

2023 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
HSD	038	C	001-2023

Budget Action Title: Add \$2.0 million GF (2023) and \$2.0 million GF (2024) in HSD to contract with the Public Defender Association for the Let Everyone Advance with Dignity (LEAD) and CoLEAD programs

Ongoing: No Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Lisa Herbold

Council Members:

Staff Analyst: Amy Gore

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)
General Fund		
General Fund Revenues	\$0	\$0
General Fund Expenditures	\$2,000,000	\$2,000,000
Net Balance Effect	\$(2,000,000)	\$(2,000,000)
Total Budget Balance Effect	\$(2,000,000)	\$(2,000,000)

Budget Action Description:

This Council Budget Action would add \$2.0 million GF (one-time) in 2023 and \$2.0 million GF (one-time) in 2024 to the Human Services Department (HSD) to increase funding for a contract with the Public Defender Association (PDA) for the Let Everyone Advance with Dignity (LEAD) and CoLEAD programs.

The PDA developed and manages the LEAD arrest diversion program, and during the pandemic it implemented CoLEAD, an intensive outreach and case management program that provides temporary lodging at hotels as well as wraparound, on-site services. The City has provided funding to the PDA for several years, with that funding increasing more recently, from \$2.3 million in 2019 to \$10.4 million in 2022. The 2023 Proposed Budget includes \$13.2 million for LEAD and CoLEAD. This increase would bring the total to \$15.2 million in 2023. The PDA currently provides services to approximately 600 active LEAD clients, lodging and services to up to 72 CoLEAD clients, and aftercare to an additional

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approximately 60 CoLEAD clients.

Base funding of \$6.7 million for LEAD and \$4.7 million for CoLEAD in the 2023-2024 Proposed Budget was established by applying an inflator to the City's 2022 funding for these programs. This funding supports the continuation of the programs at their current City-funded capacity levels. The 2023-2024 Proposed Budget also includes one-time and ongoing funding (\$2.5 million GF in 2023) to transition current CoLEAD clients from hotel rooms into Tiny House Village units, where PDA staff will continue to provide wraparound, on-site services. In addition, due to stalled program expansion since 2020, the PDA currently has over 200 approved referrals to the LEAD program. This Council Budget Action would also provide funding sufficient to expand LEAD's capacity while the PDA explores other ongoing funding sources, consistent with the program-growth goal established in Resolution 31916, which the Council adopted in 2019.

Resolution 31916 stated, "The City intends that the LEAD program operate at scale by 2023, with 'scale' understood to mean that the program will have appropriate funding to accept all priority qualifying arrest and social contact referrals citywide" pursuant to the organization's operational protocol for referrals and with an intent that scaling would be "supported through a secure mix of public funding sources, including City funding and some combination of County, state, federal, and Medicaid funding." In 2020 the Council increased funding for LEAD from \$2.6 million to \$6.1 million, which was accompanied by a \$1.5 million grant to the PDA from the Ballmer Foundation. During 2020, in response to the COVID pandemic, LEAD used a portion of its funding to launch CoLEAD. LEAD faced a shortfall in funding in 2021 from the expiration of the Ballmer Foundation grant and other increasing costs and generally stopped accepting new referrals. As a result, in June 2021, the Council provided an additional \$3 million for LEAD through Ordinance 126375, which brought total City funding for LEAD and CoLEAD to \$9.2 million. At that time, CoLEAD was an ongoing program but funding for LEAD and CoLEAD were commingled.

The 2022 Proposed Budget included \$6.5 million for LEAD and CoLEAD, and Council added an additional \$3.9 million for a total of \$10.4 million in the 2022 Adopted Budget. Three million dollars of the \$3.9 million was intended to restore LEAD funding to its level in the 2021 Adopted Budget; \$900,000 was intended to increase program capacity beyond the capacity assumed in the 2021 Adopted Budget. Because the additional funding was not released until late this year, the PDA was not able to use it as planned to support LEAD activities, and it used this one-time LEAD underspend to subsidize the CoLEAD program. The 2023-2024 Proposed Budget will allow HSD to establish separate itemized budgets for LEAD and CoLEAD and provides for the sustainment of both programs' City-funded capacity levels. This Council Budget Action would provide additional \$2.0 million funding in both 2023 and 2024 to support the expansion of LEAD while the PDA explores other ongoing funding sources.

HSD would work with the PDA in 2023 to understand the impact of the additional funding on LEAD program growth and, more generally, how increased funding affects service provision to LEAD clients.

Budget Action Transactions

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BSL	Fund	Year	Revenue Amount	Expenditure Amount
1	Add funding to support contract with the PDA for LEAD and CoLEAD		0	0	HSD - HS000	HSD - BO-HS-H4000 - Supporting Safe Communities	00100 - General Fund	2023	\$0	\$2,000,000
2	Add funding to support contract with the PDA for LEAD and		0	0	HSD - HS000	HSD - BO-HS-H4000 - Supporting Safe Communities	00100 - General Fund	2024	\$0	\$2,000,000

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CoLEAD									
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