

2023 Seattle City Council Budget Action

Council Budget Action: Agenda

| Tab | Action | Option | Version |
|-----|--------|--------|----------|
| OED | 601 | A | 001-2023 |

Budget Action Title: Reduce proposed funding for Commercial Affordability by \$1.5 million JumpStart Fund (2023) in OED and add \$1.5 million JumpStart Fund (2023) to FG for a music education center reserve

Ongoing: No Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Tammy Morales

Council Members:

Staff Analyst: Lish Whitson

Council Bill or Resolution:

| Date | | Total | LH | TM | KS | AP | DJ | DS | AL | BC | SN |
|------|---------|-------|----|----|----|----|----|----|----|----|----|
| | Yes | 0 | | | | | | | | | |
| | No | 0 | | | | | | | | | |
| | Abstain | 0 | | | | | | | | | |
| | Absent | 0 | | | | | | | | | |

Summary of Dollar Effect

See the following pages for detailed technical information

| | 2023 Increase (Decrease) | 2024 Increase (Decrease) |
|------------------------------------|--------------------------|--------------------------|
| Other Funds | | |
| Payroll Expense Tax (14500) | | |
| Revenues | \$0 | \$0 |
| Expenditures | \$0 | \$0 |
| Net Balance Effect | \$0 | \$0 |
| | | |
| | | |
| Total Budget Balance Effect | \$0 | \$0 |

Budget Action Description:

This Council Budget Action would reduce proposed funding for the Commercial Affordability program by \$1.5 million JumpStart Fund in 2023 (one-time) in the Office of Economic Development (OED) and add \$1.5 million JumpStart Fund in 2023 (one-time) to Finance General (FG) for a music education center reserve. The funding would be used to support the development of a music education facility supporting the education and training of youth including classrooms, administrative and practice spaces, a performance hall, and a reception and café area, ideally as part of a mixed-use project that includes affordable housing. Practice room and performance space rentals may be a component of the facility, thereby supporting the local music industry. Funding is placed in Finance General pending an analysis

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and recommendation by the Executive of the best department to steward this project.

The Commercial Affordability program is a new program funded through the JumpStart Economic Revitalization funds. It is developing local strategies to address challenges of long-term affordability for small businesses. Funding in 2023 seeks to address commercial affordability on multiple platforms: 1) Individual businesses and issues related to their tenancy, and 2) Create opportunities for control of small business real estate. Additionally, OED will expand the Seattle Restored program that provides temporary spaces for microenterprises and artists to access new markets. The Commercial Affordability program would receive \$7 million JumpStart Fund in the 2023-2024 Proposed Budget. If this Council Budget Action is approved, the program would receive \$5.5 million in 2023.

Budget Action Transactions

| # | Transaction Description | Position Title | Number of Positions | FTE | Dept | BSL | Fund | Year | Revenue Amount | Expenditure Amount |
|---|---|----------------|---------------------|-----|-------------|---------------------------------------|-----------------------------|------|----------------|--------------------|
| 1 | Reserve for music education center | | 0 | 0 | FG - FG000 | FG - BO-FG-2QD00 - General Purpose | 14500 - Payroll Expense Tax | 2023 | \$0 | \$1,500,000 |
| 2 | Reduce funding for Commercial Affordability | | 0 | 0 | OED - ED000 | OED - BO-ED-X1D00 - Business Services | 14500 - Payroll Expense Tax | 2023 | \$0 | \$(1,500,000) |