

**Potential Amendments
for
CB 119825 – 2020 2Q Supplemental Ordinance**

No.	Dept.	Amendment	Sponsor
13	FAS	B&O Tax Proviso	Strauss
14	HSD	Non-Congregate Shelter	Lewis
15	SDOT	SODO Trail Funding	Morales

Amendment 13

to

CB 119825 - CBO 2020 Budget Revisions Ordinance

Sponsor: CM Strauss

B&O Tax Relief Proviso

Add a new Section XX to CB 119825, as follows:

Section XX. Of the appropriation in the 2020 budget for the Department of Finance and Administrative Services, and notwithstanding powers provided to the Mayor by Section 3 of the Proclamation of Civil Emergency dated March 3, 2020, \$10,000 may not be spent until the Chair of the Council's Finance and Housing Committee files a certification with the City Clerk that the Department of Finance and Administrative Services has provided a report to the Council describing how changes to business and occupation (B&O) tax obligations for certain small businesses could be implemented, including any potential impacts to the City's revenues. This report should also consider the following:

- Potential impacts of providing a one-year deferral on B&O taxes in 2021
- Estimated impacts to B&O tax revenues in 2021, if:
 - Businesses with annual gross revenues of \$200,000 or less are exempt (rather than \$100,000).
 - Businesses with annual gross revenues of \$500,000 or less are exempt (rather than \$100,000).
 - Businesses with annual gross revenues of \$1,000,000 or less are exempt (rather than \$100,000).
 - Restaurants or breweries with 25 or fewer FTEs are exempt.
- Recommended strategies to provide B&O tax relief to small businesses in 2021.

The Council requests that FAS makes every effort to provide this report by October 1, 2020.

Aly Pennucci
Select Budget Committee
Date: July 29, 2020
Version: 1

Renumber the following sections of the bill, as appropriate.

Effect: Section 6 of CB 119812 (COVID Relief Bill) adopted on July 20, 2020 affirmed the Council's intent to consider future legislation that would reduce B&O tax obligations for small businesses.

This amendment imposes a proviso on a portion (\$10,000) of the Department of Finance and Administrative Services' (FAS) 2020 budget to require FAS conducts analysis to inform potential future actions related to providing B&O tax relief for small businesses. This proviso would be released when the Chair of the Finance and Housing Committee submits a certification to the City Clerk confirming a responsive report has been received.

Amendment 14

to

CB 119825 – 2020 Budget Revisions Ordinance

Sponsor: CM Lewis

Add \$1.7 million to HSD for non-congregate shelter and cut \$1.7 million from FAS for potential jail services savings

Amend Section 2 to CB 119825 as follows and renumber accordingly:

<u>2.X</u>	<u>Human Services</u> <u>Department</u>	<u>General Fund</u> <u>(00100)</u>	<u>Addressing</u> <u>Homelessness (HSD-BO-</u> <u>HS-H3000)</u>	<u>\$1,700,000</u>
	<u>Finance and</u> <u>Administrative Services</u>	<u>General Fund</u> <u>(00100)</u>	<u>FAS (BO-FA-JAILSVCS)</u>	<u>(\$1,700,000)</u>

Add a new Section X. to CB 119825, as follows:

Section X. Of the appropriations in the 2020 Budget for the Human Services Department Addressing Homelessness Budget Summary Level (HSD-BO-HS-H3000) in the General Fund (00100), and notwithstanding powers provided to the Mayor by Section 3 of the Proclamation of Civil Emergency dated March 3, 2020, \$1,700,000 is appropriated solely to provide non-congregate shelter and may be spent for no other purpose.

Renumber the following sections of the bill, as appropriate.

Effect: This amendment adds \$1,700,000 to the Human Services Department’s budget for non-congregate shelter, which can include tiny home villages, enhanced shelters, or hotel rooms. A proviso is imposed requiring that funds may only be used for investments in non-congregate shelter. The proviso would not limit HSD from partnering with another department, such as the Office of Housing, to acquire facilities such as hotels for non-congregate shelter.

The amendment also cuts \$1.7 million from FAS’ budget that was included in the 2020 Adopted Budget for jail contract services in anticipation of a potential extension of a waiver from King County that would reduce jail costs from October through December. If the waiver is not extended from October through December, cutting funds from FAS for the contract may result in FAS having to find some other source of funding to pay for this portion of contract costs.

Amendment 15
 to
CB 119825 – 2020 Budget Revisions Ordinance
Sponsor: CM Morales

Cut \$30,000 from DON and \$10,000 from FAS to restore funding for the SODO Trail CIP project.

Amend Section 2 of CB 119825 as follows and renumber accordingly:

Item	Department	Fund	Budget Summary Level/BCL Code	Additional Budget Appropriation
<u>2.X</u>	<u>Department of Neighborhoods</u>	<u>General Fund (00100)</u>	<u>Community Building (BO-DN-I3300)</u>	<u>(\$30,000)</u>
	<u>Department of Finance and Administrative Services</u>	<u>General Fund (00100)</u>	<u>Leadership and Administration (BO-FA-BUDCENTR)</u>	<u>(\$10,000)</u>

Amend Section 3 of CB 119825 as follows and renumber accordingly:

Item	Department	Fund	Budget Summary Level/BCL Code	BCL Appr opriation Change	CIP Project Name	Allocation
<u>3.X</u>	<u>Seattle Department of Transportation</u>	<u>Transportation Fund (13000)</u>	<u>Mobility-Capital (BC-TR-19003)</u>	<u>(\$40,000)</u>	<u>Bike Master Plan – Protected Bike Lanes (MC-TR-C062)</u>	<u>(((\$10,350,000))</u> <u>\$10,310,000</u>
		<u>General Fund (00100)</u>	<u>Mobility-Capital (BC-TR-19003)</u>	<u>\$40,000</u>	<u>Bike Master Plan – Protected Bike Lanes (MC-TR-C062)</u>	<u>((-))</u> <u>\$40,000</u>

Effect: This amendment restores \$40,000 of funding in the Bike Master Plan – Protected Bike Lanes (MC-TR-C062) CIP project to continue work on the SODO Trail in 2020. The project is proposed to be paused in the Mayor’s Rebalancing Package.

To provide funding, this amendment cuts \$30,000 from the Department of Neighborhood’s Community Building BSL (BO-DN-I3300) to reduce discretionary spending in the Find It Fix It Program, as the Department is not conducting neighborhood Find It Fix It walks during COVID-19 response.

The amendment also cuts \$10,000 from the Department of Finance and Administrative Services’ Leadership and Administration BSL (BO-FA-BUDCENTR). This reduction would impact the Department’s ability to reprioritize one-time salary savings from vacant positions for the remainder of the year; the Mayor’s proposed budget rebalancing package had assumed salary savings through June 2020.