

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
City Budget Office	Ben Noble/4-6180	Kara Main-Hester/4-8746

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE related to the City’s response to the 2020 COVID-19 crisis; amending Ordinance 126000, which adopted the 2020 Budget; accepting funding from non-City sources; changing appropriations to various departments and budget control levels, and from various funds in the Budget; declaring an emergency; and establishing an immediate effective date; all by a 3/4 vote of the City Council.

Background of the Legislation: This legislation accepts and appropriates federal funding to support the City’s response to the COVID-19 pandemic and resulting economic downturn. The federal Coronavirus Relief Fund (contained in the CARES Act, adopted on March 27, 2020) must be used for actions that the City has taken to directly respond to the public health emergency and responses to the secondary effects of the emergency such as expanded shelter, food procurement and distribution, and economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Bill Summary:

Section 1:

Makes legislative findings that an emergency ordinance is necessary to accept and appropriate these funds as quickly as possible.

Section 2:

Accepts \$131,510,477 grant from the federal Coronavirus Relief Fund.

- Items 2.1-2.42 accepts and deposits federal funding to support expenditures already realized or expected to be realized by City departments in direct response to COVID-19 or the secondary effects of COVID-19.
- Items 2.43-2.45 accepts and deposits federal funding to expand programs that will support Seattle’s vulnerable people in a time of crisis.
- Item 2.46 accepts and deposits federal funding that supports previously appropriated funds to departments. This \$65 million will support regular employees’ non-overtime work duties that, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. Examples include HSD’s work to de-intensify shelter crowding to reduce the risk of spreading the disease, SFD’s work responding to health emergencies and community testing, and OED’s work to process applications and get small business support funds out to awardees which required 55 redeployed staff from 18 departments. This amount requires no additional appropriations as they already exist in existing 2020 departmental budgets.

Section 3:

Appropriates \$66,510,477 of the funds accepted in Section 2, specifically to the following guiding principles. See Attachment A for a table of appropriations by guiding principles.

- *Respond to immediate impacts of the COVID-19 emergency and preserve ability to react as the situation evolves*
 - \$26,365,389 supports programs to support the response to the emergency including personal protective equipment for vulnerable communities, testing for the community, social distancing programs, childcare for essential workers, language access programs, cleaning and sanitation supplies, isolation and quarantine housing for healthcare workers and a contingency for unexpected expenses or those that are not reimbursed through other funding sources as expected.
- *Protect our most vulnerable neighbors experiencing homelessness and address housing insecurity*
 - In addition to the funding provided through the FEMA Public Assistance program, \$2,948,217 will support de-intensification of shelter programs, additional tiny house shelter, hygiene and shower facilities, sanitation programs, and facemasks for persons experiencing homelessness.
 - \$4,000,000 (Item 3.43) will support an expanded investment in existing contracts to provide rental assistance for low income households (<60% of AMI) who are economically impacted by COVID-19, including through HSD's Homelessness Prevention programs administered by community-based organizations and through the United Way's HomeBase rental assistance programs.
 - \$4,000,000 (Item 3.44) to the Office of Housing for Affordable Housing Rent Assistance to provide rental assistance to tenants who reside in City-funded affordable housing buildings in the OH portfolio. These buildings already operate under rent caps, but in many cases do not have operating subsidies, and thus are dependent on rent payments to sustain basic building operations. Through this efficient approach, rent assistance would benefit low income tenants (<60% of AMI) and also help stabilize buildings and non-profit organizations.
 - Funding is in addition to additional appropriations from the Federal Community Development Block Grants (CDBG), Emergency Solutions Grant (ESG), Department of Commerce grant and likely reimbursement from the FEMA Public Assistance program.
- *Support essential household and community needs*
 - \$14,975,000 for food banks and other food programs to provide groceries to those households experiencing economic instability.
 - Funding is in addition to State programs and likely reimbursement through the FEMA Public Assistance program.
- *Continue critical supports for first responders*
 - \$2,261,349 to support expenditures already realized or expected for specialized personal protective equipment, testing for first responders and isolation/quarantine housing for first responders exposed to COVID-19.

- *Maintain City services and support the City employees who provide them*
- \$10,000,000 for expenses related to reopening in-person customer service facilities, providing City employees with appropriate PPE, de-intensification of the workplace, and health screening including testing.
- \$1,960,522 for overtime and temporary labor for mitigating and responding to the COVID-19 health emergency. Examples include SFD overtime required to backfill for firefighters who are quarantined or in isolation due to exposure to COVID-19, HSD temporary labor for staffing City-run shelters, SPR overtime and temporary labor for encouraging social distancing at parks, and SDOT overtime and temporary labor for running the Safe and Healthy Streets program.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? X Yes ___ No

Appropriation change (\$):	General Fund \$		Other \$	
	2020	2021	2020	2021
	\$42,950,174	-	\$23,560,302	-
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2020	2021	2020	2021
	\$107,950,174	-	\$23,560,302	-
Positions affected:	No. of Positions		Total FTE Change	
	2020	2021	2020	2021
	-	-	-	-

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
 No.

Is there financial cost or other impacts of *not* implementing the legislation?

The City’s budget, already facing serious financial shortfall in 2020, would be in a yet worse position if these funds were not accepted and appropriated.

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

The full individual list of \$66,510,477 of new appropriations is detailed in Section 3 of the Ordinance. An explanation of these items is found above, and in Summary Attachment A.

Is this change one-time or ongoing?

One-time

3.b. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

The full individual list of where revenues from the \$131,510,477 Coronavirus Relief Fund Package are accepted is detailed in Section 2 of the ordinance.

Is this change one-time or ongoing?

One-time

3.c. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

This is a revenue acceptance/appropriation bill that impacts multiple City departments, as described above.

b. Is a public hearing required for this legislation?

No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

e. Does this legislation affect a piece of property?

No.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

The impacts of the COVID-19 pandemic and measures taken to combat it disproportionately impact vulnerable communities, including people experiencing homelessness and people with low incomes. This bill aids the City's ability to mitigate the negative impacts on those communities as well as the community at large.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

N/A

List attachments/exhibits below:

Summary Attachment A – Table of Appropriations by Guiding Principle