,509	CAPTURED APPRAISED VALUE	\$2,075,658,452	NOT CAPTURED APPRAISED VALUE	\$3,153,520,057
2021 Total Property Tax Exempted	\$70,308,106	Total Tax Captured + 1% Gains	\$20,738,544	Total Tax Not Captured + 1% Gains	\$30,776,925
		2021 City Share of Tax Revenue Captured	\$5,632,895	2021 City Share of Tax Revenue Not Captured	\$8,359,468

Properties with MFTE: Low-Income Housing

APPRAISAL YEAR	TAX YEAR	TOTAL TAX CAPTURED	TOTAL 1% ANNUAL GROWTH	TOTAL TAX NOT CAPTURED	TOTAL 1% ANNUAL GROWTH
2019	2020	\$280,082	\$2,801	\$208,021	\$2,080
2018	2019	\$440,350	\$8,851	\$125,315	\$2,519
2017	2018	\$301,894	\$9,148	\$0	\$0
2016	2017	\$145,095	\$5,891	\$205,130	\$8,329
2015	2016	\$0	\$0	\$179,279	\$9,145
2014	2015	\$69,015	\$4,246	\$0	\$0
2013	2014	\$8,285	\$598	\$27,890	\$2,012
2012	2013	\$53,910	\$4,467	\$2,670	\$221
2011	2012	\$9,281	\$870	\$0	\$0
2010	2011	\$91,971	\$9,622	\$263,324	\$27,550
2009	2010	\$247,109	\$28,583	\$22,545	\$2,608
2008	2009	\$37,821	\$4,797	\$0	\$0

TOTAL APPRAISED VALUE	\$298,109,063	CAPTURED APPRAISED VALUE	\$186,642,012	NOT CAPTURED APPRAISED VALUE	\$111,467,051
2021 Total Property Tax Exempted	\$3,335,816	Total Tax Captured + 1% Gains	\$1,761,883	Total Tax Not Captured + 1% Gains	\$1,088,637
		2021 City Share of Tax Revenue Captured	\$478,554	2021 City Share of Tax Revenue Not Captured	\$295,690

FOR MORE INFORMATION

For more information about the Multifamily Tax Exemption program, contact the City of Seattle Office of Housing or visit www.seattle.gov/housing.

Office: Seattle Municipal Tower
700 Fifth Avenue, Suite 5700
Seattle, WA 98104

Mail: City of Seattle Office of Housing
PO Box 94725
Seattle, WA 98124-4725

Phone: 206.684.0721

Email: housing@seattle.gov

Memo

Date: July 28, 2021

To: Councilmember Mosqueda, Councilmember Herbold, Councilmember González, Councilmember Lewis and Councilmember Strauss

From: Emily Alvarado, Director, Office of Housing

Subject: Preview of Proposed MFTE Legislation

OH is proposing MFTE legislation to implement recent changes in state law, specifically to address required or time sensitive changes to the RCW, including a 12-year extension option for properties expiring prior to program renewal in 2023. OH is also proposing a resolution to address labor equity standards and other issues.

Background

This spring, the state legislature passed SB5287, which amended the RCW authorizing the MFTE program. The main changes include:

- Authorizes local jurisdictions to offer a 12-year extension for expiring properties
- Authorizes local jurisdictions to require prevailing wage, apprenticeship, and contractor inclusion requirements as a condition of the property tax exemption.
- Provides a 20-year tax exemption for permanently affordable homeownership projects and allows smaller detached projects to participate.
- Requires property owners to provide financial assistance to some MFTE tenants when affordability provisions expire.

Proposed Legislation

The proposed legislation, to be discussed in more detail at the August 17 committee meeting, would make the following changes to the SMC in order to accommodate required and time sensitive changes to the RCW. This proposed legislation is in addition to CB 120113, which provided projects impacted by COVID-19 additional time to complete and was passed by City Council passed on July 19, 2021.

Extend Affordability Provisions. Provide properties expiring in 2021 and 2022 an opportunity to participate in the program for another 12 years. There are nine such properties with about 350 MFTE units.

Right-Size Affordability Limits for Older Buildings. The RCW requires that projects receiving the 12-year extension must provide, at minimum, the same affordability limits and set-asides that are currently required for new developments. However, due to program fairness and market realities, extending the tax exemption for older buildings requires reducing affordability levels, since average rents are lower for older buildings as compared to newer

buildings. The proposed income limits for receiving an extension are 10% below what is currently required if the same units were located in a new development.

OH’s analysis indicates that the tax exemption will continue to be viable for all but one property at these lower affordability limits. The analysis used conservative assumptions, including use of higher pre-pandemic market-rate rents.

Rent Buy Down for Nine Expiring Properties Under Proposed Income Limits			
Unit Type	# of MFTE Units	Proposed Income Limits for 12-Year Extension	Proposed Rent Buy-Down (Using Q1 2020 Market Rents & MFTE Rents Based on 2020 HUD-published median income)
< 400 S	9	30% AMI	\$589
0-BDR	108	50%	\$767
1-BDR	182	60%	\$694
2-BDR	59	75%	\$1,029

Transition to lower income limits and annual income recertification requirements without displacing existing MFTE tenants. Extending properties will now be required to do annual income recertifications, consistent with current program requirements. Existing MFTE tenants who are over income for the new, lower limits but within the older, higher limits will keep their MFTE unit designation at the higher MFTE rents. When the unit turns over, the new income and rent limits will apply.

The table below shows the difference between current MFTE rents for the expiring properties, all of which vested under Program 3, and proposed rents for the extension.

	Current Affordability Limits for Expiring Properties (Program 3)	Current MFTE Rents for Expiring Properties (Program 3)	Proposed Affordability Limits for Extensions	Proposed MFTE Rents for Extensions
< 400 NSF	N/A	N/A	30%	\$607
Studio	80% AMI	\$1,619	50%	\$1,012
1 bedroom	80% AMI	\$1,815	60%	\$1,388
2 bedroom	90% AMI	\$2,343	75%	\$1,952

Tenant Protections. Tenant at or below 80% will receive tenant relocation assistance equal to one month’s rent within 90 days of the MFTE rent restriction ending. Per the RCW, only tenants in projects authorized after July 2021 or projects opting for the extension are eligible.

Support new permanently affordable homeownership projects. These projects will receive the newly authorized 20-year tax exemption. Projects must meet a specific definition of permanently affordable homeownership in the RCW, including a 99 renewable ground lease and re-sale restrictions limiting sales to households at or below 80% AMI.

Other minor technical changes. The legislation proposes other minor changes of a technical nature.

Resolution to Address Labor Equity Standards & Other Issues

The proposed legislation will be accompanied by a resolution that states the City's intent to address affordable housing outcomes, labor equity standards and additional extensions for other expiring properties in 2023, when the program is up for renewal consideration.

Multifamily Tax Exemption Program: 2020 Annual Report & Proposed Legislation

Finance and Housing Committee

Today's Presentation

- MFTE Overview
- 2020 MFTE Annual Report Highlights
- Preview Proposed Legislation



MFTE Overview

- Provides a 12-year property tax exemption in return for income and rent restrictions on 20% or 25% of units, generally between 60-85% AMI
- Program is voluntary; buildings can exit at any time
- Program participation resulting in high production of income and rent restricted housing.
- Authorized by state and implemented locally



MFTE Overview: Program 6

- Affordability Levels
 - 40% AMI – \$810 - SEDUs
 - 50% AMI – \$1,012 – 100% SEDU building
 - 60% AMI – \$1,214 - Studio
 - 70% AMI – \$1,619 - 1 Bedroom
 - 85% AMI – \$2,212 - 2 Bedroom
 - 90% AMI – \$2,603 - 3 Bedroom
- 4.5% rent moderator
- Continuing annual recertifications



MFTE 2020 Report: Applications & Pipeline

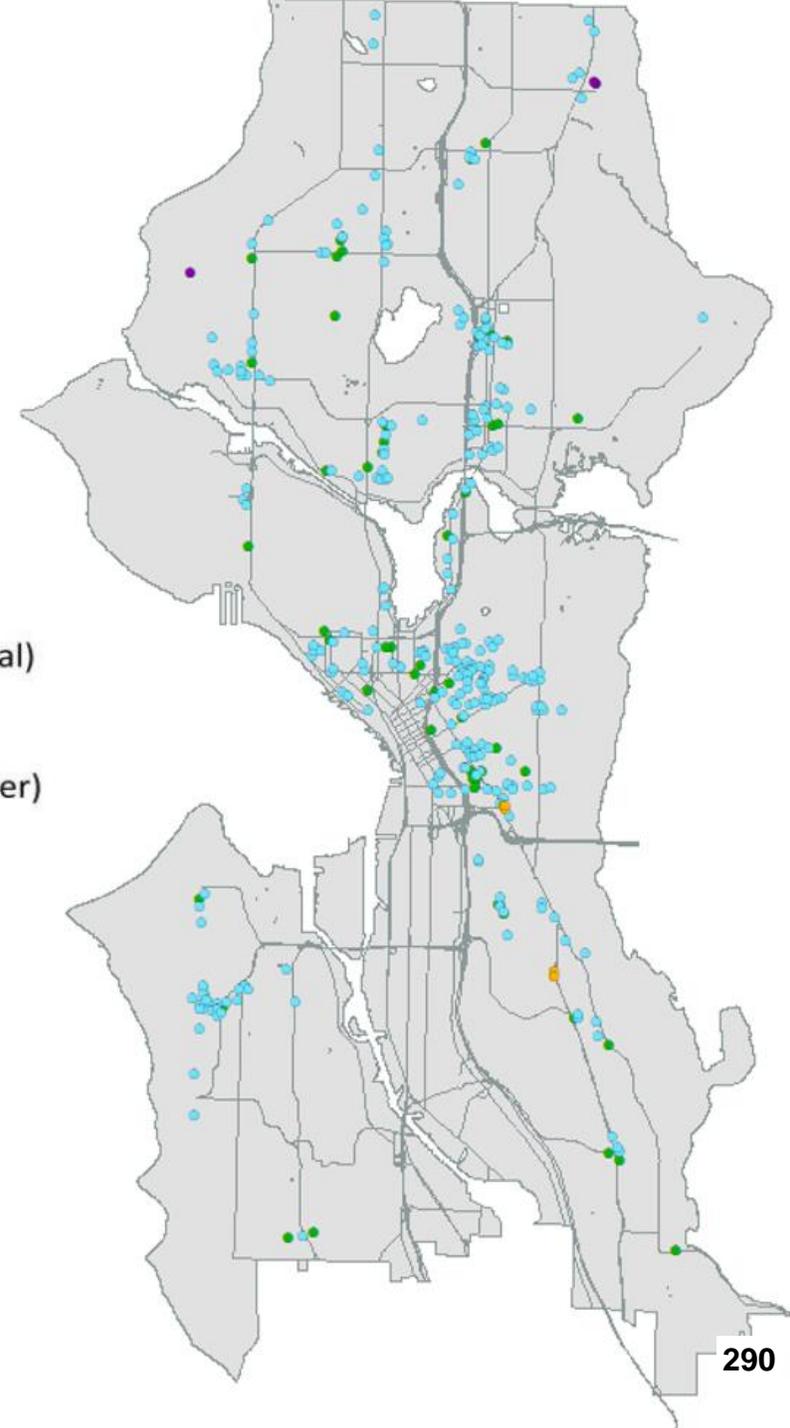
- Processed 16 applications in 2020
 - Program 5 applications – 8 projects with 228 units
 - Program 6 applications – 8 projects with 272 units
- From January-June 2021, approved Program 6 applications for 9 buildings with 366 units
- 53 pipeline projects with 1,594 projected MFTE units

MFTE 2020 Report: Geographic Distribution

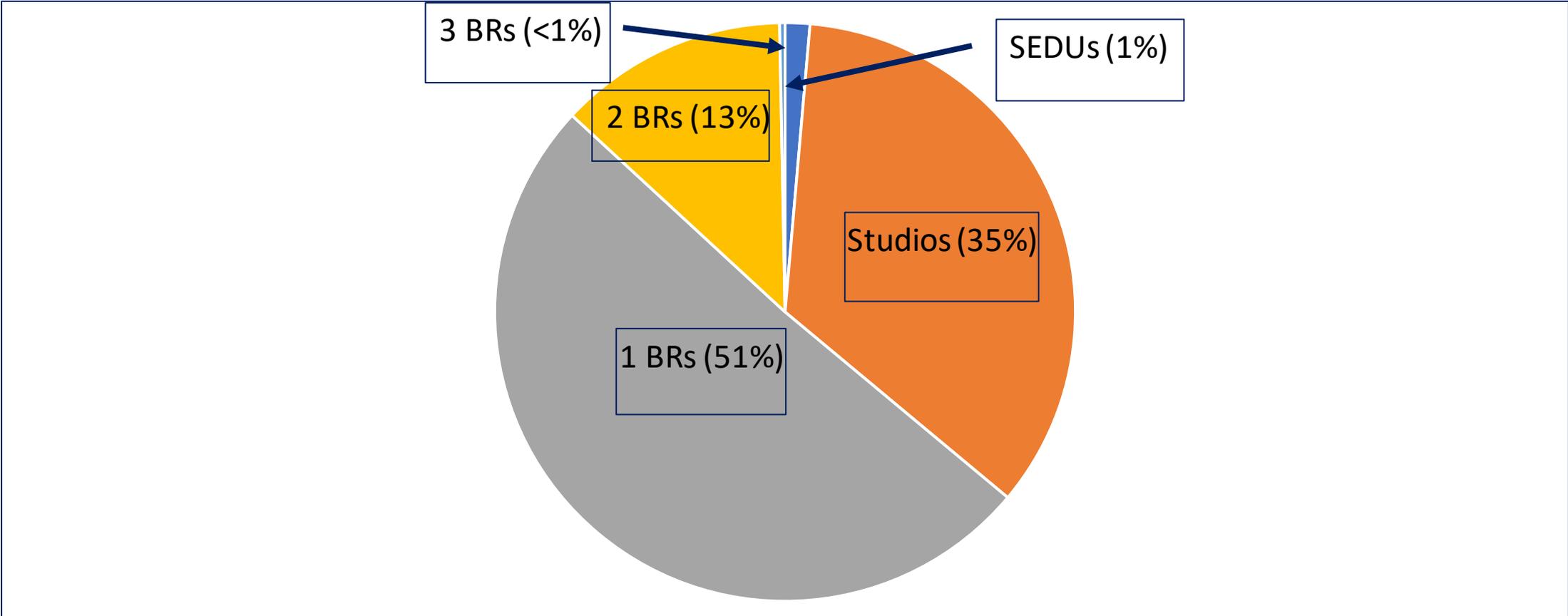
- Available in all multi-family zones
- Highest level of unit production
 - West Seattle Junction
 - South Lake Union
 - Capitol Hill
 - 23rd and Union
 - First Hill
 - Roosevelt
 - Ballard

- In Service (Rental)
- In Permitting / Under Construction (Rental)
- In Service (Owner)
- In Permitting / Under Construction (Owner)

Source: Office of Housing (2021)



MFTE 2020 Report: Unit Types



MFTE 2020 Report: Affordability Limits for All Programs

MFTE STATUS	40% AMI	50% AMI	60% AMI	65% AMI	70% AMI	75% AMI	80% AMI	85% AMI	90% AMI
PIPELINE	127	10	47	410	88	680		211	22
IN SERVICE	51		19	1,508	15	2,244	861	559	160



MFTE 2020 Report: Compliance Monitoring

- Annual compliance reports and lease-up reports
- Property file audits
- Trainings

2020 MFTE Report: Tax Impacts

TOTAL APPRAISED VALUE	\$5,229,178,509	CAPTURED APPRAISED VALUE	\$2,075,658,452	NOT CAPTURED APPRAISED VALUE	\$3,153,520,057
2021 Total Property Tax Exempted	\$70,308,106	Total Tax Captured + 1% Gains	\$20,738,544	Total Tax Not Captured + 1% Gains	\$30,776,925
		2021 City Share of Tax Revenue Captured	\$5,632,895	2021 City Share of Tax Revenue Not Captured	\$8,359,468

2020 MFTE Report: Expirations

Year MFTE Expires	Number of Expiring Market-Rate Rental MFTE Units
2021	165
2022	185
2023	143
2024	343
2025	405

Proposed Legislation: Changes to the RCW

- Changes made to RCW authorizing the MFTE program during the 2021 legislative session, including:
 - 12-year extension option
 - Tenant relocation assistance & notification requirements
 - 20-year exemption for permanently affordable homeownership
 - Labor equity requirements can now be a condition of participation

Proposed Legislation: Approach

- Local legislation to accommodate required or time sensitive changes
- Resolution with intent to address other programmatic issues during renewal
- Scheduled to provide a more detailed briefing to Committee on August 17th

Proposed MFTE Legislation: Rental Properties

- Extension option for 9 market-rate projects expiring in next 2 years with 350 MFTE units
- Proposed affordability levels for older buildings lower than what is required for new developments under Program 6
- New relocation assistance and notification requirements, per RCW

Proposed MFTE Legislation: Homeownership

- 20-year exemption for permanently affordable homeownership properties
- Must meet RCW definition of “permanently affordable homeownership”
- Allows City subsidized affordable homeownership developments currently in pipeline to take advantage of this change

Accompanying Resolution

- City's intent to address other programmatic issues when renewal is considered in 2023:
 - Achieve affordable housing
 - Advance labor equity outcomes
 - Provide an extension option for projects expiring after 2022

Questions?