

May 14, 2020

MEMORANDUM

To: Seattle City Council
From: Amy Gore, Analyst
Subject: Council Bill 119791 CARES Act Federal Grants Appropriation

On Monday, May 18, 2020, Council is scheduled to consider and vote on [Council Bill \(CB\) 119791](#), which appropriates \$1.4 million in federal grants related to the COVID-19 emergency response by amending [Ordinance 126000](#), which adopted the 2020 Budget. This legislation is in accordance with [Proclamation 20-28.1](#) because it is necessary to respond to the COVID-19 outbreak and the current public health emergency. This memo describes the Council Bill and provides next steps.

Background

On May 4, 2020, Council passed [CB 119783](#) which accepted \$14,026,978 from five federal grant sources:

- \$2,829,807 from Emergency Solutions Grant (ESG) Program
- \$426,340 from Housing Opportunities for Persons with AIDS (HOPWA) Program
- \$4,983,977 from Older Americans Act Grant
- \$146,669 from Medicare Title XIX
- \$5,640,185 from the Community Development Block Grant (CDBG) Program

During deliberation of CB 119783, Council amended the bill to make the following changes:

- Reduced appropriations of CDBG funds for the Human Services Department's (HSD's) Homelessness Prevention programs from \$1.5 million to \$705,025.
- Reduced appropriations of CDBG funds for rental assistance through United Way's HomeBase program from \$1.5 million to \$705,025.
- Decreased appropriations of CDBG funds to the Office of Economic Development for the Small Business Stabilization Fund from \$1.5 million to \$1.4 million.
- Increased appropriations of CDBG funds to the Office of Housing for the Building Stability Fund to provide rental assistance to non-profit building owners from \$1.1 million to \$1.4 million.

A total of \$1,410,045 was not appropriated to allow additional time for discussions about the best use of these funds.

Council Bill Appropriations

CB 119791 appropriates the \$1.4 million in federal grant funds accepted in CB 119783 to HSD for the purpose of shelter redistribution and deintensification. As noted in the Summary and Fiscal Note, Council's intention is that these funds will be used for shelter redistribution into non-congregate shelter (e.g., hotel rooms or tiny homes) for people experiencing homelessness and at risk of contracting COVID-19.

Next Steps

Council Bill 119791 is scheduled for a vote at the City Council meeting on May 18. The legislation includes an emergency provision and would have an immediate effective date assuming the bill is passed by three-quarters of the Councilmembers and signed by the Mayor.

If you have any additional questions or requests for amendments, please contact me at 206-386-9107.

cc: Kirstan Arestad, Executive Director
Aly Pennucci, Supervising Analyst