

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
City Budget Office	Ben Noble/4-6180	Adam Schaefer-4-8358

*\* 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.

**Summary and background of the Legislation:** This legislation follows in the path of previous legislation that accepted federal funding to support expanded shelter, food distribution, rental assistance and small business support to accept and appropriate state funding related to the COVID-19 pandemic crisis and response. This bill:

- 1) Makes legislative findings that an emergency ordinance is necessary to accept and appropriate these funds as quickly as possible.
- 2) Accepts a \$13,000,000 grant from the Washington Department of Commerce related to the COVID-19 pandemic crisis and response.
- 3) Appropriates the funds accepted, specifically:
  - **\$3,300,000 to sustain funding for Permanent Supportive Housing (PSH)**  
This item backfills funding for Human Services Department investments in Permanent Supportive Housing (PSH) which were to be funded with revenues from the City’s new Short-Term Rental Tax. The economic slowdown caused by COVID-19 has led to a significant reduction in revenues from this tax. To avoid risk to these investments, the City will use a portion of the Washington State Department of Commerce grant for PSH services to ensure there is no gap in service. This action will mitigate the current risk to contracts supporting Downtown Emergency Service Center, Plymouth Housing Group, Catholic Community Services of Western Washington, and Compass Housing Alliance.
  - **\$2,500,000 for Food Support at PSH Sites**  
This item provides resources for meal and grocery delivery at Permanent Supportive Housing sites throughout the city for up to six months. Social distancing recommendations issued by Public Health Seattle – King County (PHSKC) in response to the COVID-19 emergency have inhibited access to healthy meals for residents of Permanent Supportive Housing units. Residents typically make frequent use of food banks and congregate meal programs, which have been forced to change their service delivery models. At the same time, residents of these units are disproportionately at high risk for the more severe symptoms of COVID-19. This funding will allow the City to contract with local food and meal providers to ensure

residents of PSH units continue to receive meal service for up to six months while minimizing health and safety risks.

- **\$4,850,000 for Shelter and PSH enhancements necessitated by COVID and opportunity to redirect \$1,400,000 previously appropriated toward rental assistance.**

The Human Services Department has partnered with King County and the region's shelter service providers to implement measures to slow the spread of COVID-19 within the homeless population. As a result, Emergency Shelter, Day and Hygiene Center programs and Permanent Supportive Housing providers have incurred substantial costs to deliver services under these new models. These new grant funds will provide resources to help homeless services providers meet PHSKC social distancing and program delivery recommendations. This funding will be made available through RFP for impacted service providers to help cover a portion of these unanticipated costs. The funds accepted will also provide the opportunity for HSD to administratively redirect the \$1.4 million appropriated in Ordinance 127084 towards rental assistance, and restore overall rental assistance funding to the \$4,980,140 that was originally proposed and has been a concern for the City Council. (See chart below for detail on purposes for funds appropriated in Ordinances 126074, 126084, and this proposed bill.)

- **\$1,600,000 for Shelter Expansion Transition Period**

In response to the recommendations of PHSKC, the Human Services Department has pursued a shelter de-intensification strategy to slow the spread of COVID-19 in the homeless population. These efforts have resulted in emergency spending of approximately \$800,000 per month, which will be submitted by the City's Office of Emergency Management to FEMA for reimbursement. There is a likelihood that the City's shelter de-intensification strategy may need persist beyond the eventual end date that will be set by FEMA for reimbursable actions. This funding will support a two-month extension of the City's shelter de-intensification work beyond the end of the FEMA emergency.

- **\$750,000 for Hygiene Services Transition Period**

As a response to the COVID-19 pandemic, Seattle Public Utilities has procured and placed portable toilets, handwashing stations, and two mobile hygiene trailers with shower stalls in publicly-accessible locations throughout the City of Seattle. These facilities supply basic hygiene provisions to people experiencing homelessness and compensate for de-sheltering and for closures of community centers and public libraries. The City is pursuing reimbursement for the cost of these services from FEMA, under the current federal emergency declaration. This legislation provides funding for this programming in the likely event activities are extended beyond the declared emergency.

- **\$498,120 for Senior Food and Meals**

This item adds appropriation authority to the Supporting Affordability & Livability BSL, further expanding the \$4,983,977 appropriation made for senior food and meals in CB 126074 on May 4<sup>th</sup>. This appropriation is backed by revenue from a Federal Older American's Act grant and will provide nutrition programs to older adults in support of the City's response to COVID-19.

**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
	\$750,000	-	\$12,748,120	-
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2020	2021	2020	2021
	\$750,000	-	\$12,748,120	-
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?  
 No.

**3.a. Appropriations**

X This legislation adds, changes, or deletes appropriations.

Fund Name and number	Dept	Budget Control Level Name/##*	2020 Appropriation Change	2021 Estimated Appropriation Change
Human Services Fund (16200)	HSD	Addressing Homelessness (BO-HS-H3000)	\$3,300,000	-
Human Services Fund (16200)	HSD	Addressing Homelessness (BO-HS-H3000)	\$4,850,000	
Human Services Fund (16200)	HSD	Supporting Affordability and Livability (BO-HS-H1000)	\$2,500,000	

Human Services Fund (16200)	HSD	Addressing Homelessness (BO-HS-H3000)	\$1,600,000	
General Fund (00100)	SPU	Utility Service and Operations (BO-SU-N200B)	\$750,000	-
Human Services Fund (16200)	HSD	Supporting Affordability and Livability (BO-HS-H1000)	\$498,120	
<b>TOTAL</b>			<b>\$13,498,120</b>	<b>-</b>

\*See budget book to obtain the appropriate Budget Control Level for your department.

**Is this change one-time or ongoing?**

One-time

**3.b. Revenues/Reimbursements**

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

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**

Fund Name and Number	Dept	Revenue Source	2020 Revenue	2021 Estimated Revenue
Human Services Fund (16200)	HSD	Washington Department of Commerce	\$12,250,000	-
General Fund (00100)	SPU	Washington Department of Commerce	\$750,000	-
Human Services Fund (16200)	HSD	Federal Older American's Act grant	\$498,120	
<b>TOTAL</b>			<b>\$13,498,120</b>	<b>-</b>

**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:**