

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
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** 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 relating to grant funds from non-City sources; amending Ordinance 126237, which adopted the 2021 Budget; authorizing the Mayor or Mayor’s designees to accept specified grants and execute related agreements for and on behalf of the City; changing appropriations to various departments; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: In order to mitigate the impacts of the COVID-19 pandemic, the United States Treasury allocated \$25 billion in Emergency Rental Assistance funding in December 2020, of which the City of Seattle will receive approximately \$22.7 million. The funding will be allocated as follows:

- \$8M sub-award to the United Way of King County (UWKC) as a subrecipient to provide rental assistance (including rent arrearages) through the Office of Housing. Up to 10% of this may be used by the United Way for administrative costs.
- \$7M through the Office of Housing to assist tenants in publicly-subsidized rent- and income-restricted affordable housing. Of this total, 10% will be used for administrative costs, which includes 1.0 FTE term-limited Senior Grants & Contracts Specialist, as well as the purchase of a technology solution that will benefit all components of the grant and all partner agencies.
- \$6.2M to community-based organizations to achieve targeted racial equity outcomes. Funds will be awarded to agencies that have an established track record of serving communities that 1) have been disproportionately impacted by Covid-19; and, 2) have a disproportionate need for rental assistance; and that have experience in managing rent assistance and/or homeless prevention dollars particularly during the current Covid-19 public health emergency. Funding can be used for rent assistance and other housing related costs including internet services, and homelessness prevention services. Up to 10% of this may be used by the recipient agencies for administrative costs.
- \$1.5M for SCL/SPU emergency utility assistance to customers who have outstanding balances on their utility bills and are eligible for current emergency assistance programs. Of this amount, \$1M would be allocated to SCL and \$500,000 to SPU. It is anticipated that these funds would reduce arrearages thereby helping to prevent rental evictions.
 - o SCL – this would provide assistance to approximately 215 UDP delinquent accounts and fund up to 2% of the non-UDP customer delinquent amounts.

- SPU – these amounts would help 119 SPU UPD customers with their combined arrears of \$240,000 in excess of the emergency assistance credits SPU can provide. In addition, it can help roughly 5% of the 2156 non-UDP customers who have combined delinquent balances of \$4.8 million beyond the emergency assistance SPU is able to provide.

The recommended funding allocation builds upon successes accomplished through City-funded COVID-19 rent assistance delivery in 2020 and expands partnerships to further racial equity outcomes. The recommended funding allocation reflects national best practices to: 1) allocate rent assistance to renters most vulnerable to COVID-19’s health and economic impacts, particularly, communities of color; 2) administer rent assistance funds through existing channels; and 3) target resources to those with the lowest incomes.

To ensure racially equitable outcomes the recommended funding allocation includes awards to community based organizations with expertise serving populations who have been disproportionately impacted by COVID-19 and awards offered to providers of publicly-subsidized rent- and income-restricted affordable housing. This reflects input from BIPOC-led community-based organizations and national best practices, which both recommend partnerships with organizations embedded in communities most impacted by housing instability and 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 \$	
	2021	2022	2021	2022
			\$21,222,605	
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2021	2022	2021	2022
			\$22,722,605	
Positions affected:	No. of Positions		Total FTE Change	
	2021	2022	2021	2022

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 would forego \$22.7 million of federal funding directly made available to the City in order to provide residents with emergency rental and utility assistance.

3.a. Appropriations

X This legislation adds, changes, or deletes appropriations.

Fund Name and number	Dept	Budget Control Level Name/#*	2021 Appropriation Change	2022 Estimated Appropriation Change
Low-Income Housing Fund (16400)	Exec (OH)	Multifamily Housing (BO-HU-3000)	\$20,522,605	
Office of Housing Fund (16600)	Exec (OH)	Leadership & Administration (BO-HU-1000)	\$700,000	
TOTAL			\$21,222,605	

*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

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

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2021 Revenue	2022 Estimated Revenue
Low-Income Housing Fund (16400)	Exec (OH)	US Treasury – Emergency Rental Assistance Funds	\$20,522,605	
Light Fund (41000)	City Light (SCL)	US Treasury – Emergency Rental Assistance Funds	\$1,000,000	
Water Fund (43000)	Seattle Public Utilities (SPU)	US Treasury – Emergency Rental Assistance Funds	\$500,000	
Office of Housing Fund (16600)	Exec (OH)	US Treasury – Emergency Rental Assistance Funds	\$700,000	
TOTAL			\$22,722,605	

Is this change one-time or ongoing?

One-time

3.c. Positions

_____ This legislation adds, changes, or deletes positions.

Position Notes: OH proposes addressing its administrative needs with a term-limited out-of-class position for a Senior Grants & Contract Specialist.

4. OTHER IMPLICATIONS

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

Multiple City departments are affected, as described above.

b. Is a public hearing required for this legislation?

No.

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

No.

d. Does this legislation affect a piece of property?

No.

e. 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 pandemic has had disproportionate health and economic impacts on people of color and low-income residents. In the Seattle MSA (King, Pierce, Snohomish Cos.), recent data showed that 11% of white households report they are not current on rent, compared to 21% of Latino households and 18% of Black households, which compounds pre-COVID housing instability and homelessness disproportionately experienced by households of color. This proposed funding allocation seeks to deepen equitable outcomes through targeted racial equity strategies, including with BIPOC-led or focused organizations. In addition, OH will partner with community organizations to provide equitable engagement and language access assistance to non-English speaking communities through funds offered by OIRA.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

No.

- 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: