

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 related to the City’s response to the COVID-19 crisis; creating a new Fund in the City Treasury; amending Ordinance 126237, which adopted the 2021 Budget, including the 2021-2026 Capital Improvement Program (CIP); accepting funding from non-City sources; changing appropriations to various departments and budget control levels, and from various funds in the 2021 Budget; revising project allocations for certain projects in the 2021-2026 CIP; modifying or adding provisos; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: In response to the ongoing COVID-19 pandemic public health emergency and resulting economic downturn, the U.S. Congress passed, and the President signed, the American Rescue Plan Act of 2021 (ARPA) in March 2021. While ARPA provided some direct assistance to the American people, it also contained support for state and local governments to provide existing and expanded responsive services.

This legislation creates a few Fund in the City Treasury for the deposit and spending of RARPA dollars. A new fund is needed for the City to manage and maintain accurate accounting and reporting to the federal government required of the large and complex sum of Coronavirus Local Fiscal Recovery (CLFR) Fund expenditures. Without this new fund, tracking the CLFR funds and reporting on spending to the granting authority will be very difficult, thus jeopardizing the funds, themselves.

It also accepts \$116 million of CLFR Funds allocated to the City in 2021 and \$12.2 million of HOME Funds contained in ARPA. This legislation appropriates approximately \$103.4 million of those funds – subsequent legislation will accept and address spending for the CLFR funds the City will receive in 2022.

The funds are appropriated as follows (the item number corresponds to the items in the Council Bill/Ordinance):

Community Recovery: \$23,000,000

6.1 Seattle Department of Human Resources \$50,000 (HR Services (BO-HR-N6000))
This item supports employment pathways, investments in City apprenticeship, internship, and mentoring programs and other supports structured to improve equity at higher pay levels within City government.

6.2 Department of Finance and Administrative Services \$450,000 (City Purchasing and Contracting (BO-FA-CPCS))

This item provides additional funding to existing pre-apprenticeship programs (e.g., Priority Hire), including wrap-around services and retention programs.

6.3 Office of Economic Development \$500,000 (Business Services (BO-ED-X1D00))

This item provides funding for a partnership with the Port of Seattle to provide youth employment and paid internship opportunities targeting BIPOC youth who are most underserved in our region between the ages of 16 to 24 years old. This funding will broaden the program to ensure that BIPOC organizations or organizations that work with BIPOC youth qualify.

6.4 Office of Economic Development \$22,000,000 (Business Services (BO-ED-X1D00))

This item provides funding to support individual small businesses and organizations impacted by COVID and recovery grants for neighborhoods throughout Seattle. Recovery grants will support activations, special events, cleanup, and other neighborhood-specific economic development priorities. Small business support will include technical assistance, direct financial assistance, and commercial affordability support. Direct financial assistance for arts and cultural organizations and other community organizations will provide COVID-related relief and facilities support.

Community Well-Being: \$41,015,000

6.5 Office of Economic Development \$300,000 (Business Services (BO-ED-X1D00)) This appropriation focused on digital equity will provide computers and subsidized wi-fi to individuals disproportionately impacted by COVID-19. This plan includes distribution and digital literacy assistance that will enable them to access career services and training for reemployment.

6.34 Seattle Information Technology Department \$500,000 (Applications (BO-IT-D0600)) This item will fund digital equity programs such as the Technology Matching Fund, increasing affordable internet connectivity in high needs areas, or providing assistance to residents needing help with basic use of computers, internet, and online services and applications.

6.6 Seattle Public Libraries \$1,100,000 (Library Program and Services (BO-SPL))

This item will restore Library operating hours to pre-pandemic levels. General Fund support for operating hours was reduced in the 2021 Adopted Budget to alleviate the revenue shortfall anticipated as a result of the COVID-19 public health emergency.

6.7 Department of Education and Early Learning \$4,000,000 (Post-Secondary Programs (BO-EE-IL300))

This item provides support for equity-focused and data-driven enhancements to the Seattle Promise program.

6.8 Human Services Department \$500,000 (Preparing Youth for Success (BO-HS-H2000)) This item provides funding for community-based organizations to provide culturally responsive pre-employment programming and support services with an emphasis on BIPOC youth.

6.9 Human Services Department \$5,000,000 (Supporting Affordability and Livability (BO-HS-H1000))

This item provides funding to increase to the Human Services Department's Community Facilities / Child Care Bonus Programs to support development or expansion of child care facilities. Existing resources for childcare facilities are limited.

6.10 Department of Education and Early Learning \$3,000,000 (Early Learning (BO-EE-IL100))

This item provides funding to supplement the wages of child care workers and other child care provider staff in recognition of the essential service they have provided during the pandemic. Child care workers and provider staff typically earn low wages, yet they have continued to put themselves at risk during the pandemic by providing in-person care to children and families, including care for children attending school online, thereby enabling parents and caregivers to participate in the workforce.

6.11 Human Services Department \$690,000 (Supporting Affordability and Livability (BO-HS-H1000))

This item provides funding to contract with an organization that directly funds restaurants to prepare free meals to those in need, while supporting local farms and producers and building long-term local supply chain relationships.

6.12 Human Services Department \$600,000 (Supporting Safe Communities (BO-HS-H4000))
Investments in gender-based violence response services

This item provides funding to support programs for survivors of gender-based violence, particularly programs impacted by Federal reductions in Victims of Crime Act (VOCA) funds, including at least \$85,000 for organizations which provide legal assistance for immigrant and refugee survivors of gender-based violence, such as King County Sexual Assault Resource Center and Northwest Immigrant Rights Project.

6.13 Human Services Department \$600,000 (Preparing Youth for Success (BO-HS-H2000))

Investments in mental health services for individuals, youth, families

This item provides funding to expand contracts for programs supporting mental health and behavioral services for individuals, youth and families, including services provide at emergency shelters and supportive housing, such as services provide by organizations such as YouthCare.

6.14 Human Services Department \$225,000 (Promoting Public Health (BO-HS-H7000))

This item provides funding to diapers to families in need through a contract with an organization whose mission is to provide essential items to local children in need by collecting and distributing diapers, clothing, and equipment, such as WestSide Baby.

Housing/Homelessness: \$49,220,684

6.15 Human Services Department \$1,300,000 (Addressing Homelessness (BO-HS-H3000))

This item provides diversion funding for those persons experiencing homelessness.

6.16 Human Services Department \$2,300,000 (Addressing Homelessness (BO-HS-H3000)) This item provides funding for homelessness service providers to build capacity in their programs to

ensure support of high-acuity clients, long-term stability of organizations and higher achievement of performance outcomes.

6.17 Office of Housing \$2,000,000 (Multifamily Housing (BO-HU-3000))

This item provides funding for existing permanent supportive housing (PSH) and non-PSH affordable housing providers to ensure support of highly vulnerable and low-income populations, and provide stabilization to organizations so they may continue to operate effectively and develop new projects in the years ahead.

6.18 Human Services Department \$7,500,000 (Addressing Homelessness (BO-HS-H3000))

This item provides funding to support non-congregate shelter and intensive support services for chronically homeless individuals.

6.19 Human Services Department \$6,700,000 (Addressing Homelessness (BO-HD-H3000))

This item provides funding for rapid rehousing programs.

6.20 Office of Housing \$16,300,000 (Multifamily Housing (BO-HU-3000))

This item provides funding to acquire properties that support or create permanent affordable housing.

6.21 Human Services Department \$500,000 (Addressing Homelessness (BO-HD-H3000))
safe lots

This item provides funding to support up to two RV safe lots serving about 25 RVs, including case management to move those residing in RVs into permanent housing and services to meet the basic needs of RV residents utilizing the safe lot.

6.33 Human Services Department \$400,000 (Addressing Homelessness (BO-HS-H3000))

This item provides funding to increase resources to support the operation, maintenance, and services for new tiny house villages.

6.36 Office of Housing \$12,220,684 (Multifamily Housing (BO-HU-3000))

This item provides funding for permanent housing using HOME Funds.

Community Assistance & Programming: \$7,025,000

6.22 Office of Arts & Culture \$375,000 (Public Art (BO-AR-2VMA0))

This item provides support for the Created Commons program which will employ artists to provide cultural performances and activate public spaces Downtown and in other neighborhoods.

6.23 Seattle Center \$200,000 (Campus (BO-SC-60000))

This item will support summer and fall activation at the Seattle Center campus, including outdoor movies and other public events.

6.24 Seattle Department of Transportation \$300,000 (ROW Management (BO-TR-17004))

This item funds the costs associated with "Safe Starts" outdoor dining and retail permits and other public space permits to support recovery, allowing SDOT to offer these permits at no cost to businesses for 2021.

6.25 Seattle Department of Transportation \$625,000 (ROW Management (BO-TR-17004)) This proposal would fund the necessary work to make permanent the current temporary "Stay Healthy Streets" program. This work would include permanent signage and minor modifications to greenways. This represents the operational costs of item 7.1, which appropriates capital costs

6.26 Seattle Parks and Recreation \$1,400,000 (Recreation Facility Programs (BO-PR-50000)) This proposal provides resources to invest in community programming including scholarships for summer childcare, community center operations/programming, and wading pools.

6.27 Seattle Parks and Recreation \$1,250,000 (Parks and Facilities Maintenance and Repairs (BO-PR-10000))

This proposal provides resources for SPR to safely support community use of public parks and open space including enhanced maintenance and custodial cleaning efforts (e.g., litter collection, comfort station cleaning visits, etc.) as these parks, community centers and other facilities are expected to see heavy use in spring, summer and early fall. Funds also support summer nighttime closures at Alki and Golden Gardens Beaches.

6.28 Seattle Parks and Recreation \$500,000 (Recreation Facility Programs (BO-PR-50000))

This item will support expanded activation at parks that builds community by providing cultural and recreational activities; and support artists and small businesses, including food trucks or food carts and other vendors, as they rebuild after the pandemic. This effort could serve as a model to be funded with future Jumpstart economic resiliency funding.

6.29 Seattle Information Technology Department \$225,000 (Applications (BO-IT-D0600))

This item provides support for optimization of existing City affordability investments, and implementation of a unified application tool for those investments. There is a related item in the City Budget Office, 6.35.

6.35 City Budget Office \$275,000 (City Budget Office (BO-CB-CZ000))

This item provides support for conducting impact analysis and evaluation of the City's recovery investments, optimization of existing City affordability investments, and implementation of a unified application tool for those investments. There is a related item in the Seattle Information Technology Department, 6.29.

7.1 Seattle Department of Transportation \$1,875,000 (Mobility-Capital (BC-TR-19003)) This proposal would fund the necessary work to make permanent the current temporary "Stay Healthy Streets" program. This work would include permanent signage and minor modifications to greenways. This represents the capital costs of item 6.25, which appropriates operational costs.

Supporting City Services and Workers: \$7,600,000

6.30 Seattle Information Technology Department \$6,500,000 (Applications (BO-IT-D0600))
 This appropriation will enable Seattle IT to provide critical IT infrastructure needs by purchasing devices, enhancing cybersecurity, and supporting increased demand for IT services due to increased teleworking. Funding will also be used to support digital equity, including an additional \$330,000 for the Technology Matching Fund.

6.31 Department of Finance and Administrative Services \$300,000 (Facilities Services (BO-FA-FACILITY))
 This item provides support for enhanced cleaning of City buildings which will be needed when service centers and offices reopen.

6.32 Department of Finance and Administrative Services \$1,300,000 (Facilities Services (BO-FA-FACILITY))
 This item provides funding for updated signage, air filtration, space reconfiguration, and other supplies in City offices.

2. CAPITAL IMPROVEMENT PROGRAM

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

Please see item 7.1 above for a description of the CIP amendment.

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? X Yes No

Appropriation change (\$):	General Fund \$		Other \$	
	2021	2022	2021	2022
			\$103,360,684	
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2021	2022	2021	2022
	\$25,000,000		\$103,391,498	
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?
 Strategic use of Rescue Plan Act funds will allow Seattle to rebound and recover from the COVID-19 pandemic and resulting economic downturn. This is likely to result in higher City tax revenues than if these funds are not accepted and appropriated.

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

Yes, grant funds provided to the City from the federal government will go unaccepted and unspent.

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

See the list of items above for changes to appropriations.

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	2021 Revenue	2022 Estimated Revenue
Coronavirus Local Recovery Fund (14000)	FG	U.S. Federal Coronavirus Local Fiscal Recovery Funds	\$91,170,814	\$116,170,814
General Fund (00100)	FG	U.S. Federal Coronavirus Local Fiscal Recovery Funds	\$25,000,000	
Low-Income Housing Fund (16400)	OH	Federal HOME Funds	\$12,220,684	
TOTAL			\$128,391,498	

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 budget bill will impact several City departments. Those departments are listed in the appropriations sections 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?

According to a [Seattle Foundation report](#) from July 2020, “BIPOC communities have been particularly impacted by the COVID-19 economic crisis for three primary reasons (1) overrepresentation in vulnerable jobs, (2) inequitable hiring and firing practices, and (3) barriers to receiving small business aid.” BIPOC patients have also had worse health outcomes during the pandemic, including higher per-capita cases, hospitalization, and death rates. There are many factors contributing to this, such as poor access to health care, including culturally competent care, distrust of the health care system, and living in multi-generational households. Upstream of these outcomes are factors like living in neighborhoods with worse environments, lacking adequate food access, underinvestment in schools, and access to good jobs. All of these conditions can be traced to historic and current racist institutional policies, practices, and laws.

BIPOC respondents, especially Black and Hispanic respondents, in a Washington State Department of Health [survey](#) of King County residents reported significantly worse impacts from the pandemic across all the above dimensions and more. Native Hawaiian/Pacific Islander COVID case rates were the highest among all ethnic groups in King County when disaggregated from the Asian category.

This deployment of federal funds is meant to address the impacts of COVID-19, and the Mayor and City Council have put together a package with a lot of items across different categories of spending. Prior to the pandemic there were already deep inequities in our city. The pandemic has exacerbated these inequities, and this bill attempts to address them with the funding package, and not exacerbate them. This bill, combined with other City COVID-related efforts, makes strategic investments in our small businesses, child care, low-income housing, education, youth programs, job retraining and apprenticeships, resources for people experiencing homelessness, meals for vulnerable populations, as well as supporting the City’s efforts to provide free COVID-19 testing and vaccines.

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: