



# SEATTLE CITY COUNCIL

## Select Budget Committee

### Agenda

Wednesday, June 24, 2020

10:00 AM

Session I at 10 a.m. & Session II at 2 p.m.

Remote Meeting. Call listen line at 206-684-8566 or access Seattle Channel online.

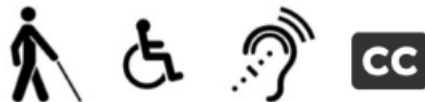
Teresa Mosqueda, Chair  
Lisa Herbold, Vice-Chair  
M. Lorena González, Member  
Debora Juarez, Member  
Andrew J. Lewis, Member  
Tammy J. Morales, Member  
Alex Pedersen, Member  
Kshama Sawant, Member  
Dan Strauss, Member

Chair Info: 206-684-8808; [Teresa.Mosqueda@seattle.gov](mailto:Teresa.Mosqueda@seattle.gov)

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# SEATTLE CITY COUNCIL

## Select Budget Committee

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June 24, 2020 - 10:00 AM

Session I at 10 a.m. & Session II at 2 p.m.

#### Meeting Location:

Remote Meeting. Call listen line at 206-684-8566 or access Seattle Channel online.

#### Committee Website:

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

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

*In-person attendance is currently prohibited per Washington State Governor's Proclamation No. 20-28.5 until July 1, 2020. Meeting participation is limited to access by telephone conference line and Seattle Channel online.*

Register online to speak during the Public Comment period at the 10:00 a.m. (Session I) or 2:00 p.m. (Session II) Select Budget Committee meeting at

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

Sign-up registration will begin two hours before the 10:00 a.m. (Session I) and 2:00 p.m. (Session II) Select Budget Committee meeting start times, and registration will end at the conclusion of each Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Submit written comments to all Councilmembers at

[Council@seattle.gov](mailto:Council@seattle.gov)

Sign-up to provide Public Comment at the meeting at

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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 206-684-8566

*Please Note: Times listed are estimated*

### **Session I - 10:00 a.m.**

#### **A. Call To Order**

#### **B. Approval of the Agenda**

#### **C. Public Comment (Part I of II)**

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

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

#### **D. Items of Business**

**1. Progressive Revenue Proposals****Supporting Documents:****Presentation**

[Jump Start Seattle Spending Plan Narrative Detail](#)

[CB 119810 - Payroll Expense Tax \(Mosqueda / González / Herbold / Strauss / Lewis\)](#)

[CB 119811 - Jump Start Seattle Spending Plan \(Mosqueda / González / Herbold / Strauss / Lewis\)](#)

[CB 119812 - 2020 COVID Relief \(Mosqueda / González / Herbold / Strauss / Lewis\)](#)

[CB 119772 - Payroll Expense Tax \(Sawant / Morales\)](#)

[CB 119773 - Interfund Loan \(Sawant / Morales\)](#)

[CB 119774 - Spending Plan \(Sawant / Morales\)](#)

**Briefing and Discussion**

**Presenters:** Dan Eder, Tom Mikesell, Aly Pennucci, and Traci Ratzliff, Council Central Staff

**Session II - 2:00 p.m.****E. Public Comment (Part II of II)**

Register online to speak during the Public Comment period at the 2:00 p.m., Session II of the Select Budget Committee meeting at <http://www.seattle.gov/council/committees/public-comment>.

Sign-up registration will begin two hours before the 2:00 p.m., Session II of the Select Budget Committee meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

**F. Items of Business**

2. **Responses to Questions asked at the Seattle Police Department (SPD) Budget Presentation on June 10, 2020**

*Supporting Documents:* [Presentation](#)

**Briefing and Discussion**

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

3. **SPD 9-1-1 Call Analysis**

*Supporting Documents:* [Presentation](#)

**Briefing and Discussion**

**Presenters:** Greg Doss, Council Central Staff; Christopher Fisher and Angela Socci, SPD

4. **City Budget Office Overview of the 2020 Rebalancing Package**

*Supporting Documents:* [Presentation](#)

**Briefing and Discussion**

**Presenters:** Ben Noble, Director, and Julie Dingley, City Budget Office; Deputy Mayor Shefali Ranganathan

**G. Adjournment**



Legislation Text

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**File #:** Inf 1657, **Version:** 1

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Progressive Revenue Proposals



SEATTLE CITY COUNCIL  
**CENTRAL STAFF**

# Payroll Expense Tax Proposals

Council Bills: 119772, 119773, 119774, 119810, 119811, 119812

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DAN EDER | TOM MIKESELL | ALY PENNUCCI | TRACI RATZLIFF

SELECT BUDGET COMMITTEE | JUNE 24, 2020

# Presentation Overview

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## Spending Proposals

- Comparison of proposals
- Estimate of housing units (CB 119811)
- Policy Considerations

## Tax Proposals

- Comparison of proposals
- Policy Considerations



# Proposed Legislation

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## **Jump Start Seattle Proposal**

- Council Bill (CB) 119810: Proposed Payroll Tax
- CB 119811: Jump Start Seattle spending plan
- CB 119812: 2020 COVID relief spending

## **Councilmembers Sawant & Morales Proposal**

- CB 119772: Payroll Tax
- CB 11973: Interfund Loan Proposal
- CB 119774: Spending plan

# Defining Acronyms

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## **AMI (Area Median Income):**

Midpoint income for a specified geographic area.

## **HH (Household)**

## **PSH (Permanent Support Housing):**

Most intensive intervention model for people who experience homelessness. Consists of affordable housing with access to flexible and individualized services.

## **O&S (Operating & Services):**

Cost to operate and provide supportive services to people living in PSH.

## **OH (Office of Housing)**

# Spending Proposals: Comparison Overview

	CB 119774 (as introduced) Sawant / Morales	CB 119811 & 119812 Mosqueda
<b>Estimated Annual Spending</b>	~\$500 million	~\$200 million <sup>1</sup>
<b>Categories of spending</b>	See slide 5	
<b>Funding Source for 2020 COVID relief</b>	Interfund loan	Emergency Fund & Revenue Stabilization Fund
<b>Oversight</b>	New Social Housing Board (elected body in 2023) – 23 members Green New Deal Oversight Board	New Payroll Tax Oversight Committee – 9 members
<b>Emergency Clause / Immediate Effective Date</b>	Yes	No

<sup>1</sup> CB 119811 assumes about \$200 million in annual spending beginning in 2022 with a small inflation adjustment; total spending in 2022 is assumed to be \$203 million.

	CB 119774 as Introduced				CBs 119811 & CB 119812					
Year	2020 <sup>1</sup>		2021 and beyond <sup>1</sup>		2020 <sup>1</sup> (CB 119812)		2021 <sup>1</sup> (CB 119811)		2022 - 2030 <sup>1</sup> (CB 119811)	
Category of Spending <sup>2</sup>	Amount	Share	Annual Investment <sup>3</sup>	Share	Amount	Share	Amount	Share	Annual Investment <sup>3</sup>	Share
COVID-19 Relief										
<i>Cash Assistance - general</i>	\$200	100%	-	-	-	-	-	-	-	-
<i>Small Business Support</i>	-	-	-	-	\$18	21%	\$17	20%	-	-
<i>Immigrant &amp; Refugee Support</i>	-	-	-	-	\$18	21%			-	-
<i>Food Security Support</i>	-	-	-	-	\$14	16%			-	-
<i>Immediate Housing (e.g., rental assistance, shelter de-intensification)</i>	-	-	-	-	\$36	42%			-	-
Continuity of Services	-	-	-	-	-	-	\$65	75%	-	-
Affordable Rental Housing & O&S	-	-	\$400	72%	-	-	-	-	\$143	65%
Green New Deal Implementation	-	-	\$133	23%	-	-	-	-	-	-
Equitable Development Initiative	-	-	-	-	-	-	-	-	\$22	10%
Business Support	-	-	-	-	-	-	-	-	\$44	20%
Start-up and administration costs	-	-	\$18	3-5%	- <sup>4</sup>	- <sup>4</sup>	\$4	5%	\$11	5%
<b>TOTAL</b>	<b>\$200</b>	<b>100%</b>	<b>\$551</b>	<b>3.2%</b>	<b>\$86</b>	<b>100%</b>	<b>\$86</b>	<b>100%</b>	<b>\$220</b>	<b>100%</b>

<sup>1</sup>\$s in millions.

<sup>2</sup>2021: CB 119774 pays back interfund loan used in 2020 to provide COVID relief. CB 119811 includes \$86 million to replenish Emergency and Revenue Stabilization Funds used in 2020 for COVID relief (not reflected above).

<sup>3</sup>Annual investment amounts represent the average over 10 years for CB 119774 and over 9 years for CB 119811.

<sup>4</sup>In 2020, the admin costs are included in the total amount provided for each investment area.

# Spending Proposals: Housing and Services Investments Comparison Overview

	CB 119774	CB 119811
Year Investments Begin	2021	2022
Annual Investment in Housing & Services in 2022	\$374 million	\$132 million
Incomes Served	≤100 percent of AMI	≤50 percent of AMI
Priority population	<i>n/a</i>	HH with incomes ≤50 AMI <i>75% of funding to ≤30% AMI</i>
Total Unit Estimate over 10 years	10,600	3,200
PSH Unit Estimate over 10 years	2,600	2,300

# CB 119811: Housing and Services Investments

## Assumptions included in all scenarios

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### **PSH Units:**

- City pays full per unit cost to develop and operate PSH units
- 20 percent of all units would be developed on land donated by the City or other entities

### **30-50 Percent AMI Units:**

- City pays the full cost to develop 80 percent of the units
- City pays about \$170k per unit to develop the remaining 20 percent of these units

### **Acquisition:**

- Units obtained through acquisition of existing buildings will service HH with incomes between 30 to 50 percent AMI

# CB 119811: Housing & Services Investments

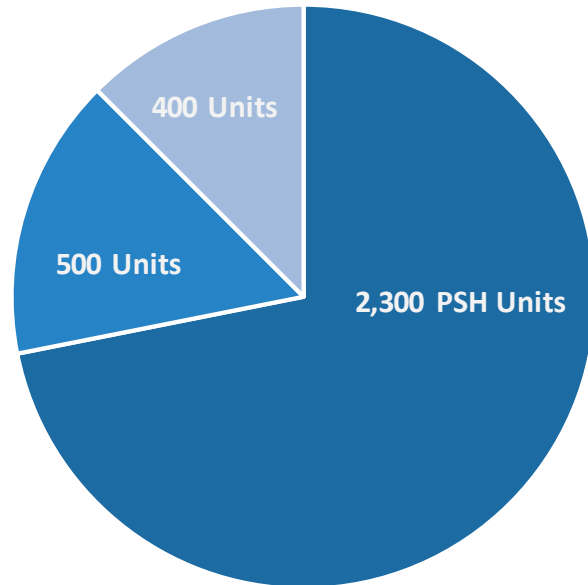
## Unit Estimate Scenarios

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Per unit cost</b>				
- Average cost (current OH labor standards)	X		X	X
- Lowest cost (assumes strategies to decrease costs)		X		
PSH O&S cost (Y2-10)	X	X		X
PSH O&S cost (Y11-20)				X

# CB 119811

## 10-year Housing Unit Estimates Scenario 1

**3,200 Total Units**  
\$236 million for O&S



■ PSH   ■ 30-50% AMI   ■ Acquisition (30-50% AMI)

### Scenario 1 Assumptions:

- **Average per unit cost assumptions**

Includes current OH labor standards required in all projects funded by the City

- **O&S costs for PSH units included annually, starting in Year 2**

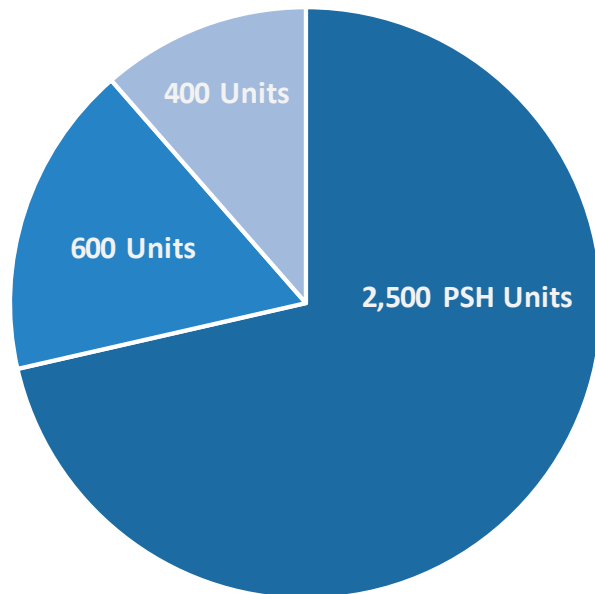
(e.g., O&S for PSH units funded in Year 1 begins in Year 2 and is funded through Year 10)



# CB 119811

## 10-year Housing Unit Estimates Scenario 2

**3,400 Total Units**  
\$259 million for O&S



■ PSH   ■ 30-50% AMI   ■ Acquisition (30-50% AMI)

### Scenario 2 Assumptions:

- **Lower per unit cost assumption**

Per unit cost reduced through strategies such as: building on publicly-owned land, relaxing certain development regulations, streamlining permitting processes, and using innovative construction methods

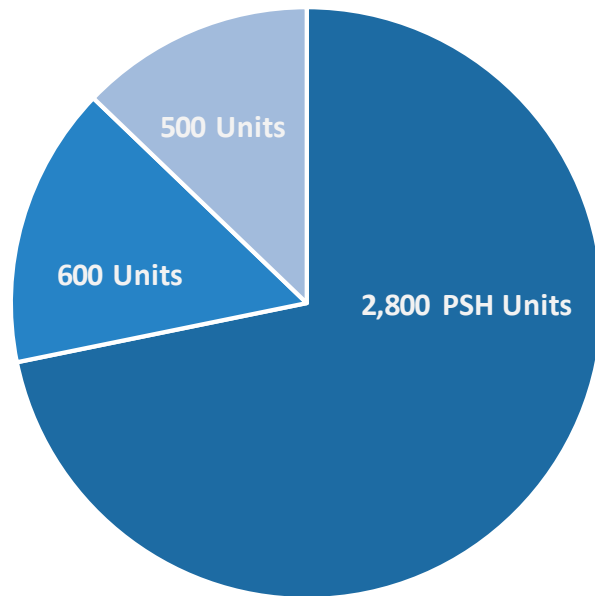
- **O&S costs for PSH units included annually, starting in Y2**

(e.g., O&S for PSH units funded in Y1 begins in Y2 and is funded through Y10)

# CB 119811

## 10-year Housing Unit Estimates Scenario 3

**3,900 Total Units**  
\$0 for O&S



■ PSH ■ 30-50% AMI ■ Acquisition (30-50% AMI)

### Scenario 3 Assumptions:

- **Average per unit cost**

Includes current OH labor standards required in all projects funded by the City

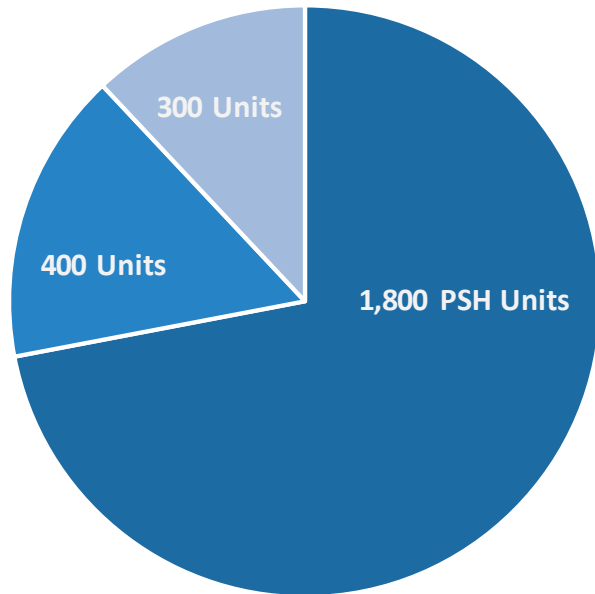
- **100% of funds used for capital investments**

Funding for O&S costs for PSH units would need to be identified from an alternative source

# CB 119811

## 10-year Housing Unit Estimates Scenario 4

**2,500 Total Units**  
\$484 million for O&S



■ PSH ■ 30-50% AMI ■ Acquisition (30-50% AMI)

### Scenario 4 Assumptions:

- **Average per unit cost**

Includes current OH labor standards required in all projects funded by the City

- **O&S costs for PSH units funded annually and covers costs through year 20**

(e.g., O&S for PSH units funded in Y1 begins in Y2 and includes saving for O&S costs n Y11-Y20)

# CB 119811: 2020 Proposed Spending Policy Considerations

## Source of Funds for 2020 Spending

- Identify alternative to use of Emergency Fund and the Revenue Stabilization Fund for 2020 spending

## Add, delete, or modify spending categories funded in 2020?

- Increase or decrease total funding amount or amount for each program/service
- Add/delete programs/services funded
- Increase or decrease amount of assistance provided, (e.g., small business assistance capped at \$10k; direct financial assistance to immigrants & refugee households capped at \$1,000)

2020 Proposed Spending	
Small Business Support	\$18 million
Immediate Housing	\$36 million
Immigrant and Refugee Support	\$18 million
Food Security Programs	\$14 million
<b>Total Spending</b>	<b>\$86 million</b>

# CB 119811: 2021 Proposed Spending Policy Considerations

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## Add, delete, or modify spending categories funded in 2021?

- Increase or decrease funding amount for each program/service
- Add/delete programs/services funded

<b>2021 Proposed Spending</b>	
Replenish Emergency & Revenue Stabilization Funds	\$86 million
Continuity of Services	\$65 million
Extend 2020 COVID Relief	\$17 million
Start-up and Administration Costs	\$4 million

# CB 119811: 2022 + beyond Proposed Spending Policy Considerations

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## **Add, delete, or modify spending categories funded in 2022 and beyond?**

- Increase or decrease funding amount for each program/service
- Add/delete programs/services funded
- Modify spending parameters (e.g., the maximum AMI served by proposed housing investments)

### **2022 + Beyond Proposed Spending**

65% Housing & Services

10% Equitable Development Initiative

20% Small Business Support

5% Start-up and administration costs

# Spending Plan - Questions?

# Tax Proposals: Comparison Overview

	CB 119772 (as introduced) Sawant / Morales	CB 119810 Mosqueda
<b>Annual Revenue</b>	\$500 million	\$173.5 million <sup>1</sup>
<b>Type of Tax</b>	Payroll Expense Tax	Payroll Expense Tax
<b>Tax Base</b>	<ul style="list-style-type: none"> <li>• Business payrolls \$7 million +</li> <li>• All compensation</li> </ul>	<ul style="list-style-type: none"> <li>• Business payrolls \$7 million +</li> <li>• Compensation \$150,000 and above</li> </ul>
<b>Rate</b>	1.3%	<p><u>Payroll \$7 million to \$999.9 million:</u></p> <ul style="list-style-type: none"> <li>• \$150,000 to \$499,999: 0.7%</li> <li>• \$500,000 +: 1.4%</li> </ul> <p><u>Payroll \$1 billion and above:</u></p> <ul style="list-style-type: none"> <li>• \$150,000 to \$499,999: 1.4%</li> <li>• \$500,000 +: 2.1%</li> </ul>

<sup>1</sup>Due to data limitations, the estimate does not include incremental revenue that may be generated from a portion (0.7%) of the rates on any businesses with payroll of \$1 billion and above.



# Tax Proposals: Comparison Overview

	CB 119772	CB 119810
<b>Exemptions</b>	<ul style="list-style-type: none"> <li>• Grocery stores</li> <li>• Governments</li> <li>• Motor fuel businesses</li> <li>• Liquor stores</li> <li>• Non-profits</li> </ul>	<ul style="list-style-type: none"> <li>• Grocery stores</li> <li>• Governments</li> <li>• Motor fuel businesses</li> <li>• Liquor stores</li> </ul>
<b>Start date</b>	June 1, 2020	January 1, 2021
<b>Sunset Clause</b>	No	<ul style="list-style-type: none"> <li>• Ten years - December 31, 2030</li> <li>• Intent for future Councils to monitor progressive tax proposals at State and King County and amend SMC</li> </ul>

# Tax Proposals: Policy Considerations

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## **Increase or Decrease Revenue Amount:**

- Change tax rates
- Add, remove or modify exemptions
- Change thresholds
  - Total payroll
  - Individual compensation
- Change tax start date

## **Add, remove or modify sunset provisions**

# Payroll Taxes - Questions?



Legislation Text

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**File #:** Inf 1659, **Version:** 1

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Responses to Questions asked at the Seattle Police Department (SPD) Budget Presentation on June 10, 2020



SEATTLE CITY COUNCIL  
**CENTRAL STAFF**

# Responses to Questions asked at the SPD Budget Presentation on June 10, 2020

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GREG DOSS, COUNCIL CENTRAL STAFF

SELECT BUDGET COMMITTEE | JUNE 24, 2020

# Demonstration Costs – May 29, 2020 to June 9, 2020

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## Historical Data - Actual Spending on Planned and Unplanned Demonstrations

Year	Planned Demonstrations	Unplanned Demonstrations
2017	\$1,855,414	\$4,468
2018	\$1,594,571	\$0
2019	\$1,158,218	\$0

- 1,296 sworn and civilian support employees were deployed in connection with the demonstrations. SPD utilized a 12-hour deployment model to ensure adequate staffing was available.
- 72,619 Overtime hours were used to staff demonstrations at a cost of \$6.3 million.

# Riot Gear and Crowd Control Weapon Spending

Gear/Weapon Type	2017	2018	2019	2020
Tactical Equipment/Riot Gear	\$109,444	\$67,649	\$191,959	\$67,478*
Other Less-than-Lethal Weapons	\$5,834	\$55,469	\$19,063	\$19,063
Tear Gas/Pepper Spray/Chemical Agents	\$17,737	\$1,060	\$9,810	\$9,810
Flash Bangs	\$3,967		\$2,299	\$2,299
<b>Grand Total</b>	<b>\$136,982</b>	<b>\$124,178</b>	<b>\$223,131</b>	<b>\$98,650</b>

\*Based on total number of rehires plus recruits graduating in 2020 (79)

SPD purchases Crowd Control Weapons from vendors that work specifically with law enforcement, including [Combined Systems](#), [911 Supply](#), and [Curtis Blue Line](#).

# Overtime Events and Emphasis Patrols – Budget & Actuals

Actual Spending on Emphasis Patrols	
Year	Emphasis Patrol Expenditures
2016	\$1,221,768
2017	\$1,215,393
2018	\$1,093,797
2019	\$2,509,873

- The 2020 Budget for Events is \$6.80 million, which approximates what the Department spent in 2019 (\$6.83 million). The Events category includes dignitary protection, concerts, street fairs, parades, fun runs, and July 4th Activities, among other items. This budget category covers planned demonstrations (\$1.15 million spent in 2019), but not “unusual occurrences” such as the recent protests.
- The City does not recover costs for planned demonstrations, which are mostly 1st Amendment Protected. Other events recover costs at between 9% and 86% according to a 2016 City of Seattle Audit.
- The 2020 Emphasis Patrol Budget is \$2.25 million, which includes \$847,863 that the Council added in one-time funding for emphasis patrols and patrol augmentation.



# SWAT and Homeland Security Budgets

## SWAT BUDGET

The 2020 Adopted Budget is \$5.54 million. This includes \$5.27 million in personnel costs (salary, benefits, overtime) for 29 FTEs and \$271,181 in non-labor expenses (operating supplies and interfund charges).

## Homeland Security Budget Breakout

Budget Category	2020 Adopted Budget
Overtime	\$10,360,755
Salaries, Wages, Other Pay	\$2,252,508
FICA, Medicare, Insurance, Pensions, etc.	\$529,570
Operating Supplies, Office Supplies, Repair and Maintenance, Fuel	\$130,927
Interfund Transfers - FAS Fleets and Maintenance	\$27,682
Copying and Printing	\$8,658
Rentals - Other	\$7,934
Interfund Transfers - ITD	\$4,201
Water, Sewer, and Solid Waste	\$4,027
Consultant Services	\$1,129
Vehicle and Equipment Maintenance	\$536
Electric	\$179
Fees - Dues and Memberships	\$57
<b>Total</b>	<b>\$13,328,163</b>

# School Resource Officers and Navigation Team

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## **School Resource Officers:**

The 2020 Adopted Budget includes \$705,590 for SPD's School Resource Officers.

- There are a total of five sworn officers assigned to local Seattle schools: four school emphasis officers (SEOs) stationed across elementary and middle schools and a fifth school resource officer (SRO) at Garfield High School.

## **Navigation Team:**

The 2020 Adopted Budget includes \$2,350,787 for the Navigation Team.

- Officers on the Navigation Team: one lieutenant, two sergeants, seven officers and two officer vacancies.

Year-to-date actual overtime for assistance to the Navigation Team totals \$47,000

- 51 SPD personnel were involved outside of the Navigation Team.

# Four Month Officer Hiring Freeze

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- In the 2020 budget process, the City committed to the hiring of 104 officers to backfill for 91 separations and add a net 13 new police officers.
- Since April, SPD has implemented a four-month hiring freeze in response to the changing landscape:
  - Decreased attrition has necessitated a slower hiring pace.
  - The Department outpaced its Q1 and Q2 hiring goals. SPD is on track to finish the year within one of its filled funded FTE level (1,424). SPD had been able to continue hiring in the wake of the April and July recruit test cancelations because several candidates from previous tests were already in the hiring process.
  - The next scheduled tests are in September and November.
- The current staffing model indicates 21 new recruits may be added in the fourth quarter of 2020. To continue to replace officers that retire or separate in next year, the Department would need to hire approximately 60 officers in 2021.

Questions?  
Additional Research?

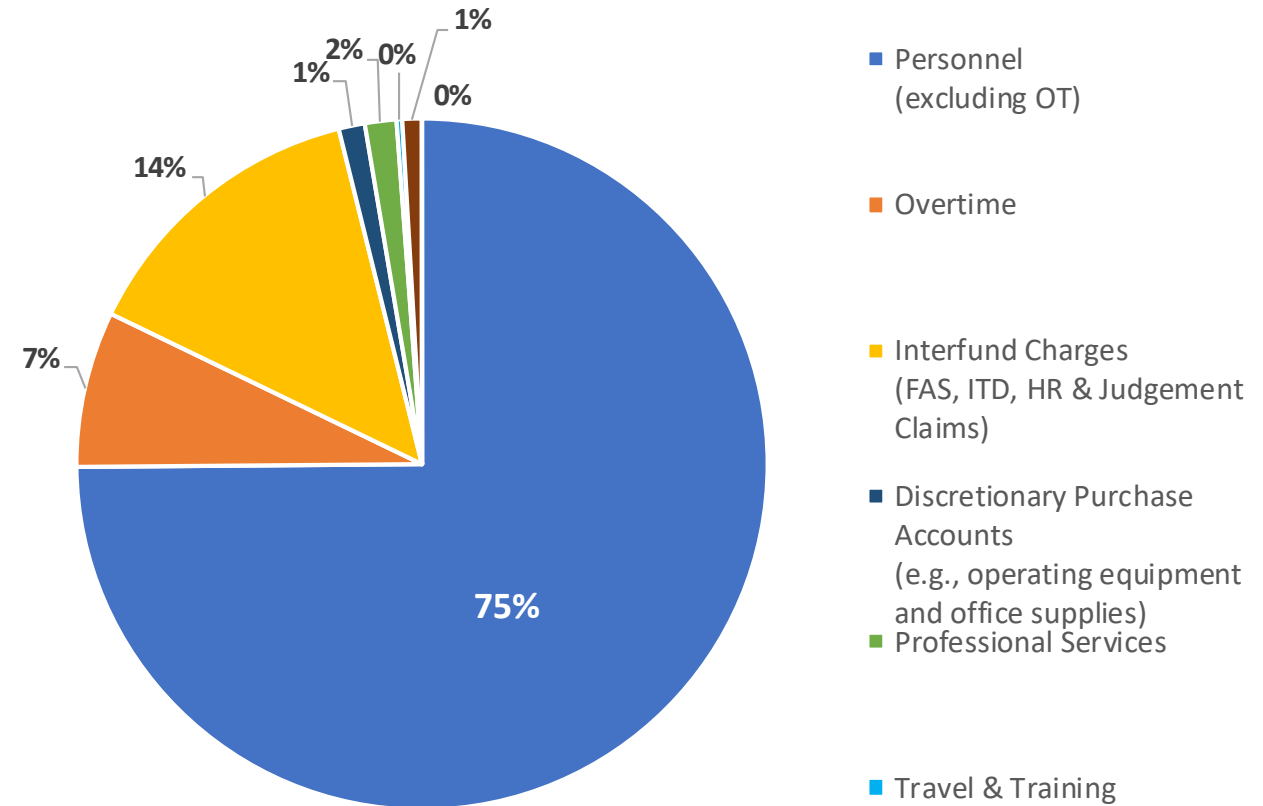
# 2020 Adopted Budget: At a Glance

Expenditure Category	2020 Adopted Budget*	% of 2020 Adopted Budget
<b>Personnel</b> (excl OT, incl Temp funding of \$326,332)	\$306,314,712	74.9%
Overtime	\$29,827,288	7.3%
<b>Interfund Charges</b> (FAS, ITD, HR & Judgement Claims)	\$57,104,148	14.0%
Discretionary Purchase Accounts (e.g., operating equipment and office supplies)	\$5,006,272	1.2%
<b>Professional Services</b>	\$6,033,932	1.5%
<b>Travel &amp; Training</b>	\$1,080,000	0.3%
<b>Other Costs (OC) Accounts</b> (e.g., fuel, utilities, etc.)	\$3,721,947	0.9%
<b>Capital</b>	\$23,451	0.0%
<b>Total</b>	<b>\$409,111,750</b>	<b>100.0%</b>

All Personnel - including OT	\$336,142,000	82%
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- Personnel (including OT) plus interfund charges represents 96% of the 2020 Adopted Budget
- Discretionary accounts (monthly purchase report) represents 1% of the 2020 Adopted Budget

\*Includes the General Fund (00100) and School Safety Traffic and Pedestrian Improvement Fund (18500)





Legislation Text

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

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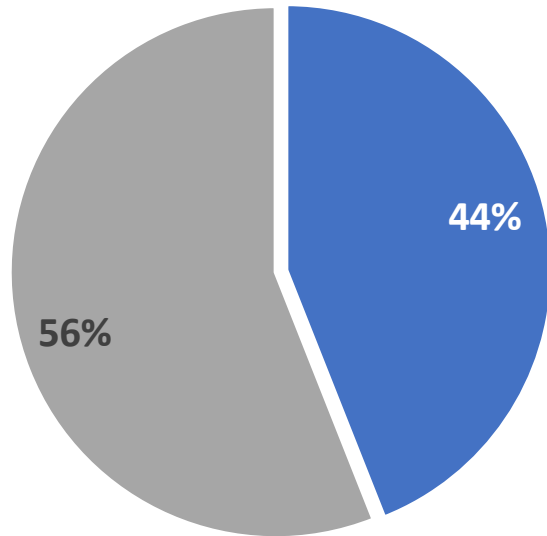
SPD 9-1-1 Call Analysis



# 2019 Dispatched Call Types

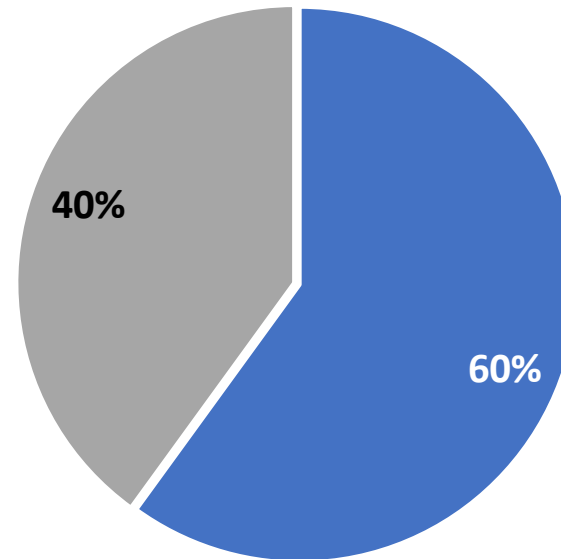
- Approximately 274,000 911 Events (including Priority 1 on-views) in 2019 (initial call classification)
  - 15% of calls that are "non-criminal" initially shift to criminal during the call

% of 911 Events



■ Criminal ■ Non-Criminal

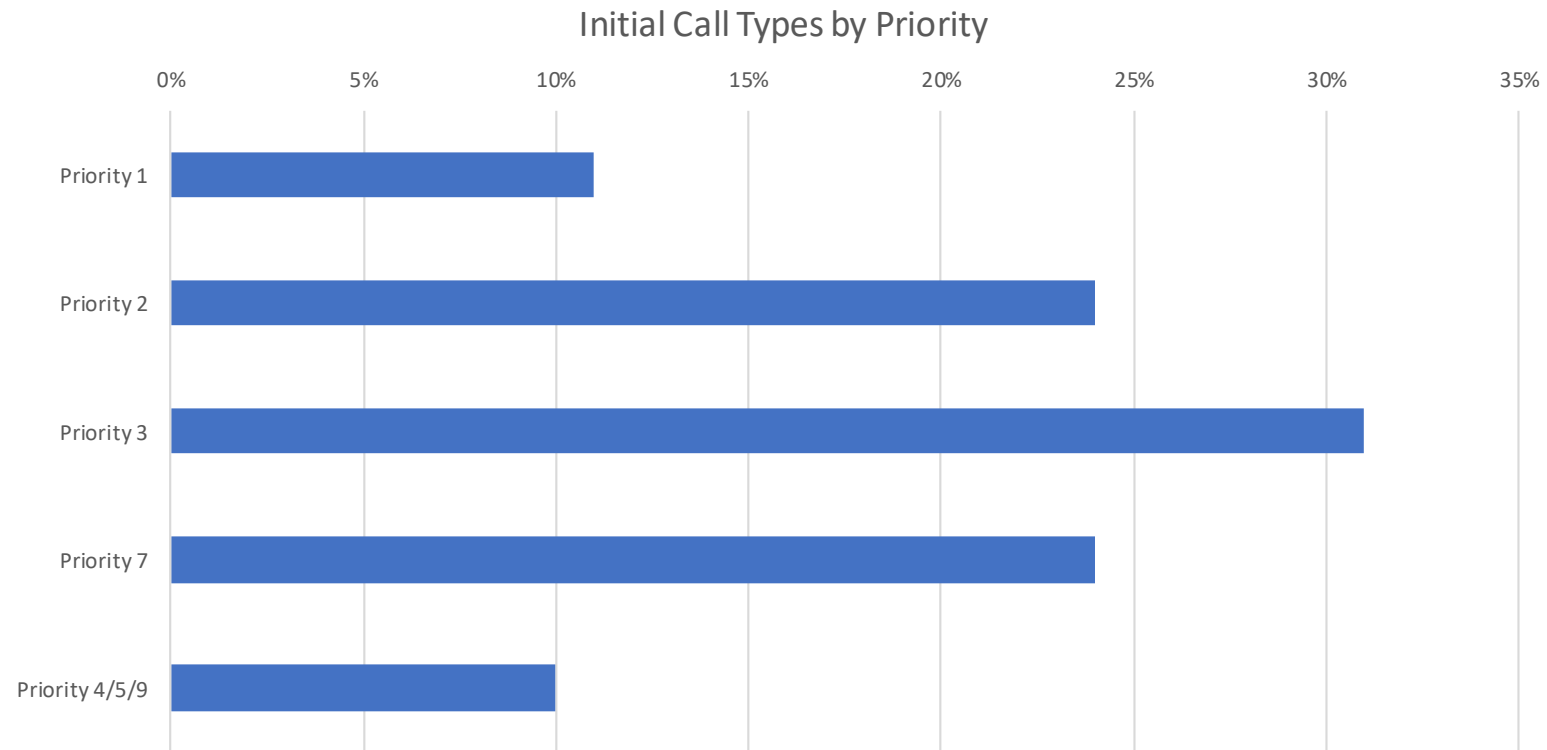
% of Service Hours by Call Type



■ Criminal ■ Non-Criminal



# 2019 Dispatched Call Types by Priority Group



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





# General Description of Call Classification

## A. Priority 1 (P/1)

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

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

**63 different call types**

## B. Priority 2 (P/2)

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

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

**43 different call types**



# General Description of Lower Priority Calls

## Priority 3 (P/3)

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

Examples:

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

**78 different call types**

## Priority 4 (P/4)

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

Examples:

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

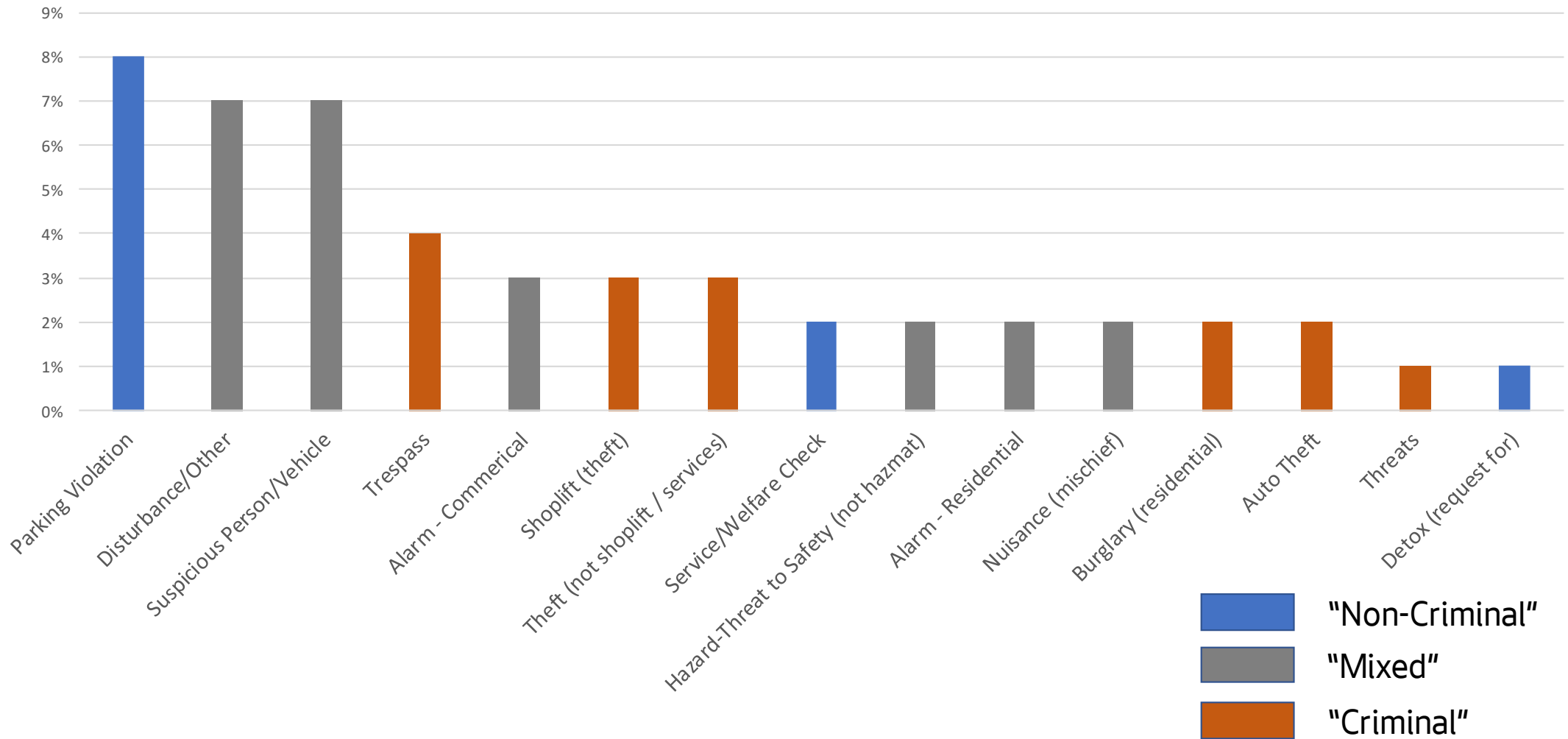
**18 different call types**



# 2019 Top 15 Dispatched Call Types by Initial Call Classification

(these account for 49% of all calls)

Top 15 Initial Call Types



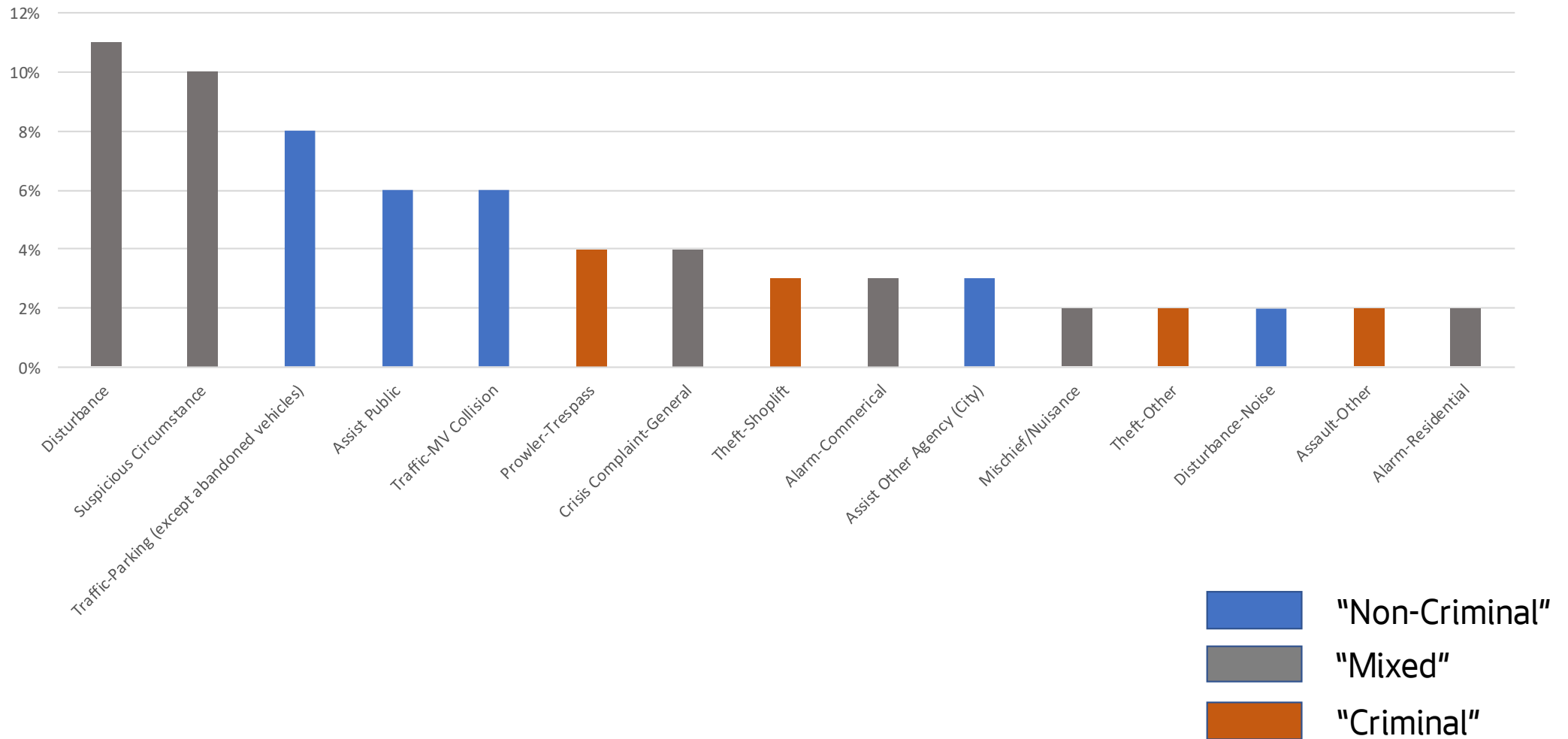
Note: 75% of Parking Violation calls are responded to by a PEO



# 2019 Top 15 Dispatched Call Types by Final Call Classification

(these account for 68% of all calls)

Top 15 Final Call Types



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



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

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



# 2019 Top 15 Call Dispositions

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



Legislation Text

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

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City Budget Office Overview of the 2020 Rebalancing Package

# Seattle COVID-19 Response and 2020 Budget Rebalancing

June 24, 2020





# Challenges Facing Our City

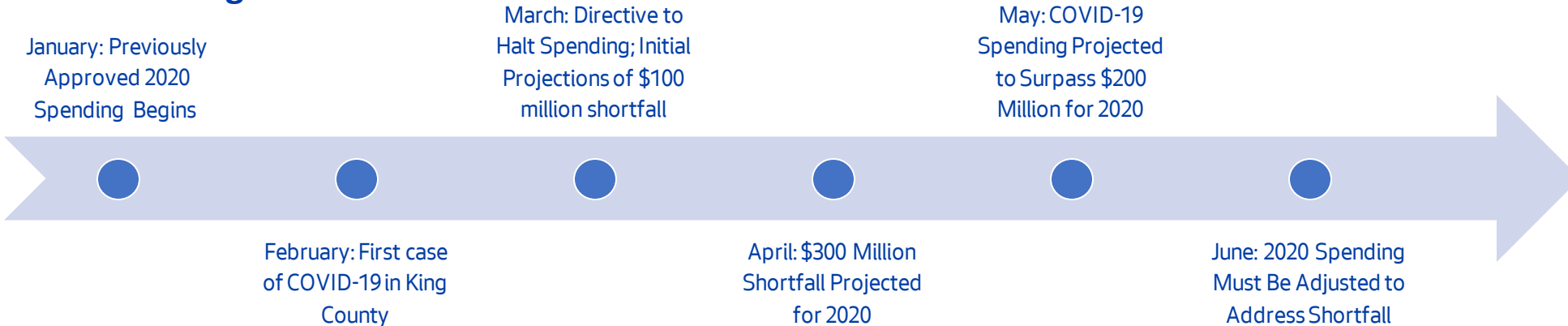
- A public health pandemic that is killing friends, families, and neighbors and COVID-19 has disproportionately impacted communities of color. Expected spending of \$233 million on COVID-19 response, focusing on the needs of the most vulnerable and BIPOC communities.
- Economic devastation and job losses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

# Budget Process Overview

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



## COVID-19 Budget Process



# Approach to COVID-19 Response

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

# Approach to SPD Budget

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

# Approach to Racial Justice Investments & Priorities

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

# Near term 2020 budget actions following community conversations

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

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

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

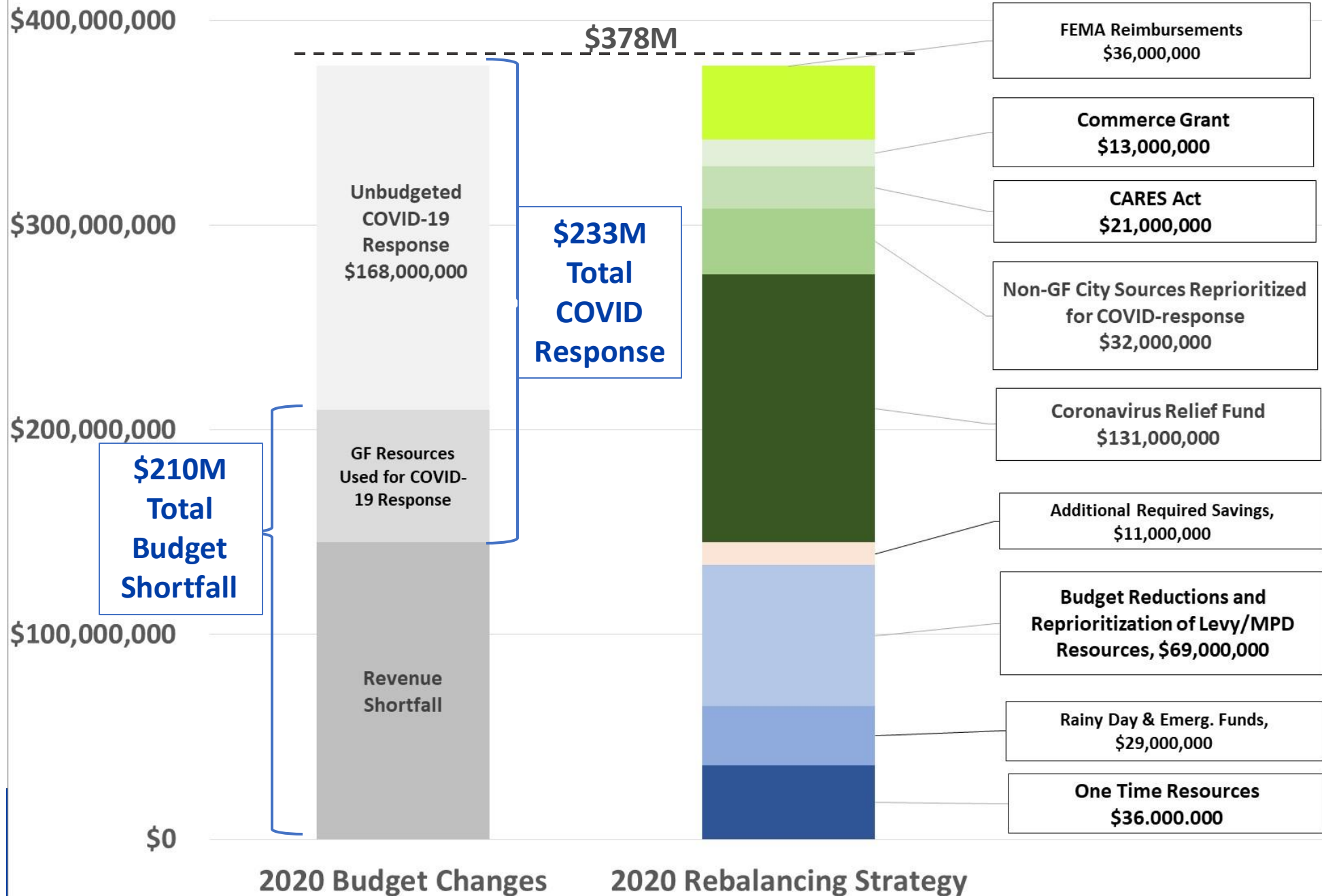
# Resources to Balance

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

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



# Rebalancing the 2020 Budget



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

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

# Total Expenditures for COVID-19 Response

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

\*Total may not match due to rounding.

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

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

\*Total may not match due to rounding.

# Protect our most vulnerable neighbors experiencing homelessness and address housing insecurity

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

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

# Protect our most vulnerable neighbors experiencing homelessness and address housing insecurity

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

## Support essential household and community needs

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

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

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

# Continue critical supports for first responders

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

\*Total may not match due to rounding.



# Maintain City services and support the City employees who provide them

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

\*Total may not match due to rounding.

# Total Expenditures for COVID-19 Response

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

\*Total may not match due to rounding.

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

## Three-part approach:

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

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

# Proposal for CRF - \$131.5 million

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

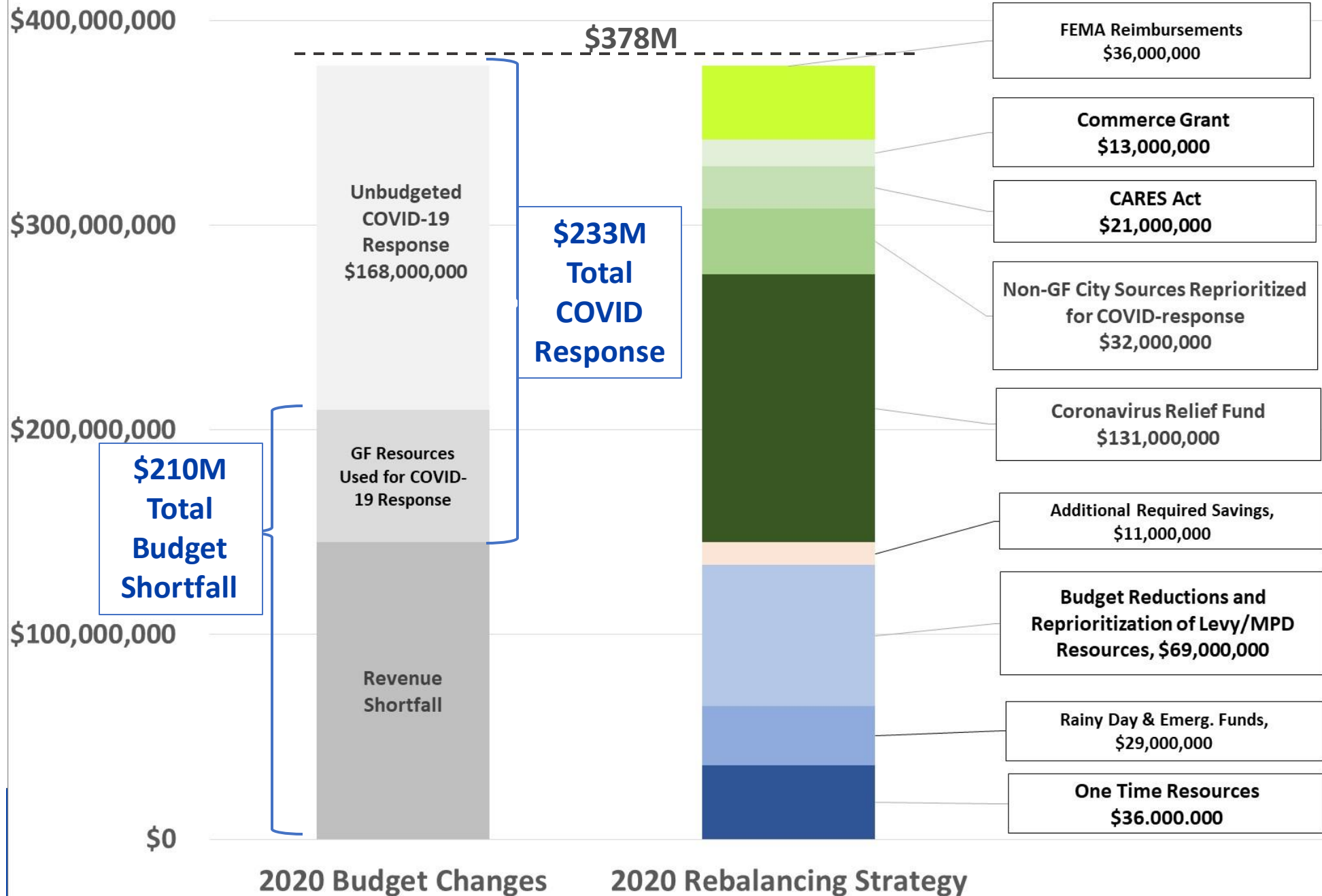
# Emerging State and Federal Sources for Addressing Homelessness

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

# COVID-19 Impact on City Resources



# Rebalancing the 2020 Budget



# One Time Resources, Reserves and the CRF

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

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



# Budget Reductions and Reprioritization of Levy & MPD Resources

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

# Reprioritization of Levy and MPD Resources - Detail

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

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

# Departmental Highlights - SPD

## Seattle Police Department

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

## CPC, OIG and OPA

- No reductions.

# Budget Changes - Departmental Highlights

## Human Services Department

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

## Department of Neighborhoods and Office of Economic Development

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

## Office of Planning and Community Development

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

## Library

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

## Seattle Center

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

# Budget Changes - Departmental Highlights

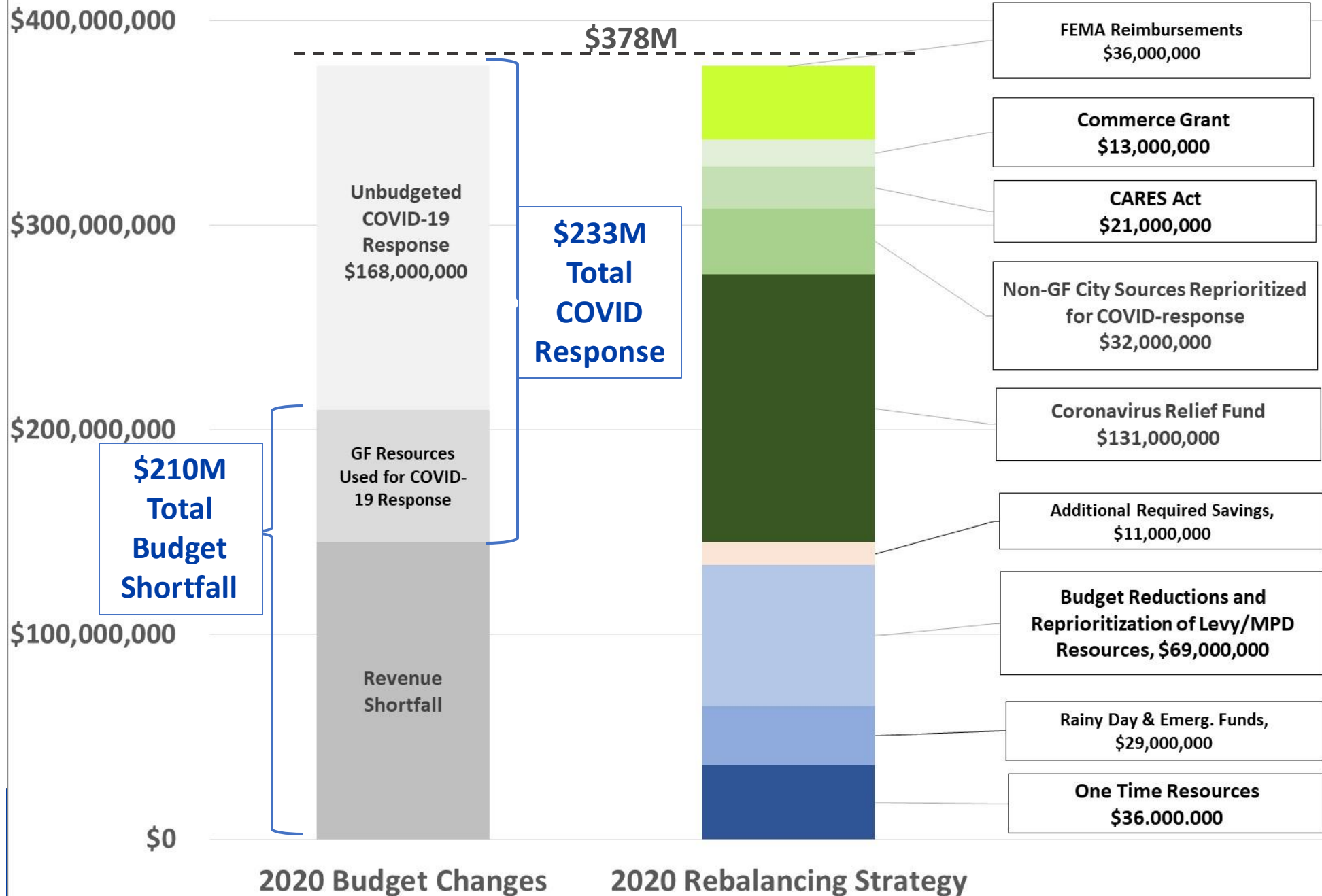
## Department of Parks and Recreation

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

## Seattle Department of Transportation

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

# Rebalancing the 2020 Budget



# Legislative Action Needed for 2020 Rebalancing

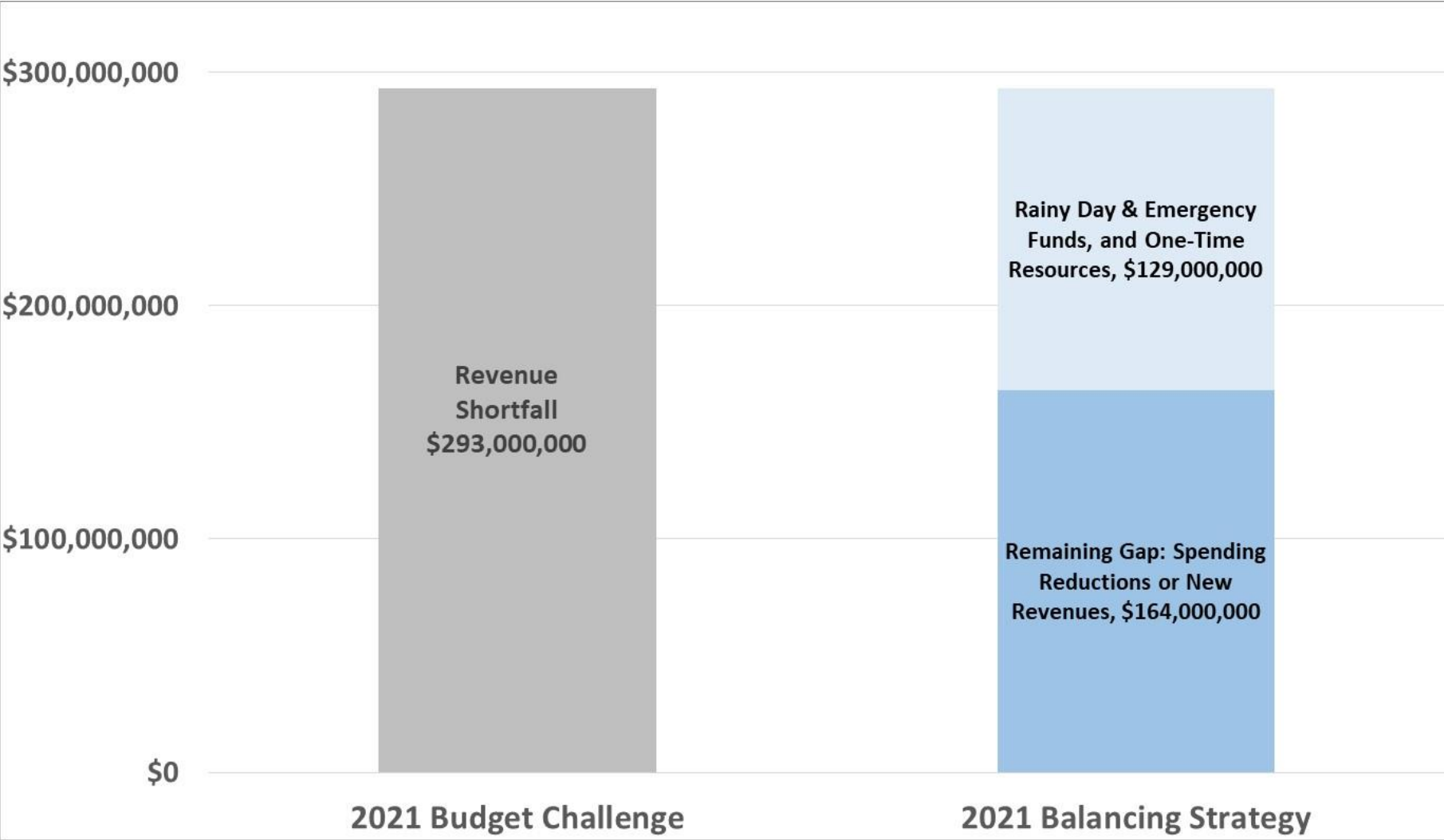
- Ordinances to reprioritize Levy and MPD resources
- Ordinance to authorize spending from the Emergency and Rainy Day Funds, and resolution to defer repayment
- Resolution to temporarily expand use of REET dollars to pay for debt service
- Second quarter supplemental and grant acceptance ordinances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

# 2021 Outlook





# Balancing the General Fund in 2021



# Key Components of 2021 Strategy

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