

Detailed Description of Council Budget Action (CBA) FG-001-D-001

1. Reallocate \$64 million of one-time Coronavirus Local Fiscal Recovery (CLFR) funds to revenue replacement in the General Fund, and back fill this shift with JumpStart (JS) Fund. The CLFR funds will ensure that City services that support COVID response and recovery efforts are maintained in 2022.

Table 1. Coronavirus Local Fiscal Recovery Fund Impacts (\$ in 000's)

	Mayor's 2022 Proposed	Proposed Amendment (CBA FG-001-D-001)	
		Amendment	Notes
CLFR Revenue Replacement	4,500	64,176	Increased to shift revenue replacement from JS Fund to CLFR ¹
Child Care Stabilization Grants Expansion	2,400	-	Same investment now supported by JS Fund
Expanded Capital Investment in Affordable Rental Housing Production and Preservation	50,498	-	Same investment now supported by JS Fund

2. Adjust the amount of funding for Equitable Communities Initiative (ECI), Participatory Budgeting (PB), and community safety investments in a manner that, when combined with unspent 2021 carryforward results in more than \$70 million of total investment in these areas. These investments are shifted from ongoing to one-time.

Table 2. Funding adjustments and acknowledgement of 2021 Carryforward for ECI, PB, and Community Safety (\$ in 000's) (See Appendix 1 for a more detailed table)

Category	Mayor's 2022 Proposed	Proposed Amendment (FG-001-D-001)		
		2022 Appropriation	2021 Carry Forward	Total Amount for 2022
Community Safety	10,000	4,000	13,000	17,000
Continuation of Funding for Community Safety Capacity Building and other community safety investments in 2022	10,000	-	13,000	13,000
Continuation of Funding for the Community Safety Initiative	-	4,000	-	4,000
ECI Taskforce Recommendations	30,000	15,963	14,037	30,000
<i>ECI Taskforce Recommendations – uses GF</i>	12,750	3,700	9,050	12,750
<i>ECI Taskforce Recommendations that Implement JS Policies – uses JS Fund</i>	17,250	12,263	4,987	17,250
Participatory Budgeting	30,000	2,800	27,200	30,000
Grand Total	70,000	22,763	54,237	77,000

¹ This “swapping” of funds is necessary because these expenditures are not generally eligible for direct use of CLFR funds; the CLFR funds are used to address revenue shortfalls in 2022 as the City’s GF has not rebounded from COVID induced decreases and are necessary to support general government services. See appendix 4 for more details.

A proposed Statement of Legislative Intent (SLI FG-004-B-001) complements this Council Budget Action (CBA), expressing Council’s intent to work with the Executive to identify a new ongoing funding source for these community-led proposals.

3. Modify proposed expenditures from the JumpStart Fund.

- Reduce the revenue support from the JumpStart Fund to the General Fund by \$62 million, to align with the policy level of \$85 million based on the 2022 General Fund revenue forecast and Ordinance 126393 - JumpStart Payroll Expense Tax Fund;
- Change the fund source of \$4.8 million of appropriations from the GF to the JS Fund; and
- Change the fund source of \$9.7 million of appropriations from JS Fund to the GF.
- Adjust 2022 spending to reflect the November update of revenue forecasts that decreased 2022 Payroll Expense Tax revenues by \$755,150.

Table 3. Modify proposed expenditures from the JumpStart Fund (\$ in 000’s)
 (See Appendix 2 for a more detailed table)

Description	ORD 126393 (July 2021)	Mayor’s 2022 Proposed Budget	Proposed Amendment (FG-001-D-001)
GF Revenue	85,355	147,727	85,355
Administration (5%)	373	151	151
Housing (62%)	97,177	44,700	97,177
<i>Housing & Services (82%)</i>	<i>79,685</i>	<i>23,000</i>	<i>75,726</i>
<i>Community Focused (13%)</i>	<i>12,633</i>	<i>15,700</i>	<i>15,700</i>
<i>Affordable Homeownership (5%)</i>	<i>4,859</i>	<i>6,000</i>	<i>5,860</i>
Equitable Development Initiative (9%)	14,106	14,300	14,300
Economic Revitalization (15%)	23,510	10,700	22,538 ²
Green New Deal - RES 31895 (9%)	14,106	13,335	14,335
Homeless + Mental Health Services	-	3,714	- ³
Grant Total	234,627³	234,627³	233,846³

² The Mayor’s 2022 Proposed Budget was based on the August revenue forecast that included \$234.6 million of 2022 payroll expense tax revenues; the November revenue forecast update decreased 2022 payroll expense tax revenues by \$755,150. This amendment addresses that decrease before making other changes to the use of JS Funds in the 2022 Budget. The reduction is made in the economic revitalization line because the first version of this amendment (FG-001-A-001) had a \$3.1 million reserve, meaning that no specific investments included in the original amendment are impacted by this adjustment. The Mayor’s 2022 Proposed Budget would no longer support the proposed expenditures from the JS Fund due to the November forecast update.

³ This amendment would continue to fund these expenditures from the GF rather than the JS Fund.

4. Reallocate \$4.4 million of 2021 CLFR appropriated in the Human Services Department for rapid rehousing to support other Council priorities listed below. The 2021 appropriation is cut in the Year-end Supplemental Budget ORD (CB 120021) as described in CBA CBO-501-A-001. This \$4.4 million is used as follows:
 - \$308,000 CLFR funds to the Office of Sustainability and Environment (OSE) for a pilot prescription food program administered by a community health center specializing in the care of American Indians and Alaska Natives, such as the Seattle Indian Health Board (SIHB). This pilot would support low-income households, who have experienced disproportionate economic and public health impacts of the COVID-19 pandemic. The prescription food program would address food and chronic disease issues by identifying households with diet-affected health conditions such as diabetes, prediabetes, or hypertension and providing them with "food prescriptions," which would be redeemed for no-cost produce at food retailers such as traditional food vendors, grocers, neighborhood stores, farmers markets, and within Community Supported Agriculture (CSA) programs. The proposed funding would support approximately 200 households over 12 months. (Sponsor: Councilmember Morales)
 - \$3.1 million CLFR for General Fund (GF) revenue replacement to address the increased GF revenue shortfall identified in the November revenue forecast update. This "swapping" of funds is necessary to support general government services that are not generally eligible for direct use of CLFR funds. This includes:
 - \$435,000 GF to the Seattle Public Libraries to repay the costs of repairing damage due to vandalism over the last two years. (Sponsor: Councilmember Morales);
 - \$1.0 million GF to the Office of Housing (OH) for services and capacity funding for non-profit housing providers operating non-permanent supportive housing projects. In 2021, the City adopted Ordinance 126371, allocating \$1 million of CLFR funds for this purpose. OH completed a request for proposals process in October for this funding. It received 14 applications totaling \$2.5 million in requests. OH is in the process of reviewing the requests and making funding decisions; with this CBA OH can fund a larger number of the proposals. (Sponsors: Councilmembers Herbold and Mosqueda)
 - The remaining is used to support other general government services that otherwise would be reduced due to revenue decreases. See appendix 4 for more details.

Appendix 1: Detailed ECI, PB, and Community Safety Carryforward Table (\$ in 000's)

Category	Mayor's 2022 Proposed	Proposed Amendment (FG-001-D-001)		
		2022 Appropriation	2021 Carry Forward	Total Amount for 2022
Community Safety	10,000	4,000	13,000	17,000
Continuation of Funding for Community Safety Capacity Building and other community safety investments in 2022	10,000	-	13,000	13,000
Continuation of Funding for the Community Safety Initiative	-	4,000	-	4,000
ECI Taskforce Recommendations	12,750	3,700	9,050	12,750
Culturally Responsive & Inclusive Access to Healthcare	1,000	250	750	1,000
Culturally Responsive & Inclusive Direct Healthcare	1,500	375	1,125	1,500
Equity and Cultural Education	2,000	500	1,500	2,000
Equity and Cultural Education Fund	4,000	500	3,500	4,000
Farm to Table	200	50	150	200
Investment in the Food Equity Fund	750	750	-	750
Provide Resources for Wealth Education	1,800	900	900	1,800
Reentry Programs for Formerly Incarcerated individuals	1,500	375	1,125	1,500
ECI Taskforce Recommendations that Implement JS Fund Policies	17,250	12,263	4,987	17,250
Increase Environmental Justice Fund	550	550	0	550
Healthcare Career Pipeline	1,681	420	1,260	1,681
Healthcare Cost Tech Adjustment	78	78	-	78
Homeownership Development	4,875	4,875	-	4,875
Ownership Retention Program	875	875	-	875
Funding for ECI Recs on Lease to Own Program (2021 Study and 2022 Reserve)	250	-	250	250
Small Business Development Capital	4,981	3,735	1,245	4,981
Small Business Technical Assistance	2,481	1,240	1,240	2,481
Workforce Equity and WMBE Support	1,000	250	750	1,000
Youth Healthcare Career Exploration	481	240	240	481
PB	30,000	2,800	27,200	30,000
Participatory Budgeting Reserve	30,000	2,800	27,200	30,000
Grand Total	70,000	22,763	54,237	77,000

Appendix 2: Detailed JumpStart Fund Table (\$ in 000's)

Category / Proposed Investment Area	Mayor's 2022 Proposed Budget	Proposed Amendment (FG-001-D-001)	
		Amended Amount	Note
GF Revenue subtotal	147,727	85,355	
Finance General Appropriations to Special Funds	147,727	85,355	CLFR Funds replace JS
Administration subtotal	151	151	
Payroll Tax Oversight Committee Facilitation	151	151	
Housing & Services subtotal	44,700	97,177	
<i>Community Focused subtotal</i>	<i>15,700</i>	<i>15,700</i>	
Investments to Address Residential Displacement	15,700	15,700	
<i>Affordable Housing & Services subtotal</i>	<i>23,000</i>	<i>75,726</i>	
AH Production and Preservation-including construction, acquisitions, and services	-	51,526	
Investments in Affordable Housing Capital	17,000	17,000	
Services to pair with EHV's	6,000	7,300	
<i>Permanently Affordable Homeownership subtotal</i>	<i>6,000</i>	<i>5,750</i>	
Homeownership Development	4,875	4,875	
Ownership Retention Program	875	875	
Funding for ECI Rec on Lease to Own Program	250	-	See appendix 1*
EDI subtotal	14,300	14,300	
Equitable Development Initiative	14,300	14,300	
GND subtotal	13,335	14,335	
Duwamish Green Workforce Development Investments	275	275	
Duwamish Valley Program Development Projects	2,300	2,300	
Youth Leadership, Capacity Bldg, & DV Youth Corps	500	500	
Clean Buildings Accelerator Program	220	220	
Climate Implementation Plan and Calculator	300	300	
Environmental Justice Fund	550	550	
Oil Home Heating Conversions	200	200	
GND- Single Family Oil Heat Conversion	1,498	1,498	
Green Energy Apprenticeships	-	1,000	JS Funds replace GF or CLFR
Green New Deal Reserve	6,492	6,492	
Rebates for Heavy-Duty Electric Vehicles	1,000	1,000	

Attachment 1 to CBA FG-001-D-001 v2
Select Budget Committee

Category / Proposed Investment Area	Mayor's 2022 Proposed Budget	Proposed Amendment (FG-001-D-001)	
		Amended Amount	Note
Economic Revitalization* subtotal	10,700	22,537	
Child Care Stabilization Grants Expansion	-	2,400	JS Funds replace GF or CLFR
Duwamish Valley Business Relief and Response	-	275	JS Funds replace GF or CLFR
Healthcare Career Pipeline *	1,681	420	See appendix 1
Healthcare Cost Tech Adjustment*	78	78	See appendix 1
Artist Relief & Workforce Development	-	1,500	JS Funds replace GF or CLFR
Maritime and Manufacturing Strategies in OED	-	500	JS Funds replace GF or CLFR
Priority Hire Expansion	-	500	JS Funds replace GF or CLFR
Re-employment Pathways for Immigrants and Refugees	-	250	JS Funds replace GF or CLFR
Small Business Development Capital *	4,981	3,735	See appendix 1
Small Business Ownership Fund	-	7,600	JS Funds replace GF or CLFR
Small Business Technical Assistance *	2,481	1,240	See appendix 1
Workforce Equity and WMBE Support *	1,000	250	See appendix 1
Workforce Development; AH & HMLS Providers	-	750	JS Funds replace GF or CLFR
Youth Healthcare Career Exploration *	481	240	See appendix 1
Economic Revitalization Implementation Plan	-	650	See Appendix 3 for a detailed description of this appropriation.
Columbia City Patio	-	120	See footnote ⁴
Public arts and cultural/creative industry programming (ARTS-002-B-001)	-	1,500	
Workforce development for youth experiencing homelessness (HOM-003-B-001)		350	
Business outreach in Northgate (OED-004-B-001)		50	
New and emerging businesses support in Lake City (OED-005-B-001)		50	
Other (not aligned with JS Policies) subtotal	3,714	-	
Continued Funding for Crisis Connections One Call	403	-	GF replaces JS Funds
Funding for 6 Positions for KCRHA	811	-	GF replaces JS Funds
Transitional Housing (Muslim HDG Services)	100	-	GF replaces JS Funds
Non-congregate emergency shelter services	2,400	-	GF replaces JS Funds
	234,627	233,854	

*All one-time investments in 2022

*See Appendix 1 for total funding available in 2022 for these programs and services

⁴ This would provide \$120,000 of JS Funds to SDOT to upgrade the currently temporary Columbia City Patio to a permanent pedestrian and community plaza, as proposed by Councilmember Morales.

Appendix 3: Economic Revitalization Implementation Plan

This Council Budget Action would add \$650,000 to the Office of Economic Development (OED) to develop an Economic Revitalization Implementation Plan. Resolution (RES) 31957, the JumpStart Spending Plan adopted by the Council in July 2022, states that JS fund expenditures should include:

“At least \$650,000 in 2022 to contract with an organization with expertise and experience in developing a plan and can act as a catalyst to launch programs and services that will help transition a just local economy that provides stable, safe, and healthy family sustaining jobs, and advance the goals of the GND. The Council expects that, in 2021, the Executive will convene a group that includes, but is not limited to, representatives from City departments, labor organizations, small businesses, and advocates for Seattle’s GND, to develop the scope of work and to select a firm to carry out this work in 2022.”

The Executive did not convene the stakeholder group to develop a scope of work as requested, and the Council anticipates that this work will be undertaken in 2022.

Economic Revitalization Implementation Plan

Of the \$650,000 reserved for the JS Economic Revitalization Implementation Plan that would be appropriated to OED, \$550,000 will be used to identify what economic revitalization investments should be made using JS funds beginning in 2023 until the payroll expense tax sunsets at the end of 2040. This funding is intended to support creation of a plan, and initial development and administration of new programs and services, as needed. OED should collaborate with other departments, as appropriate, to identify a group of City staff and external stakeholders to develop the scope of work and select the organization to lead the development of the plan. Funds may be used to contract with a facilitator to help with this process.

In addition to the priorities included in RES 31957, development of the scope of work should consider, but not be limited to, the following:

- Existing City investments in economic revitalization and community-led economic development efforts (e.g., Equitable Development Initiative, Participatory Budgeting, Equitable Communities Initiative, Small Business Ownership Fund, etc.);
- Workforce development strategic plan (described below);
- Evolving needs of workers, businesses, nonprofits, and key industries as Seattle continues to recover from the immediate impacts of the pandemic;
- Employment trends and potential long-term impacts of remote work;
- Economic revitalization plans of other municipalities similar to Seattle; and
- Engagement with a wide variety of stakeholders (e.g., businesses of varying sizes, business organizations, travel and tourism industry representatives, labor organizations,

community organizations, and the City's advisory bodies, such as the Green New Deal (GND) Oversight Board), ensuring that this engagement is culturally responsive.

The plan should focus on what investments are needed to make Seattle a desirable place to live, work, and visit; and present a detailed strategy that identifies investments needed to address the impacts of COVID in the near term and those needed to create an economically diverse, just, and resilient city over the long term.

Workforce Development Strategic Plan (Sponsor: Councilmember Morales)

The remaining \$100,000 will be used to hire a consultant that would evaluate the City's investments in workforce development and create a strategic plan in collaboration with the City's regional workforce development partners.

The City's workforce development and youth employment initiatives are currently distributed in various departments, including OED, the Department of Finance and Administrative Services, Office of Arts and Culture, Office of Sustainability and Environment, Office of Housing, Office of Immigrant and Refugee Affairs, Human Services Department, and Seattle Parks and Recreation. While OED has been working with the Seattle Jobs Initiative, the Workforce Development Council of Seattle-King County (WDC), the Washington Roundtable's Washington Employers for Racial Equity, the Port of Seattle, and King County on issues related to workforce development, the City lacks a comprehensive approach to this effort.

The intent of the proposed strategic plan is to align the City's workforce development strategies with regional plans, such as those developed by the Central Puget Sound Economic Development District (that will be adopted in December 2021) and the WDC (adopted in January 2021). The plan should:

- Integrate with related efforts to develop an overall JS Economic Revitalization Implementation Plan (described above);
- Prioritize strategies that would reduce the racial wealth gap, address the disproportionate impacts of the pandemic, and create a more equitable economy in the long-term;
- Assess whether there are gaps in regional workforce development investments that should be addressed with City funding (JS funds or otherwise);
- Consider strategies to promote State-registered apprenticeships;
- Incorporate the City's priority to ensure a just transition for workers whose jobs currently depend on the fossil fuel industry, in accordance with the goals of the GND (RES 31895);
- Include strategies to support the creative industries, such as those identified by the City's Film Task Force, OED's Creative Sector Action Plan (to be completed in December 2021), or other relevant reports; and
- Provide a practical approach for measuring progress towards goals.

Appendix 4: General Government Services supported by the CLFR Revenue Replacement

Budget Amendment	Title	Spending Category	Amount
ARTS-003-B-002-2022	ARTS-003-B-002-2022 - Rescind ARTS-003-B-001, add \$1 million GF to ARTS for organizations that did not qualify for Shuttered Venue Operators Grant funding	Community and Small Business Recovery	1,000,000
HSD-053-B-001	HSD-053-B-001 - Add \$2.5 million GF to HSD to expand mobile mental and behavioral health crisis services	Community Safety/Mental Health	2,500,000
HSD-019-B-001	HSD-019-B-001 - Add \$1.5 million GF to HSD for mobile advocacy services with flexible financial assistance for survivors of gender-based violence	Community Safety/Mental Health	1,500,000
HSD-119	HSD-119 Regional Peacekeepers collective	Community Safety/Mental Health	1,500,000
DEEL-006-A-001	DEEL-006-A-001 - Add \$500,000 GF to DEEL to expand mental health services in schools	Community Safety/Mental Health	500,000
DEEL-001-B-001	DEEL-001-B-001 - Add \$375,000 GF to DEEL for programming for Black girls and young women and Black queer and transgender youth	Community Safety/Mental Health	375,000
DEEL-005-B-001	DEEL-005-B-001 - Add \$250,000 GF to DEEL for restorative justice programming	Community Safety/Mental Health	250,000
CSCC-002-B-001	CSCC-002-B-001 - Add \$400,000 GF and two Strategic Advisor 2 positions to the CSCC to develop an implementation plan and response protocols for contracted low-acuity 9-1-1 emergency response	Community Safety/Mental Health	400,000
HSD-005-C-001	HSD-005-C-001 - Add \$5.1 million to HSD to sustain 2021 levels of food and nutrition program funding, add 1.0 FTE Senior Grants and Contracts Specialist (term-limited), and impose a proviso	Community well being	5,136,960
HSD-146	HSD-146 Funding for services from agencies specializing in american indian and alaskan native populations	Community well being	1,200,000
FG-901-A-002-2022	Rescind FG-901-A-001, cut \$2 million CLFR Fund for a FEMA Contingency and reallocate for GF and SBT revenue replacement for food and nutrition programs and providing funding for salaries and vehicles for a staggered	Community Safety/Mental Health	2,000,000

Attachment 1 to CBA FG-001-D-001 v2
 Select Budget Committee

Budget Amendment	Title	Spending Category	Amount
	expansion starting in quarter two of the Community Safety Officer program		
HOM-012-B-001	HOM-012-B-001 - Add \$5 million GF to HSD to address facility needs to expand high-acuity shelter and behavioral health services	Housing and Homelessness	5,000,000
LEG-001-B-001-2022	LEG-001-B-001-2022 - Add \$850,000 GF to LEG to preserve staffing, address pay equity and prepare Council Chambers for hybrid in-person and virtual meetings	Reopening City Programs and Services	850,000
FG-001-D-001-2022	--\$435,000 GF to the Seattle Public Libraries to repay the costs of repairing damage due to vandalism over the last two years -\$1.0 million GF to the Office of Housing (OH) for services and capacity funding for non-profit housing providers operating non-permanent supportive housing projects		FG-001-D-001-2022
	SFD Payroll	Maintaining City Programs and Services	45,029,209
TOTAL			68,676,169*

**This includes \$4.5 million included in the Proposed Budget that used CLFR funds as revenue replacement.*