



CITY OF SEATTLE

City Council

Agenda

Monday, July 6, 2020

2:00 PM

Remote Meeting. Call listen line at 206-684-8566 or access Seattle Channel online.

M. Lorena González, President

Lisa Herbold, Member

Debora Juarez, Member

Andrew J. Lewis, Member

Tammy J. Morales, Member

Teresa Mosqueda, Member

Alex Pedersen, Member

Kshama Sawant, Member

Dan Strauss, Member

Chair Info: 206-684-8809; Lorena.González@seattle.gov

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CITY OF SEATTLE

City Council Agenda

July 6, 2020 - 2:00 PM

Meeting Location:

Remote Meeting. Call listen line at 206-684-8566 or access Seattle Channel online.

Committee Website:

<http://www.seattle.gov/council>

In-person attendance is currently prohibited per Washington State Governor's Proclamation No. 20-28, et seq., through July 7, 2020. Meeting participation is limited to access by telephone conference line and Seattle Channel online.

Register online to speak during the Public Comment period at the 2:00 p.m. City Council meeting at

<http://www.seattle.gov/council/committees/public-comment>.

Online registration to speak at the City Council meeting will begin two hours before the 2:00 p.m. meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Submit written comments to all Councilmembers at

Council@seattle.gov

Sign-up to provide Public Comment at the meeting at

<http://www.seattle.gov/council/committees/public-comment>

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Listen to the meeting by calling the Council Chamber Listen Line at 206-684-8566

A. CALL TO ORDER

B. ROLL CALL

C. PRESENTATIONS

D. APPROVAL OF THE JOURNAL**E. ADOPTION OF INTRODUCTION AND REFERRAL CALENDAR**

Introduction and referral to Council committees of Council Bills (CB), Resolutions (Res), Appointments (Appt), and Clerk Files (CF) for committee recommendation.

[IRC 262](#)

July 6, 2020

Attachments: [Introduction and Referral Calendar](#)

F. APPROVAL OF THE AGENDA**G. PUBLIC COMMENT**

Members of the public may sign up to address the Council for up to 2 minutes on matters on this agenda; total time allotted to public comment at this meeting is 20 minutes.

Register online to speak during the Public Comment period at the 2:00 p.m. City Council meeting at <http://www.seattle.gov/council/committees/public-comment>.

Online registration to speak at the City Council meeting will begin two hours before the 2:00 p.m. meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

H. PAYMENT OF BILLS

These are the only Bills which the City Charter allows to be introduced and passed at the same meeting.

[CB 119817](#)

AN ORDINANCE appropriating money to pay certain audited claims for the week of June 22, 2020 through June 26, 2020 and ordering the payment thereof.

I. COMMITTEE REPORTS

Discussion and vote on Council Bills (CB), Resolutions (Res), Appointments (Appt), and Clerk Files (CF).

CITY COUNCIL:

1. [CB 119814](#) AN ORDINANCE relating to funding for housing and community development programs; adopting a substantial amendment to The City of Seattle 2019 Annual Action Plan Amendment to the 2018-2022 Consolidated Plan for Housing and Community Development and authorizing its submission to the United States Department of Housing and Urban Development; authorizing acceptance of grant funds from that department for programs and activities included in the Annual Action Plan; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Attachments: [Att 1 - Substantial Amendment to the 2019 Annual Action Plan](#)

Supporting Documents: [Summary and Fiscal Note](#)
[Central Staff Memo](#)

SELECT BUDGET COMMITTEE:

2. [CB 119816](#) 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.

The Committee recommends that City Council pass as amended the Council Bill (CB).

In Favor: 8 - Mosqueda, Herbold, González , Juarez, Lewis, Morales, Pedersen, Strauss

Opposed: None

Absent(NV): 1 - Sawant

Supporting Documents: [Summary and Fiscal Note](#)

3. [CB 119810](#) AN ORDINANCE relating to taxation; imposing a payroll expense tax on persons engaging in business in Seattle; adding a new Chapter 5.38 to the Seattle Municipal Code; and amending Sections 5.30.010, 5.30.060, 5.55.010, 5.55.040, 5.55.060, 5.55.150, 5.55.165, 5.55.220, 5.55.230, and 6.208.020 of the Seattle Municipal Code.

The Committee recommends that City Council pass as amended the Council Bill (CB) with a Divided Report.

In Favor: 7 - Mosqueda, Herbold, González , Lewis, Morales, Sawant, Strauss

Opposed: 2 - Juarez, Pedersen

Supporting Documents:

[Summary and Fiscal Note](#)

4. [CB 119811](#) AN ORDINANCE establishing a spending plan for proposed use of the proceeds generated from the payroll expense tax authorized by the ordinance introduced as Council Bill 119810 establishing an oversight committee; and adding a new Section 3.35.100 to the Seattle Municipal Code.

The Committee recommends that City Council pass as amended the Council Bill (CB).

In Favor: 8 - Mosqueda, Herbold, González , Juarez, Lewis, Morales, Sawant, Strauss

Opposed: None

Abstain: 1 - Pedersen

Supporting Documents:

[Summary and Fiscal Note](#)

J. ADOPTION OF OTHER RESOLUTIONS

K. OTHER BUSINESS

L. ADJOURNMENT



Legislation Text

File #: IRC 262, **Version:** 1

July 6, 2020



Introduction and Referral Calendar

List of proposed Council Bills (CB), Resolutions (Res), Appointments (Appt) and Clerk Files (CF) to be introduced and referred to a City Council committee

Record No.	Title	Committee Referral
<u>By: Mosqueda</u>		
1. CB 119817	AN ORDINANCE appropriating money to pay certain audited claims for the week of June 22, 2020 through June 26, 2020 and ordering the payment thereof.	City Council
<u>By: Pedersen</u>		
2. CB 119826	AN ORDINANCE relating to grant funds from non-City sources; authorizing the Director of the Seattle Department of Transportation to accept specified grants and execute related agreements for and on behalf of the City; amending Ordinance 126000, which adopted the 2020 Budget, including the 2020-2025 Capital Improvement Program (CIP); changing appropriations for the Seattle Department of Transportation; revising allocations and spending plans for certain projects in the 2020-2025 CIP; and ratifying and confirming certain prior acts.	City Council
<u>By: Juarez</u>		
3. Res 31950	A RESOLUTION relating to the Department of Parks and Recreation; authorizing the Superintendent of Parks and Recreation to act as the authorized representative/agent on behalf of The City of Seattle and to legally bind The City of Seattle with respect to certain projects for which the City seeks grant funding assistance managed through the Recreation and Conservation Office.	City Council
<u>By: Morales</u>		
4. Res 31955	A RESOLUTION reaffirming The City of Seattle's support of unbanked money transfer operators and the immigrant communities they serve.	City Council
<u>By: Pedersen,González</u>		
5. Res 31956	A RESOLUTION establishing the City Council's goal to implement Internet for All Seattle, a vision of enabling all Seattle residents to access and adopt broadband internet service that is reliable and affordable.	City Council
<u>By: Pedersen</u>		
6. Appt 01585	Appointment of Tyrone Grandison as member, Community	City Council

Technology Advisory Board, for a term to December 31, 2021.

By: Strauss

7. [CB 119827](#) AN ORDINANCE relating to land use and zoning; amending Chapter 23.32 of the Seattle Municipal Code at page 208 of the Official Land Use Map to rezone land in the Rainier Beach neighborhood. Land Use and Neighborhoods Committee

By: Mosqueda

8. [CB 119818](#) AN ORDINANCE amending Ordinance 126000, which adopted the 2020 Budget, including the 2020-2025 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; adding new CIP projects and revising project allocations for certain projects in the 2020-2025 CIP; abrogating positions; modifying positions, and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council. Select Budget Committee

By: Mosqueda

9. [CB 119819](#) AN ORDINANCE authorizing, in 2020, acceptance of funding from non-City sources; authorizing the Mayor or Mayor's designee to accept specified grants, private funding, and subsidized loans and to execute, deliver, and perform corresponding agreements; and ratifying and confirming certain prior acts. Select Budget Committee

By: Mosqueda

10. [CB 119820](#) AN ORDINANCE amending Ordinance 126000, which adopted the 2020 Budget, including the 2020-2025 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council. Select Budget Committee

By: Mosqueda

11. [CB 119821](#) AN ORDINANCE amending Ordinance 125724, which adopted the 2019 Budget, including the 2019-2024 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council. Select Budget Committee

By: Mosqueda

12. [CB 119822](#) AN ORDINANCE relating to the 2020 Budget; suspending the Minimal Annual General Fund Appropriation to the Seattle Department of Transportation budget as required in Ordinance 124796, the Levy to Move Seattle; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council. Select Budget Committee

By: Mosqueda

13. [CB 119823](#) AN ORDINANCE relating to the 2018 Families, Education, Preschool, and Promise Levy; amending the levy implementation and evaluation plan adopted by Ordinance 125807; and ratifying and confirming certain prior acts. Select Budget Committee

By: Mosqueda

14. [CB 119824](#) 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. Select Budget Committee

By: Mosqueda

15. [CB 119825](#) AN ORDINANCE related to the City's response to the 2020 COVID-19 crisis; amending Ordinance 126000, which adopted the 2020 Budget; changing appropriations to various departments and budget control levels, and from various funds in the Budget; imposing a proviso; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council. Select Budget Committee

By: Mosqueda

16. [Res 31951](#) A RESOLUTION authorizing an exception to the level of General Fund support to Seattle Parks and Recreation due to exigent economic circumstances, by a 3/4 vote of the City Council. Select Budget Committee

By: Mosqueda

17. [Res 31952](#) A RESOLUTION adopting revised financial policies for the Cumulative Reserve Subfund of the General Fund; and superseding Attachment B to Resolution 31848. Select Budget Committee

By: Mosqueda

18. [Res 31953](#) A RESOLUTION adopting revised financial policies for the Emergency Fund. Select Budget Committee

By: Mosqueda

19. [Res 31954](#) A RESOLUTION relating to the City's annual budget process; repealing Resolution 28885; and stating intent that the City will consider a one-year budget proposal for 2021. Select Budget Committee



Legislation Text

File #: CB 119817, **Version:** 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE appropriating money to pay certain audited claims for the week of June 22, 2020 through June 26, 2020 and ordering the payment thereof.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Payment of the sum of \$22,364,651.91 on PeopleSoft 9.2 mechanical warrants numbered 4100351236 - 4100352780 plus manual or cancellation issues for claims, E-Payables of \$45,653.60 on PeopleSoft 9.2 9100006578 - 9100006626 and Electronic Financial Transactions (EFT) in the amount of \$89,421,400.32 are presented for ratification by the City Council per RCW 42.24.180.

Section 2. Payment of the sum of \$51,014,650.08 on City General Salary Fund mechanical warrants numbered 51335639- 51335809 plus manual warrants, agencies warrants, and direct deposits numbered 270001 - 272706 representing Gross Payrolls for payroll ending date June 23, 2020 as detailed in the Payroll Summary Report for claims against the City which were audited by the Auditing Committee and reported by said committee to the City Council July 1, 2020 consistent with appropriations heretofore made for such purpose from the appropriate Funds, is hereby approved.

Section 3. Any act consistent with the authority of this ordinance taken prior to its effective date is hereby ratified and confirmed.

Section 4. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by

Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 6th day of July 2020, and signed by me in open session in authentication of its passage this 6th of July 2020.

President _____ of the City Council

Approved by me this _____ day of _____, 2020.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2020.

Monica Martinez Simmons, City Clerk

(Seal)



Legislation Text

File #: CB 119814, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to funding for housing and community development programs; adopting a substantial amendment to The City of Seattle 2019 Annual Action Plan Amendment to the 2018-2022 Consolidated Plan for Housing and Community Development and authorizing its submission to the United States Department of Housing and Urban Development; authorizing acceptance of grant funds from that department for programs and activities included in the Annual Action Plan; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

WHEREAS, the United States Department of Housing and Urban Development (HUD) has required each local jurisdiction seeking certain federal assistance authorized under the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide a substantial amendment to its current annual action plan, which guides the allocation of funds from the Community Development Block Grant (CDBG) Program, Emergency Solutions Grant (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program; and

WHEREAS, Ordinance 125864 adopted The City of Seattle's ("City") 2019 Annual Action Plan to the 2018-2022 Consolidated Plan for Housing and Community Development ("Consolidated Plan"); and

WHEREAS, the Mayor has proposed a substantial amendment to the 2019 Annual Action Plan (AAP) to the Consolidated Plan; and

WHEREAS, a five-day comment period was provided regarding the funding changes proposed for the City's COVID-19 response efforts in accordance with HUD's March 31, 2020, Guidance Memo titled *Availability of Waivers of Community Planning and Development (CPD) Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts*

Caused by COVID-19; and

WHEREAS, Ordinance 126000 adopted the City’s 2020 Annual Budget and Ordinances 126074 and 126084 amended the 2020 Annual Budget to allocate the funds covered by this legislation; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Findings.

A. This legislation is necessary to comply with federal grant funding application requirements as part of the 2018-2022 Consolidated Plan in accordance with 24 CFR 91.105(b)(3) on Citizen Participation requirements.

B. This legislation adopting the substantial amendment to the Annual Action Plan is a routine part of implementing The City of Seattle’s (“City”) intent to fund specific projects in 2020 using federal grant allocations, and the Plan serves as the application to the Department of Housing and Urban Development (HUD) for these purposes.

C. All activities will target preventing, preparing for, and responding to the COVID-19 pandemic.

Section 2. The Seattle City Council adopts the substantial amendment to the 2019 Annual Action Plan to the 2018-2022 Consolidated Plan for Housing and Community Development (AAP), attached to this ordinance as Attachment 1.

Section 3. The Mayor and the Director of Human Services (“Director”) or their designees are authorized to submit the adopted AAP, together with any necessary supplementary material, to the United States Department of Housing and Urban Development (HUD) as the application by the City for financial assistance under certain HUD programs; to represent the City in seeking HUD approval of the AAP; to make and submit to HUD such modifications to the AAP as HUD may require, provided that no substantial policy changes are involved; and to sign and deliver on behalf of the City such assurances and certifications as may be necessary to obtain HUD approval. The Director or Director’s designee is further authorized to make such technical and

conforming changes to the AAP as may be deemed reasonably necessary, and to amend the AAP, if necessary or appropriate under federal regulations, to reflect funding of specific activities, final appropriations in any Adopted Budget or amendments to an Adopted Budget, or changes in activities that are consistent with the policies and priorities established in the City's 2018-2022 Consolidated Plan for Housing and Community Development ("Consolidated Plan"). Any substantial amendment as defined by the Citizen Participation Plan of the Consolidated Plan shall require approval by the Council by ordinance or resolution.

Section 4. The allocations set forth in the AAP do not constitute appropriations and are not final decisions to undertake any project or to award any subgrant or contract. The authority of the respective City departments and offices to implement the activities set forth in the AAP is subject to sufficient appropriations in The City of Seattle's 2020 Budget, as amended by this ordinance or in any separate ordinance. Implementation of any specific project or program is also subject to a final determination by the appropriate office or department after completion of any necessary review under environmental and related laws. No part of the AAP is intended to confer any legal rights or entitlements on any persons, groups, or entities.

Section 5. The Mayor or the Mayor's designee is authorized to execute, deliver, and perform for and on behalf of The City of Seattle such agreements as are reasonably necessary to accept financial assistance from HUD for the following grant programs up to the maximum amounts listed below:

- A. Community Development Block Grant (CDBG): \$5,640,185.
- B. Housing Opportunities for Persons with AIDS (HOPWA): \$426,340.
- C. Emergency Solutions Grant (ESG): \$2,829,807.

CDBG funds, when received, shall be deposited into the Human Services Fund (16200) and Low-Income Housing Fund (16400). HOPWA and ESG funds, when received, shall be deposited into the Human Services Fund (16200). The Mayor or the Mayor's designee is further authorized to execute and deliver such other documents relating to the agreements as may be required.

Section 6. Unspent funds appropriated in this ordinance shall carry forward to subsequent fiscal years

until they are exhausted or abandoned by ordinance. In accordance with RCW 35.32A.060, the foregoing appropriations are made to meet actual necessary expenditures of the City for which insufficient appropriations have been made due to causes which could not reasonably have been foreseen at the time of the making of the 2020 Budget.

Section 7. Execution of the agreements authorized in Section 5 of this ordinance and other acts pursuant to the authority of this ordinance taken after its passage and prior to its effective date are ratified and confirmed.

Section 8. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by 3/4 of the members of the City Council the _____ day of _____, 2020, and signed by me in open session in authentication of its passage this _____ day of _____, 2020.

President _____ of the City Council

Approved by me this _____ day of _____, 2020.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2020.

Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Attachment 1 - Substantial Amendment to the 2019 Annual Action Plan

Amendment to add CDBG-CV, ESG-CV and HOPWA-CV CARES Act funds to the FY2019 Annual Action Plan.

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

This second amendment to the City of Seattle's 2019 Annual Action Plan reflects the receipt of \$8,896,332 in federal funding for the CDBG, ESG, HOME and HOPWA programs through the CARES Act Public Law 116-136 passed on March 27, 2020. Though at least the end of 2020, the City anticipates allocation and expenditure of \$5,640,185 CDBG-CV, \$2,829,807 ESG-CV, and \$426,340 HOPWA-CV funding in addition to the regular grantee allocations for these programs.

The original 2019 Annual Action Plan was submitted to the U.S. Department of Housing and Urban Development as the application for origin year 2019 funds from the Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons with AIDS programs in compliance with 24 CFR 91. The Annual Action Plan encapsulates the second year of the 2018-2022 Consolidated Plan for Housing and Community Development. Funding priorities will continue to be used to support emergency shelter and services for homeless persons, to provide for affordable housing, small business and microenterprise financial assistance and business district planning, job training and readiness services, and for park upgrades. For program year 2019, a total of approximately \$21.2 million is governed by this annual plan.

2. Summarize the objectives and outcomes identified in the Plan

The objectives of the governing 2018 - 2022 Consolidated Plan funding are to 1) support the delivery of emergency shelter and related services for homeless persons and families; 2) develop and preserve affordable rental and homeownership housing; 3) support low- and moderate-income neighborhoods, businesses and business districts with infrastructure and economic development assistance; 4) support job training activities as part of an anti-poverty strategy; and advance the objectives of affirmatively furthering fair housing.

By this amendment, the City documents allocation and activities such as small business stabilization grants, rent assistance and support of shelter de-intensification and operations in direct response to the impact of COVID-19 in Seattle.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The most recently completed program year is 2018. Our Consolidated Annual Performance and Evaluation Report (CAPER) for 2018 contained the following:

- Human Services Department CDBG public service and ESG dollars provided vital overnight shelter to over 2,139 homeless persons.
- The Office of Housing (OH) awarded funding for 27 federally funded affordable housing units. CDBG funds were used to rehabilitate and preserve 16 units in North Seattle. In addition, CDBG support provided home repair to 500 households; primarily for senior homeowners. HOME funds were used in the Low-Income Housing Institute Othello project, estimated to produce 93 units, 11 of which are HOME funded. OH completed and leased up 21 HOME units in two previously funded projects: Estelle by DESC, Tony Lee Apartments by the Low-Income Housing Institute.
- Parks and Recreation Department used CDBG funding to complete capital improvements and renovations, including ADA improvements, at nine (9) neighborhood parks serving low-moderate-income neighborhoods.
- The Office of Economic Development (OED) invests in neighborhood business districts to provide technical assistance to local small business owners to help them grow their business, cultivate customers and collaborate with others to expand their reach. CDBG supported 9 neighborhood business districts' revitalization work, supporting over 200 businesses.
- The Office of Immigrant and Refugee Assistance served a total of (133) distinct individuals in 8 classes using CDBG funds in the Ready for Work (RTW) program during 2018.

Based on the CAPER data, and other qualitative and quantitative information from providers, we assess that our progress in meeting our Consolidated Plan objectives is on track and that our funds are being used for the correct purposes. This assessment is made within the context of the City's overall budget and other resources available to assist low- and moderate-income persons, such as the Families and Education Levy and the Housing Levy.

During 2018, the City of Seattle spent a great deal of time and resources on the implementation of the Assessment of Fair Housing (AFH) and the completion of the new 2018-2022 Consolidated Plan. The development of the AFH required significant coordination, facilitation, research and production among

16 different city departments plus the Seattle Housing Authority. The AFH was adopted and accepted by HUD in July 2017. The 2018-2022 Consolidated Plan and 2018 Annual Action Plan was approved by HUD in September 2018.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Amendment #2 to the 2019 Annual Action Plan will conform to the waivers granted by the CARES Act and under HUD CPD guidance memos, shortening the public comment period otherwise required by the Consolidated Plan to five days instead of thirty days. Waiver also allows for virtual public hearings with reasonable accommodation for public input in the review process given the circumstances of the COVID-19 crisis and the City and State's stay at home orders. Public notice will be given of opportunity to view and/or participate in scheduled Council hearings of this amendment to the extent practicable and consistent with the Governor's Order on modifications to the Open Public Meetings Act.

The Consolidated Plan relies on multiple planning efforts from a variety of sources to inform the allocations of the Consolidated Plan funds. Most important to this effort is the awareness that the HUD funds are part of a much larger funding picture for housing, human services, and community development in the City of Seattle.

The City's conduct of planning efforts such as the Area Agency on Aging, the Seattle / King County Committee to End Homelessness, the Mayor's Emergency Task Force on Unsheltered Homelessness and the City's Housing Affordability and Livability Advisory (HALA) Committee, Seattle 2035 Comprehensive Plan Update, the Mayor's Commercial Affordability Advisory Committee, the Human Services Department's Pathways Home plan development to evolve our homeless prevention and service system each provided key opportunities for consultation and public input. In addition, the City's 2019 Adopted and 2020 Endorsed Budget included significant general public input and discussion to shape budget priorities, which were ultimately passed by City Council.

A draft of the 2019 Annual Action Plan was publicized and made available for public comment for a 30-day public comment period beginning November 21, 2018.

After receiving the final allocations from HUD on April 16, 2019, the 2019 Annual Action Plan was again made available for public comment on May 17, 2019, again for a 30-day public comment period.

5. Summary of public comments

Public comment was solicited on December 12, 2018 and July 15, 2019 during the public hearings at meetings of the Finance and Neighborhoods committee of the Seattle City Council.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments were received during either review period or hearings.

7. Summary

The City of Seattle coordinates HUD's Consolidated Plan funds with other City resources such as our General Fund; Families and Education Levy, Housing Levy; federal McKinney-Vento funds; and Real Estate Excise Tax to provide for human services, affordable housing, and community and economic development. Not all the needs identified in the Consolidated Plan are addressed with HUD funds, particularly those activities that support Assessment of Fair Housing work plan items. **How each fund source is used depends upon the various restrictions and regulations covering the funds and the most efficient and effective mix of funds.**

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	SEATTLE	
CDBG Administrator	SEATTLE	Human Services Department, Fed. Grants Mgt. Unit
HOPWA Administrator	SEATTLE	Human Services Department, FGMU
HOME Administrator	SEATTLE	Office of Housing (OH)
ESG Administrator	SEATTLE	Human Services Department, FGMU
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative (optional)

The City's Federal Grants Administration Unit (FGMU), housed in the City's Human Services Department, coordinates the development of the Consolidated Plan, the annual action plans, the CAPER, and the Assessment of Fair Housing. Consolidated Plan funds are used by several City departments: Human Services Department, the Office of Housing, the Office of Economic Development, the Office of Immigrant and Refugee Affairs, and the Parks and Recreation Department. All concerns or questions about the Consolidated Plan should be directed to the Federal Grants Administration Unit.

Consolidated Plan Public Contact Information

The Federal Grant's Management Unit is housed in the City's Human Services Department. Our mailing address is P.O. Box 34215, Seattle, Washington 98124-4215. The Manager of the FGMU Administration Unit may be reached by calling 206-256-5415.

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

The AAP relies on *multiple planning efforts* conducted by partners such as the Area Agency on Aging, Human Services Department, Committee to End Homelessness, Office of Housing, Office of Economic Development, Seattle Housing Authority, and Office of Planning and Community Development.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

Seattle 2035 Comprehensive Plan is a 20-year vision and roadmap for Seattle’s future that guides City decisions on where to build new jobs and houses, how to improve our transportation system, and where to make capital investments such as utilities, sidewalks, and libraries. New to the plan was a **Growth and Equity Analysis which resulted in an Equitable Development Implementation Plan**. Federal grants’ funding for the Equitable Development Initiatives noted in this AAP grew out of this community engagement and planning.

The City and Seattle Housing Authority submitted a joint Assessment of Fair Housing in June 2017. The AFH required extensive community consultation and public participation which is documented in a Community Engagement Matrix as part of that plan. Please go to Seattle.gov and search for **2017 City of Seattle and Seattle Housing Authority Joint Assessment of Fair Housing** to review the full report.

Seattle's Office of Housing updated the **Housing Levy Administration and Finance** plan in 2017. Taxpayers agreed for the seventh time to support the housing Levy and doubled the amount collected over the next seven years to a total of \$290 million for affordable housing.

The Human Services Department's Area Agency on Aging coordinated the **Mayor's Age Friendly initiatives** to address environmental, economic, and social factors influencing the health and well-being of older adults. Programs such as utility discounts for seniors and people with disabilities, regional reduced transit fares, senior/disabled enrollment in property tax exemption program to help older households to maintain their housing will benefit from this initiative.

The **Equitable Development Initiative (EDI)** targets communities have not had equal access to opportunity for economic, infrastructure and community assets investment. The 2018-2022 Consolidated Plan builds on the priorities and initiatives identified through the EDI assessment process.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Seattle / King County Continuum of Care (CoC) includes King County plus the cities of Seattle, Auburn, Bellevue, Federal Way, Kent, Renton, and Shoreline. The lead agency for the CoC is All Home, a broad coalition of government, faith communities, non-profits, the business community and homeless and formerly homeless people working together to implement the Continuum of Care in King County. ESG funding decisions are coordinated with All Home and its Funders Group. For more information about All Home, please visit <http://allhomekc.org/about/>.

The Seattle/King County Continuum of Care (CoC) has implemented a system wide coordinated entry and assessment (CEA) system for all population groups. The system has been operational under a new platform since June 2016. The CEA system is managed by King County. CEA serves all people (single adults, young adults, couples, families, and veterans) experiencing homelessness in the following situations:

- Living and sleeping outside
- Sleeping in a place not meant for human habitation
- Staying in a shelter
- Fleeing/attempting to flee domestic violence
- Exiting an institution where a person resided for up to 90 days and were in shelter or a place not meant for human habitation immediately prior to entering that institution or transitional housing
- Young adults who are imminently at risk of homelessness within 14 days are also eligible for CEA.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City combined ESG funding with multiple fund sources in the 2017 Homeless Investments RFP. Part of the RFP requirements are "Appendix E - Minimum Performance and Target Performance Standards for sub-recipients" (see full document at HSD 2017 Homeless Investments RFP Performance Standards. <http://www.seattle.gov/Documents/Departments/HomelessInvestmentsRFP/Appendix%20E%20-%20Minimum%20Performance%20Standards%20and%20Target%20Performance%20Standards.pdf>).

This document also includes “System wide” minimum and Core Outcomes for funded services to benefit homeless people by program type. Examples of performance measurements include Exit Rate to Permanent Housing, comparison of Length of Stay (days), Return Rate to Homelessness, and Entries from being literally homeless.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	All Home
	Agency/Group/Organization Type	Planning organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Seattle / King County Continuum of Care (CoC) includes King County plus the cities of Seattle, Auburn, Bellevue, Federal Way, Kent, Renton, and Shoreline. The lead agency for the CoC is All Home, a broad coalition of government, faith communities, non-profits, the business community and homeless and formerly homeless people. ESG funding decisions are coordinated with All Home, as lead CoC agency, and its Funders Group. For more information about All Home please visit: http://allhomekc.org/about/ .
2	Agency/Group/Organization	Ready to Work Steering Committee
	Agency/Group/Organization Type	Services-Education Services-Employment Other government - State Other government - County Regional organization Civic Leaders Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	RTW steering committee sets program priorities which informed which services would be submitted for CDBG fund consideration.
3	Agency/Group/Organization	Housing Development Consortium of Seattle-King County
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Market Analysis

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Housing Development Consortium (HDC) is a membership organization representing the many agencies and businesses involved in the nonprofit housing industry in Seattle and King County. Its members include nonprofit housing providers, homelessness services organizations, lenders, builders, architects, investors, local government, and housing authorities. During the development of the 2016 Housing Levy, HDC convened members including organizations serving the array of populations such as homeless, low-wage workers, seniors, people with disabilities, families, immigrant and refugee households -- served by the levy. The City of Seattle Office of Housing met regularly with these HDC members to get input on needs and market conditions related to rental development and operations, homebuyer assistance and development, and homeowner foreclosure prevention. HDC members were also actively involved in reviewing funding policies for the Housing Levy Administrative and Financial Plan after the levy was approved by voters. Consultation for the Housing Levy is incorporated in to the Consolidated Plan because a project from the City of Seattle Office of Housing may use HUD funds as well as Housing Levy funds.</p>
4	<p>Agency/Group/Organization</p>	<p>Housing Levy Technical Advisory Committee</p>
	<p>Agency/Group/Organization Type</p>	<p>Housing Services - Housing Services-homeless</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Strategy Market Analysis</p>

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Technical Advisory Committee was convened by the Office of Housing to advise the City on programs and goals for the proposed 2016 Seattle Housing Levy. It was comprised of 28 members with a broad range of expertise, including assisted and market rate rental housing, home ownership development, land use and environmental planning, homelessness prevention and stability programs, and housing finance. The committee met four times during the fall of 2015. It reviewed the performance of existing levy programs, existing and projected housing and homelessness needs, and existing and projected housing market conditions. The committee helped shape the program elements of the new levy, both its broad policy priorities, and its underlying financial assumptions and administrative structure. This work established the parameters for Housing Levy funding over seven years, 2017 to 2023.</p>
5	<p>Agency/Group/Organization</p>	<p>Housing Levy Oversight Committee</p>
	<p>Agency/Group/Organization Type</p>	<p>Housing Services - Housing Services-homeless</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Market Analysis</p>

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Housing Levy Oversight Committee is the citizen body responsible for monitoring and reporting on performance of Seattle Housing Levy to City officials and the public. The Oversight Committee also recommends funding policies for levy programs to the Mayor and Council. The current Oversight Committee was convened in January 2016, with seven members appointed by the Mayor and six by the City Council. In first quarter 2016 the committee reviewed funding policies for the new 2016 Housing Levy, including public and stakeholder input compiled over the prior six months. These policies address population and geographic priorities, funding allocation, contracting requirements, and ongoing compliance. The policies were subsequently adopted by City Council as the Housing Levy Administrative and Financial Plan, with attached Housing Funding Policies. The Housing Funding Policies also govern Consolidated Plan funds administered by OH, consistent with federal requirements for HOME, CDBG and other City-administered sources.</p>
6	<p>Agency/Group/Organization</p>	<p>SEATTLE HOUSING AUTHORITY</p>
	<p>Agency/Group/Organization Type</p>	<p>Housing PHA Services - Housing</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Public Housing Needs</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>SHA is a full partner with the City of Seattle in housing development, identifying gaps in service needs and coordination between private, subsidized and public housing services.</p>

Identify any Agency Types not consulted and provide rationale for not consulting

Finite time, staff capacity and other resources always impose a practical limit on how many entities and possible interested parties are consulted in any given planning process. However, please refer below to the extensive list of consulted entities involved in the key plans relied upon to develop this Consolidated Plan (e.g. the Housing Affordability and Livability, an initiative to renew the City’s Housing Levy, the Positive Aging Initiative, the Equitable Development Initiative, the Seattle Housing Authority’s Strategic Plan, etc.)

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	All Home	Addressing the needs of persons experience homelessness is called out specifically in the goals of the 2018-2022 Consolidated Plan. Seattle/King County Strategic Plan to End Homelessness is managed by All Home, the Continuum of Care (CoC) Lead agency, and has served as a guiding effort to coordinate a system of services across the City and King County that focuses on ending rather than institutionalizing homelessness. www.allhomekc.org/the-plan
2017 City and SHA Assessment of Fair Housing	Human Services Dept. - FGMU	The AFH Work Plan is fully integrated into the 2018-2022 Consolidated Plan as required by HUD. See http://www.seattle.gov/Documents/Departments/HumanServices/CDBG/2017%20AFH%20Final.4.25.17V2.pdf
23rd Avenue Action Plan	Office of Planning and Comm. Dev.	Creates strong communities in the face of displacement pressures through the Healthy Living Framework, increase affordable Housing Options (Multiple Goals), promote economic mobility for low-income residents, Implements the City's Comprehensive Plan. http://www.seattle.gov/Documents/Departments/OPCD/OngoingInitiatives/CentralArea/23rdAvenueUDF.pdf

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Central Area Design Guidelines	Office of Planning and Comm. Dev.	Supports City's Comprehensive Plan. Increases access to high quality community infrastructure and high opportunity neighborhoods. http://www.seattle.gov/opcd/ongoing-initiatives/central-area
Breaking Barriers and Building Bridges	Office of Immigrant and Refugee Affairs	Complements Consolidated Plan goals by promoting equitable investment and development in low income communities to create shared prosperity; advancing economic mobility for the immigrant and refugees workforce and combatting institutional racism and barriers faced by low-income people with different abilities. https://www.seattle.gov/Documents/Departments/OIRA/BreakingBarriersandBuildingBridges.pdf
Ready To Work	Office of Immigrant and Refugee Affairs	Complements Consolidated Plan goals by promoting equitable investment and development in low income communities to create shared prosperity; advancing economic mobility for the immigrant and refugees workforce and combating institutional racism and barriers faced by low-income people with different abilities. https://www.seattle.gov/iandraffairs/RTW
Racial and Social Justice Initiative	Office of Civil Rights	Combat institutional racism and barriers faced by low income people, people with disabilities, families with children, veterans and other groups. Pursue best practices to eliminate structural and individual bias (related to racism, homophobia, transphobia, ableism, ageism and other forms of bias) http://www.seattle.gov/rsji/resources
Seattle 2035: Growth Management Act Update	Office of Planning and Comm. Dev.	The Comprehensive Plan guides City decisions on where to build new jobs and houses, how to improve our transportation system, and where to make capital investments such as utilities, sidewalks, and libraries. Our Comprehensive Plan is the framework for most of Seattle Countywide Planning Policies. http://www.seattle.gov/opcd/ongoing-initiatives/seattles-comprehensive-plan
Waterfront Seattle	Office of Planning and Comm. Dev.	Supports goals directed towards equitable access to a healthy environment in the downtown waterfront area of Seattle. https://waterfrontseattle.org/overview
Capitol Hill Design Guidelines	Office of Planning and Comm. Dev.	Supports City's Comprehensive Plan. Increases access to high quality community infrastructure and high opportunity neighborhoods. http://www.seattle.gov/opcd/ongoing-initiatives/capitol-hill-design-guidelines-update

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Chinatown International District Design Guidelines	Office of Planning and Comm. Dev.	Supports City's Comprehensive Plan. Increases access to high quality community infrastructure and high opportunity neighborhoods. https://www.seattle.gov/opcd/ongoing-initiatives/chinatown-international-district
Delridge Action Plan	Office of Planning and Comm. Dev.	Supports City's Comprehensive Plan. Increases access to high quality community infrastructure and high opportunity neighborhoods. https://www.seattle.gov/opcd/ongoing-initiatives/delridge-action-plan
Little Saigon Business District	Office of Planning and Comm. Dev.	Supports City's Comprehensive Plan. Increases access to high quality community infrastructure and high opportunity neighborhoods. https://www.seattle.gov/opcd/ongoing-initiatives/little-saigon-business-district
Rainier Beach Action Plan	Office of Planning and Comm. Dev.	Supports City's Comprehensive Plan. Increases access to high quality community infrastructure and targeted neighborhood investments. https://www.seattle.gov/opcd/ongoing-initiatives/rainier-beach
University District Rezone and Urban Design	Office of Planning and Comm. Dev.	Supports City's Comprehensive Plan. Increases access to high quality community infrastructure and targeted neighborhood investments. https://www.seattle.gov/opcd/ongoing-initiatives/u-district-urban-design
Uptown Rezone	Office of Planning and Comm. Dev.	Contributes to most of the goals in the Consolidated Plan as related to this geographic area in context of HALA and Mandatory Housing Affordability (MHA) ordinance. https://www.seattle.gov/opcd/ongoing-initiatives/uptown-framework-for-the-future
Equitable Development Initiative	Office of Planning and Comm. Dev.	Contributes to most goals of Consolidated Plan for housing, economic and community development, and equity issues targeting areas of the City represented by high percentages of people of color. http://www.seattle.gov/Documents/Departments/OPCD/OngoingInitiatives/EquitableDevelopmentInitiative/EDIImpPlan042916final.pdf

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Housing Affordability & Livability Agenda (HALA)	Office of Planning and Community Development and Office of Housing	Advances all Consolidated Plan Housing Goals, specifically the HALA goal. http://www.seattle.gov/hala
Under One Roof	Office of Housing	Describes need for affordable housing and the impact of the local Housing Levy for Seattle subsidized housing development. http://www.seattle.gov/housing/levy/
Seattle Housing Levy Administrative and Financial	Office of Housing	Referenced in Consolidated Plan because of direct connection to Housing Funding Policies contained in the Levy Administrative & Financial plan. https://www.seattle.gov/Documents/Departments/Housing/Footer%20Pages/HousingLevy_A-F-Plan_2017-18.pdf
Seattle Housing Authority Strategic Plan	Seattle Housing Authority	The goals of SHA strategic plan and the Consolidated Plan align well. Specifically, the strategic plan calls for SHA to expand public housing opportunities for low income households, promote quality communities, and improve quality of life for its participants. It also commits to partnership and coordinated action as well as race and social justice as organizational cornerstones. https://www.seattlehousing.org/sites/default/files/SHA_2016_2020_Strategic_Plan.pdf
Pathways Home	Human Services Department	Background and analysis of Seattle's homeless strategies and planned investments. Overlaps with Consolidated Plan Annual Action Plans. http://www.seattle.gov/Documents/Departments/HumanServices/Reports/Final_PH_1_Year.pdf
Open Space Plan	Parks	Includes plans for park improvements in economically distressed neighborhoods or sites. http://www.seattle.gov/parks/about-us/policies-and-plans/2017-parks-and-open-space-plan
Community Center Strategic Plan	Parks	Includes plans for Community Center improvements in economically distressed neighborhoods or sites needing ADA improvements. http://www.seattle.gov/parks/about-us/policies-and-plans/community-center-strategic-plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Parks Asset Management Plan	Parks	Includes buildings and facilities in economically distressed neighborhoods or sites needing ADA improvements. See Complete Parks ADA Priority Facility List in attachments for Consolidated Plan.
Seattle Parks and Recreation ADA Transition Plan	Parks	Includes plans and prioritization for park accessibility and ADA improvements, including in economically distressed neighborhoods. See Parks ADA Priority list attached in attachments. http://www.seattle.gov/Documents/Departments/ParksAndRecreation/PoliciesPlanning/ADA/S_PR_ADA_Transition_Plan_2017_Update.pdf
Designation process for low income parks	Parks	Park Upgrade Program projects are in parks that have been designated by this process. See attached .pdf in attachments to Consolidated Plan
2018-2023 Adopted Capital Improvement Program	Office of Planning and Comm. Dev.	Assessment of City owned capital facilities needs and fund sources in context of City budget. Link to leveraged facilities improvements prioritized in Consolidated Plan. http://www.seattle.gov/financedepartment/1823adoptedcip/default.htm
2017-2018 City Families and Education Levy	Department of Education and Early Learning	Seattle voters approved the \$231 million levy renewal (the 2011 Families and Education Levy) for the period of 2012-2018. The Families and Education Levy invests in early learning, elementary, middle school, high school, and health programs to achieve three goals: 1) Improve children's readiness for school; 2) Enhance students' academic achievement and reduce the academic achievement gap; and 3) decrease students' dropout rate and increase graduation from high school and prepare students for college and/or careers after high school. http://www.seattle.gov/education/about-us/about-the-levy
City American with Disabilities Act survey	Finance and Administrative Services	The City's ADA Compliance Team (ACT) is responsible for reviewing all City-owned and leased construction projects to ensure they comply with all ADA and accessibility requirements. http://www.seattle.gov/city-purchasing-and-contracting/social-equity/ada-and-accessibility-compliance

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Seattle/King County Area Agency on Aging State Pla	Human Services Department	http://www.agingkingcounty.org/wp-content/uploads/sites/185/2017/12/Area-Plan_2016-2019_MASTER-new.pdf
2016 Homeless Needs Survey	Human Services Department	http://coshumaninterests.wpengine.netdna-cdn.com/wp-content/uploads/2017/04/City-of-Seattle-Report-FINAL-with-4.11.17-additions.pdf
2018 Move To Work Plan	Seattle Housing Authority	https://www.seattlehousing.org/sites/default/files/2018%20SHA%20MTW%20Plan.pdf
2017 One Night Count	All Home	http://allhomekc.org/wp-content/uploads/2016/11/2017-Count-Us-In-PIT-Comprehensive-Report.pdf
Behavioral Risk Factor Surveillance data	Federal-Centers for Disease Control	https://www.cdc.gov/brfss/index.html
2017 HIV/AIDS Quarterly Reports	King County Epidemiology for People Living with HIV/AIDS	https://www.kingcounty.gov/depts/health/communicable-diseases/hiv-std/patients/epidemiology/~/_media/depts/health/communicable-diseases/documents/hivstd/hiv-surveillance-report.ashx
Monitoring Report: Affordability of Unsubsidized	Office of Housing	http://www.seattle.gov/housing/data-and-reports http://www.seattle.gov/Documents/Departments/OPCD/Demographics/AboutSeattle/2016UnsubsidizedHousingMonitoringReport.pdf
2017 Homeless Inventory Count	HUD; filed by Human Services Department	2017 inventory of facilities serving homeless individuals, families and youth/young adults. See attached spreadsheet in the attachments to Consolidated Plan.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Levy to Move Seattle Work Plan	Seattle Dept. of Transportation	http://www.seattle.gov/Documents/Departments/SDOT/About/Funding/2018_0423_MSLevy_Eval_Council_report_FINAL_Printable.pdf
KC Metro 2011-21 Plan for Public Transit	King County Metro	https://metro.kingcounty.gov/planning/pdf/MetroStrategicPlan_Summary_final.pdf
ESMI Workforce Development data	Office of Economic Development	Use of private database for workforce projection and labor industry trends at http://www.economicmodeling.com/workforce-development/
Vision 2040	Puget Sound Regional Council	Broad based regional plan including affordability, demographic trends and issues of equitable access to high opportunity areas at https://www.psrc.org/vision-2040-documents
Fixed Broadband Deployment	Federal Communications Commission	Database and maps to help determine gaps in access to broadband services; https://broadbandmap.fcc.gov/#/
Flood Service Map Center	Federal Emergency Management Agency	Database and maps to help determine flood prone areas of Seattle; https://map1.msc.fema.gov/idms/IntraView.cgi?KEY=67226133&IFIT=1
2016 Race & Social Justice Comm. Survey	Seattle Office of Civil Rights	http://www.seattle.gov/rsji/community/survey

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The City of Seattle, Human Services Department, Federal Grants Management Unit (FGMU), is the lead agency for the development of the Consolidated Plan and the administration and management of Community Development Block Grant, Emergency Solutions Grant, and Housing Opportunities for Persons with AIDS funding. The City's Office of Housing is the lead agency for the administration and management of the HOME Investment Partnership program.

The Consolidated Plan funds are allocated to several City departments for implementation of programs benefitting low- and moderate-income clients and other eligible populations. The Human Services Department utilizes CDBG, ESG, and HOPWA funds to provide public services for homeless and low- and moderate-income persons, for employment training support services to eligible clients, and for minor home repair services to low- and moderate-income homeowners. The Office of Housing (OH) uses CDBG and HOME funds to provide for the preservation and development of affordable housing, assistance to qualifying homeowners in need of home repairs, and assistance benefiting qualifying homebuyers. CDBG funding is used by many City departments to address a variety of community needs, including business development, revitalization, workforce development, community and neighborhood facilities, infrastructure and park improvements as well as improved accessibility for those with mobility impairments. All CDBG-funded projects are reviewed and monitored by the FGMU for compliance with applicable federal rules and regulations. AP-12 Participation – 91.105, 91.200(c)

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The City relies on existing planning and needs identification at the community, departmental and other stakeholder level to inform the list of services prioritized for HUD federal grant allocations. The list below highlights key plans that informed the 2019 Annual Action Plan submitted as part of the 2018-2022 Consolidated Plan.

Each of the planning efforts involved community engagement and public input in a variety of forms. The engagement and input includes a variety of digital surveys, City-wide “telephone” town halls, community engagement one-on-one with constituents at community fairs and celebrations, participation in panels, forums and public meetings that may not have focused on the Consolidated Plan itself, but were pertinent to one of more of the topics addressed by this plan. Public comments directly related to CP goals and issues were extracted from multiple City Department websites. Additionally, the City conducted as much outreach to public commissions, advocates, and public and non-profit stakeholders as possible within each initiative. For example, the 2017 AFH involved an extensive list of outreach activities captured by the Community Engagement Matrix.

- 2017 City and Seattle Housing Authority Assessment of Fair Housing
- 2016 Homelessness Survey – Pathways Home strategic plan
- 2016 City-wide Americans with Disabilities Act (ADA) Survey – and implementation work group recommendations continuing throughout 2018-2019
- Seattle Housing Authority strategic plan
- Office of Housing policy and priorities established through adoption of the 2017 Administration and Finance plan for Seattle Housing Levy funds
- City Comprehensive Growth Management Plan – Seattle 2035

Seattle has a long-standing commitment to providing information to the public in a variety of languages prevalent in our communities and recognizes the need to conduct more outreach to people with vision and hearing impairments. The City intends to improve access to AAP plans

for people with differing abilities such as people with hearing or vision impairments or other physical or cognitive limitations as we implement the 2018-22 ConPlan.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Focus Group	Residents of Public and Assisted Housing	From November 2016 through March 2017, SHA staff attended a number of resident events to discuss issues related to the Assessment of Fair Housing. Overall, staff attended 24 events reaching at least 390 residents and voucher holders.	Seattle's biggest fair housing challenge is the cost of living. High rents and home prices are displacing low- and middle-income households; impacting the ability of voucher holders to successfully find a unit. Lengthy wait times for SHA units and the homeless population are evidence that the demand for affordable housing surpasses the stock. A number of residents and voucher holders discussed		See summary of public comments in Executive Summary of the Assessment of Fair Housing at http://www.seattle.gov/Documents/Departments/HumanServices/CD

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
				instances of housing discrimination against individuals due to their participation in the Housing Choice Vouchers program. Historic redlining and mortgage practices have shaped the racial and ethnic characteristics of Seattle's neighborhoods.		
2	Focus Group	Minorities Non-English Speaking - Specify other language: 10 different languages Residents of Public and Assisted Housing Agencies	83 participated in the focus groups. Focus group participants confirmed the need for a community-based program to help Level 1-3 English Language Learners improve English Skills and Obtain Employment. The focus groups were attended by a cross section of English Language Learners representing 10 languages	Participants addressed a wide range of needs that directly informed the design of the Ready to Work Program	All of the major recommendations were built into the program design	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
		proving services to English Language learners				
3	Focus Group	Minorities Non-targeted/broad community Neighborhood based Comm Orgs	The Office of Housing sought public and stakeholder input throughout the development of the Housing Levy Administrative and Financial Plan (A&F Plan) and OH Funding Policies. In Fall 2016 OH published eleven white papers discussing potential changes to funding policies and then convened a meeting with stakeholders and members of the public. In early 2017 OH published draft policy language and sought additional comments and presented	To successfully address Levy priorities for housing in higher cost areas of opportunity, there were several recommendations for policies acknowledging higher costs. Similarly, higher costs were acknowledged as necessary to produce family-sized units. There was strong support for reduced leveraging requirements for homeless housing seeking rehabilitation funding.	There was discussion of making Home Repair funds available to community organizations, but these funds were determined to be more efficiently allocated via OHs existing Home Repair Program. The Foreclosure Prevention pilot program funds will be allocated by an administrator selected through a competitive process.	www.seattle.gov/housing/levy

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
			to the Seattle Planning Commissions Housing and Neighborhoods Committee; recommending the A&F Plan and Funding Policy to the Mayor and Council. The City Council received additional public comment during its review and approval of the legislation.			
4	Focus Group	Non-targeted/ broad community Neighborhood based Comm Org	The Office of Housing sought public and stakeholder input for the Housing Levy renewal. Two focus groups provided early input; an open house introduced the history of the housing levy, current programs and the renewal planning process, and solicited public comments and participation; an on-line survey provided another	Strong support to retain and expand each of the housing levy programs: rental housing, homeownership, and homelessness prevention. During City Council review, there was emphasis on equitable development and preventing displacement. Commitment to align levy homelessness investments with	The City received several broad responses that will inform housing planning and program activities in the future but were not applicable to the levy funding proposal.	www.seattle.gov/housing/levy

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
			<p>option. A 28-member Technical Advisory Committee provided comments on preliminary recommendations. OH presented the proposal at 8 community meetings and to the Seattle Planning Commissions Housing and Neighborhoods committee. City Council convened a Committee of the Whole met 7 times and held a public hearing.</p>	<p>Continuum of Care priorities and the City's Pathways Home Initiative. There was a request for a foreclosure prevention pilot program, which was added to eligible activities in the Homeownership program.</p>		

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The Expected Resources table below now reflects receipt of \$8,896,332 in federal funding for the CDBG, ESG, HOME and HOPWA programs through the CARES Act Public Law 116-136 passed on March 27, 2020. Though at least the end of 2020, the City anticipates allocation and expenditure of \$5,640,185 CDBG-CV, \$2,829,807 ESG-CV, and \$426,340 HOPWA-CV funding in addition to the regular grantee allocations for these programs.

Overall resources in 2019 from the Consolidated Plan funds are expected to remain substantially similar to recent years. The City of Seattle coordinates HUD's Consolidated Plan funds with other City resources such as our General Fund, Families and Education Levy, Housing Levy, federal McKinney-Vento funds, and Real Estate Excise Tax (REET) to provide for human services, affordable housing, and community and economic development. Not all the needs identified in the Consolidated Plan are addressed with HUD funds. How each fund source is used

depends upon the various restrictions and regulations covering the funds and the most efficient and effective mix of funds.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	9,339,546	400,000	3,978,761	13,718,307	47,055,942	Revenue projections for remainder of Con Plan, assume 2% reduction per year for the next 4 years from 2018 allocation.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	3,043,164	1,000,000	0	4,043,164	16,834,447	Revenue projections for remainder of Con Plan, assume 1% reduction per year for the next 4 years from 2018 allocation.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	2,600,883	0	2,629,250	5,230,133	10,167,483	2018 HOPWA RFP will inform 2019 project activities.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	805,090	0	0	805,090	3,107,350	Revenue projections for remainder of ConPlan, assume 1% reduction per year for the next 4 years from 2018 allocation.
Other	public - federal	Admin and Planning Economic Development Public Services	5,640,185	0	0	5,640,185	0	Prevent, prepare for and respond to coronavirus.
Other	public - federal	Overnight shelter Rental Assistance	2,829,807	0	0	2,829,807	0	Prevent, prepare for and respond to coronavirus.
Other	public - federal	STRMU	426,340	0	0	426,340	0	Plan, Prepare for and respond to coronavirus

Other	public - local	Acquisition Economic Development Homeowner rehab Housing Multifamily rental new construction Multifamily rental rehab Overnight shelter Permanent housing in facilities Permanent housing placement Public Improvements Public Services Rapid re-housing (rental assistance) Rental Assistance Short term or transitional housing facilities STRMU	0	0	0	0	0	Seattle and King County funds including General Funds; e.g. Seattle Housing Levy, Move Seattle Levy, Seattle Families Education Preschool and Promise Levy, Seattle Mandatory Housing Affordability Revenue, Seattle Park and Recreation
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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
		Supportive services Transitional housing						

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City of Seattle relies on Consolidated Plan funds to provide a foundation for our community and economic development activities. However, they are by no means the only investments the City or the community at large make in programs and services to support low- and moderate-income populations. Each of the three departments receiving the largest Consolidated Plan fund allocations anticipates sizable amounts of complementary funds from other sources to leverage the investment of HUD funds. The Office of Economic Development, for example, in 2018 received \$10.2 million from the City’s General Fund to support a healthy business environment that empowers businesses to develop, grow, and succeed. The Office of Housing received \$5.8 million in HUD Consolidated Plan funds in 2018 and received \$38 million from the Seattle Housing Levy for affordable housing projects and activities. In August of 2016, the seven-year housing levy was renewed by Seattle voters which doubled the total effort to provide funds for affordable housing. It is expected to generate \$290 million over the next seven years. The levy’s goals are to produce and preserve 2,150 apartments affordable for at least 50 years, reinvest in 350 affordable apartments, provide rent assistance and other supports for 4,500 families to prevent homelessness, assist 280 low-income homeowners, and provide loans for acquisition and rental rehabilitation of existing affordable apartments. Additionally, the pattern of non-City funding from prior years is expected to continue, with tax credit equity investments accounting for roughly half (40% - 60%) of total annual investments in multifamily rental projects involving Office of Housing funding. Other funding sources include incentive zoning payments, the Washington State Housing Trust Fund, private bank and bond financing, and owner contributions and fundraising. The Human Services Department allocation of \$9.6 million in Consolidated Plan funds for services supporting homeless and low-income persons and families and approximately \$12 million in federal McKinney funding is leveraged with nearly \$56 million in local General Fund resources for the Addressing Homelessness Budget Control Level. The Office of Immigrant and Refugee

Affairs, in addition to the \$400,000 in CDBG Funds, will be allocated \$22,500 in General Funds to provide for bi-lingual and language friendly teaching assistance services in the Ready to Work program.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City has undertaken various planning efforts to review the utilization of available / surplus municipal property from which services may be provided to homeless persons. Two notable examples include a permanent shelter in a City-owned facility and the establishment of authorized encampment sites.

The first authorized encampments for people experiencing homelessness were established on city-owned property in the Ballard and Magnolia neighborhoods in 2015, serving about 80 people on any given night. This and two other sites were established in 2015 serving roughly 165 people on any given day. Following the success of these three sites, three more opened in spring 2017 and two additional sites are scheduled to open in 2018. All the encampments are operated on a self-management model, with a local nonprofit organization acting as fiscal sponsor.

In 2017, The City of Seattle Human Services Department provided \$1.8M in funding to create a Seattle Navigation Center intended to serve at least 75 people at a time with increases in funding and people served each year since then. The Navigation Center is modeled on the San Francisco Navigation Center which is a dormitory-style living facility that provides people living outside with shower, bathroom, laundry and dining facilities, and a place to store their belongings. Additionally, the Navigation Center provides round-the-clock case management, mental and behavioral health services, and connections to benefit programs and housing all in one location. The staff on site offer support for basic needs like shelter, hygiene, meals, secure and accessible storage, case management, and supportive services including meaningful referrals for substance abuse and mental health.

Discussion

The City's use of the Consolidated Plan funds is based on the purpose of the funds, eligible activities, and those of other financial resources available to the City, such as our housing levy, families and education levy, and general fund. We try to match the fund source to its best use in the context of all the other funds. Our contingency plan is found in Section AP-35. If necessary due to unanticipated revenue changes (either in the allocation or in program income) that necessitate a substantial amendment, formal City budget action will take place to adjust affected budget authorizations to departments.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	CPD: Increase homeless services	2018	2022	Homeless		AFH: Displacement due to economic pressure AFH: Lack of Afford, Access. Hsg in Range of Sizes	CDBG: \$3,151,628 HOPWA: \$2,600,883 ESG: \$805,090 HESG-CV: \$2,829,807	Tenant-based rental assistance / Rapid Rehousing: 70 Households Assisted Homeless Person Overnight Shelter: 1500 Persons Assisted
2	CPD: Increase Small Business Assistance	2018	2022	Non-Housing Community Development		AFH: Lack Public Investment in Specific Neighbhds. AFH: Lack Private Investment in Specific Neighbhds AFH: Lack of Educational/Employment Spprt for LMI	CDBG: \$4,882,429 CDBG-CV: \$1,410,045	Businesses assisted: 261 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	CPD: Access to Nature and Physical Activities	2018	2022	Non-Housing Community Development		AFH: Lack Public Investment in Specific Neighbhds. AFH: Inaccessible Infrastructure	CDBG: \$808,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 35000 Persons Assisted
4	AFH/CPD:Resources for at-risk renters/owners	2018	2022	Affordable Housing Non-Homeless Special Needs		AFH: Displacement due to economic pressure AFH: Location & Type of Affordable Housing AFH: Access to financial services AFH:Access publicly supprted hsg for ppl w/disabil AFH: Impediments to mobility AFH: Private Discrimination AFH: Access to Medical Services	CDBG: \$605,462 CDBG-CV: \$4,229,735 HOPWA-CV: \$426,340	Public service activities other than Low/Moderate Income Housing Benefit: 1700 Persons Assisted Homeowner Housing Rehabilitated: 30 Household Housing Unit Housing for People with HIV/AIDS added: 64 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	AFH/CPD: Preserve and increase affordable housing	2018	2022	Affordable Housing		AFH: Displacement due to economic pressure AFH: Location & Type of Affordable Housing AFH: Lack Public Investment in Specific Neighbhds. AFH: Community Opposition AFH: Insufficient Investment in Affordable Housing AFH: Access to financial services AFH: Availability/Type of Public Transport. AFH: Impediments to mobility AFH: Private Discrimination AFH: Scarcity/High Costs of Land	CDBG: \$651,250 HOME: \$4,043,164	Rental units constructed: 22 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	AFH/CPD: Promote financial security for LMI HHS	2018	2022	Affordable Housing Non-Housing Community Development		AFH: Displacement due to economic pressure AFH: Location & Type of Affordable Housing AFH: Lack Public Investment in Specific Neighbhds. AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Access to financial services AFH: Impediments to mobility	CDBG: \$217,000	Other: 3 Other
7	AFH/CPD: Initiatives support marginalized groups	2018	2022	Non-Housing Community Development		AFH: Impediments to mobility AFH: Lack Private Investment in Specific Neighbhds AFH: Lack of Educational/Employment Spprt for LMI AFH: Scarcity/High Costs of Land	CDBG: \$400,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 150 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	AFH/CPD: Equitable investment across communities	2018	2022	Public Housing Non-Housing Community Development		AFH: Impediments to mobility AFH: Lack Private Investment in Specific Neighbhds AFH: Lack of Educational/Employment Spprt for LMI AFH: Scarcity/High Costs of Land AFH: Historic Siting of Publicly Supported Housing AFH:Historic Disinvestment in Public Hsg Community	CDBG: \$1,430,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 400 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
9	AFH/CPD: Provide housing/services to seniors	2018	2022	Affordable Housing Public Housing		AFH: Displacement due to economic pressure AFH: Location & Type of Affordable Housing AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Lack of Afford. in-Home/Com Based Spprt Serv. AFH: Lack of Afford Integrated Hsg-Ind w/Supp Serv AFH: Lack of Hsg Accessibility Modification Assist AFH: Lack Private Investment in Specific Neighbhds	CDBG: \$449,917	Homeowner Housing Rehabilitated: 500 Household Housing Unit
10	CPD: Increase Disaster Readiness	2018	2022	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development		AFH: Inaccessible Infrastructure AFH: Inaccessible Government Facilities/Services		Other: 1 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
11	AFH: Engage communities in civic participation	2018	2022	Outreach		AFH: Displacement due to economic pressure AFH: Location & Type of Affordable Housing AFH: Lack Public Investment in Specific Neighbhds. AFH: Community Opposition AFH: Admissions, occupancy policies & procedures AFH: Impediments to mobility AFH: Lack Private Investment in Specific Neighbhds AFH: Marketing/Screening Practices in Private Hsg AFH: Historic Siting of Publicly Supported Housing		Other: 5 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
12	AFH: Services to those with different abilities	2018	2022	Affordable Housing Public Housing Non-Homeless Special Needs		AFH: Location & Type of Affordable Housing AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Access publicly supprted hsg for ppl w/disabil AFH: Admissions, occupancy policies & procedures AFH: Lack of Afford Integrated Hsg-Ind w/Supp Serv AFH: Lack of Hsg Accessibility Modification Assist AFH: Private Discrimination AFH: Access to Medical Services		Other: 4 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
13	AFH: Provide more housing choices for families	2018	2022	Affordable Housing Public Housing		AFH: Displacement due to economic pressure AFH: Location & Type of Affordable Housing AFH: Land Use and Zoning Laws AFH: Insufficient Investment in Affordable Housing AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Admissions, occupancy policies & procedures AFH: Lack Private Investment in Specific Neighbhds		Other: 5 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
14	AFH:Increase housing options for homeless families	2018	2022	Homeless		AFH: Displacement due to economic pressure AFH: Location & Type of Affordable Housing AFH: Insufficient Investment in Affordable Housing AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Lack of Afford Integrated Hsg-Ind w/Supp Serv AFH: Private Discrimination AFH: Source of Income Discrimination		Other: 3 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
15	AFH: Promote equitable growth in new development	2018	2022	Affordable Housing Public Housing Non-Housing Community Development		AFH: Displacement due to economic pressure AFH: Location & Type of Affordable Housing AFH: Land Use and Zoning Laws AFH: Insufficient Investment in Affordable Housing AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Impediments to mobility AFH: Scarcity/High Costs of Land		Other: 2 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
16	AFH:Strong community despite displacement pressure	2018	2022	Non-Housing Community Development		AFH: Displacement due to economic pressure AFH: Lack Public Investment in Specific Neighbhds. AFH: Land Use and Zoning Laws AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Impediments to mobility AFH: Lack Private Investment in Specific Neighbhds AFH: Scarcity/High Costs of Land		Other: 4 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
17	AFH: Stay accountable to Comprehensive GM Plan	2018	2022	Affordable Housing Non-Housing Community Development		AFH: Displacement due to economic pressure AFH: Location & Type of Affordable Housing AFH: Lack Public Investment in Specific Neighbhds. AFH: Land Use and Zoning Laws AFH: Community Opposition AFH: Insufficient Investment in Affordable Housing AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Access to financial services AFH: Availability/Type of Public Transport. AFH: Impediments to mobility AFH: Private Discrimination AFH: Scarcity/High Costs of Land		Other: 3 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
18	AFH: All communities are environmentally sound	2018	2022	Non-Housing Community Development		AFH: Lack Public Investment in Specific Neighbhds. AFH: Land Use and Zoning Laws AFH: Lack Private Investment in Specific Neighbhds AFH: Location of Environmental Health Hazards		Other: 3 Other
19	AFH: Pursue best practices to end biases	2018	2022	Non-Housing Community Development		AFH: Land Use and Zoning Laws AFH: Community Opposition AFH: Impediments to mobility AFH: Lack Private Investment in Specific Neighbhds AFH: Private Discrimination AFH: Source of Income Discrimination AFH: Marketing/Screening Practices in Private Hsg		Other: 4 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
20	AFH: Combat institutional racism and barriers	2018	2022	Affordable Housing Non-Housing Community Development		AFH: Insufficient Investment in Affordable Housing AFH: Lack of State/Local Fair Housing Laws AFH: Private Discrimination AFH: Source of Income Discrimination		Other: 3 Other
21	AFH: Create supp hsg, reduce barriers for homeless	2018	2022	Affordable Housing Public Housing Homeless		AFH: Location & Type of Affordable Housing AFH: Insufficient Investment in Affordable Housing AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Lack of Afford. in-Home/Com Based Spprt Serv. AFH: Access publicly supported hsg for ppl w/disabil AFH: Admissions, occupancy policies & procedures AFH: Lack of Afford Integrated Hsg-Ind w/Supp Serv		Other: 4 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
22	AFH/CPD: Increase access to government facilities	2018	2022	Non-Housing Community Development		AFH: Inaccessible Infrastructure AFH: Inaccessible Government Facilities/Services		Other: 1 Other
23	AFH:Equitable access and amenities throughout city	2018	2022	Non-Housing Community Development		AFH: Displacement due to economic pressure AFH: Land Use and Zoning Laws AFH: Insufficient Investment in Affordable Housing		Other: 1 Other
24	AFH: Partnerships to imp public health outcomes	2018	2022	Public Housing Non-Housing Community Development		AFH: Displacement due to economic pressure AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Lack of Afford Integrated Hsg-Ind w/Supp Serv AFH: Location of Environmental Health Hazards AFH: Access to Medical Services		

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	CPD: Increase homeless services
	Goal Description	
2	Goal Name	CPD: Increase Small Business Assistance
	Goal Description	
3	Goal Name	CPD: Access to Nature and Physical Activities
	Goal Description	
4	Goal Name	AFH/CPD:Resources for at-risk renters/owners
	Goal Description	
5	Goal Name	AFH/CPD: Preserve and increase affordable housing
	Goal Description	
6	Goal Name	AFH/CPD: Promote financial security for LMI HHS
	Goal Description	
7	Goal Name	AFH/CPD: Initiatives support marginalized groups
	Goal Description	
8	Goal Name	AFH/CPD: Equitable investment across communities
	Goal Description	
9	Goal Name	AFH/CPD: Provide housing/services to seniors
	Goal Description	
10	Goal Name	CPD: Increase Disaster Readiness
	Goal Description	

11	Goal Name	AFH: Engage communities in civic participation
	Goal Description	
12	Goal Name	AFH: Services to those with different abilities
	Goal Description	
13	Goal Name	AFH: Provide more housing choices for families
	Goal Description	
14	Goal Name	AFH: Increase housing options for homeless families
	Goal Description	
15	Goal Name	AFH: Promote equitable growth in new development
	Goal Description	
16	Goal Name	AFH: Strong community despite displacement pressure
	Goal Description	
17	Goal Name	AFH: Stay accountable to Comprehensive GM Plan
	Goal Description	
18	Goal Name	AFH: All communities are environmentally sound
	Goal Description	
19	Goal Name	AFH: Pursue best practices to end biases
	Goal Description	
20	Goal Name	AFH: Combat institutional racism and barriers
	Goal Description	

21	Goal Name	AFH: Create supp hsg, reduce barriers for homeless
	Goal Description	
22	Goal Name	AFH/CPD: Increase access to government facilities
	Goal Description	
23	Goal Name	AFH:Equitable access and amenities throughout city
	Goal Description	
24	Goal Name	AFH: Partnerships to imp public health outcomes
	Goal Description	

Projects

AP-35 Projects – 91.220(d)

Introduction

This annual action plan is developed in the context of the City of Seattle’s overall budget of \$5.9 billion, of which \$1.3 billion is from our local General Fund. Given all available resources and needs, the City has determined that these proposed uses of Consolidated Plan funds give us the greatest opportunity to achieve the City’s goals, meet its responsibilities, and address the needs of low- and moderate-income residents. CDBG-funded public services projects, and projects funded with ESG and HOPWA, have been or will be reviewed and selected via competitive "requests for investments" processes to ensure that the proposed services lead to the positive client outcomes

Projects

#	Project Name
1	HSD 2019 CDBG Administration, Planning & Indirect
2	HSD 2019 Homeless Services
3	HSD 2019 Emergency Solutions Grant Program Activities
4	Project 1: 2019-2022 City of Seattle WAH19-F001 (SEATTLE)
5	HSD 2019 Minor Home Repair
6	OH 2019 Home Repair Program & Staffing
7	OH 2019 Homebuyer Education and Counseling
8	OH 2019 Rental Housing Program and Staffing
9	OH 2019 OH Staffing, Administration & Planning
10	OED 2019 Neighborhood Business District - Only in Seattle
11	OED 2019 Small Business Support
12	Parks 2019 Parks Upgrade Project
13	OIRA 2019 Ready to Work
14	OPCD 2019 Equitable Development Initiative
15	HSD 2019 Community Facilities Improvements
16	Alpha Cine Section 108 Loan Payoff
17	CV-OED 2020 Small Business Stabilization Round 2
20	ESG20 Seattle
21	CV-HSD 2020 Emergency Rental Assistance: general
22	CV-OH 2020 Emergency Rental Assistance: Affordable Housing
23	CV-COVID-19 2020 - 2023 Catholic Community Services WAH20-F001 (CCS)
24	CV-COVID-19 2020 - 2023 Lifelong WAH20-F001 (Lifelong)

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

These allocations are based on needs analyses, the availability of other funds targeted to various needs, the purpose of the Consolidated Plan funds, and the availability of City General Funds to meet a wide variety of needs.

Should HUD revenues (either annual allocation or program income) exceed the planned amount, the additional resources shall be allocated in accordance with these funding guidelines.

- Mitigate the funding reductions applied to various CDBG programs, grant administration, and planning efforts over the past several years in response to diminishing resources;
- Maximize use of funds for public services to the extent prudent to address gaps in funding for services for homeless persons (such as emergency shelter and day / hygiene services) and other low- and moderate-income households;
- Increase funding for those physical development activities (housing, community facilities, parks, economic development) that do not require on-going annual funding. To the extent possible, the City shall avoid development of a CDBG operating expense base that cannot be sustained if the federal government fails to maintain future CDBG funding at the current levels.

Should HUD revenues come in lower than planned, the City will continue its policy that the priority for managing decreases in CDBG resources will, to the extent possible, be to reduce funding allocations in physical development and/or administrative activities and not in public services.

- The HUD funding reductions shall be made in planning, administration, and/or physical development programs, including program delivery costs. One-time-only capital projects are most likely to experience reduced allocations of any HUD revenue decrease. Funding reductions may be applied across-the-board among physical development programs. Reductions in administration and planning will be done to the extent that they will not substantially impair the City's ability to manage the Consolidated Plan funds in an accountable manner.
- Comply with expenditure cap limitations on public services and planning and administration.
- The City will explore any other possible areas of savings or reductions that have a minimal impact on sustaining current levels of program operations and services. The Federal Grants Manager shall work with affected City programs in identifying and capturing prior year CDBG under-expenditures.

If increases are not substantial or significant enough to enhance or fund an activity, funds may be placed in contingency for programming late in the year or in the next program year.

If a local "urgent needs" event and/or a state or federally declared disaster occurs, federal grant funds which are allocated but not yet distributed and expended may be reprogrammed to address otherwise

HUD eligible activities that address the disaster conditions. Such a response would not be treated as a Substantial Amendment to this Plan but would be handled according to the Citizen Participation Plan adopted as part of this Consolidated Plan (see attachments). See AP-90 for applicability of the Residential Anti-displacement and Relocation Assistance Plan (RARAP).

AP-38 Project Summary
Project Summary Information

1	Project Name	HSD 2019 CDBG Administration, Planning & Indirect
	Target Area	
	Goals Supported	AFH:Equitable access and amenities throughout city
	Needs Addressed	
	Funding	:
	Description	Provide internal staffing capacity to adequately and effectively administer the Consolidated Plan funds, particularly the CDBG program, and to monitor eligibility, labor standards, and environmental compliance. Maintain data integrity of IDIS data. CDBG program for indirect administration support of program operations, including executive leadership, communications, payroll / human resources, information technology, and accounts payable / budget management services. Development of the Consolidated Plan, annual CAPER, annual action plans and updates; research into related issues, including fair housing, homeless response, and other topics related to homeless and low- and moderate-income persons and families. Provide support for continued integration and implementation of the 2017 Assessment of Fair Housing and the 2018-2022 Consolidated Plan. Charges consistent with approved indirect cost allocation plan.
	Target Date	12/31/2019
	Estimate the number and type of families that will benefit from the proposed activities	The Consolidated Plan funds are used to benefit the 704,352 residents of the City of Seattle (2016 Population Estimates, US Census Bureau), specifically targeting the needs of the 237,285 Low-Moderate-Income residents of Seattle (FY 2017 LMISD by Grantee - Summarized Block Group Data, Based on 2006-2010 American Community Survey). Programs and activities supported by these funds are specifically intended to benefit low- and moderate-income and homeless persons and families. These persons and families are disproportionately underserved and from communities of color. Economic and community development activities will specifically target historically disadvantaged neighborhoods and business districts.
Location Description	City of Seattle, Human Services Department, 700 5th Ave, Seattle, WA 98104	

	Planned Activities	Provide internal staffing capacity to adequately and effectively manage and administer the CDBG program and oversight of all Consolidated Plan funds, and to review eligibility and monitor labor standards, and environmental compliance. Ensure programmatic compliance with applicable federal regulation. Maintain data integrity of IDIS data. Development annual action plans, CAPER and updates; research into related issues, including fair housing, homeless response, and other topics related to homeless and low- and moderate-income persons and families. Provide CDBG program for indirect administration support of program operations, including executive leadership, communications, payroll / human resources, information technology, and accounts payable / budget management services. Charges consistent with approved indirect cost allocation plan.
2	Project Name	HSD 2019 Homeless Services
	Target Area	
	Goals Supported	CPD: Increase homeless services
	Needs Addressed	AFH: Insufficient Investment in Affordable Housing AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Admissions, occupancy policies & procedures
	Funding	:
	Description	Provide assistance to persons experiencing homelessness or at-risk of homelessness; including emergency overnight shelter, day center / outreach activities, and assistance to transitional or more stable housing via sub-recipient providers.
	Target Date	12/31/2019
	Estimate the number and type of families that will benefit from the proposed activities	Programs and activities supported by these funds are specifically intended to benefit low- and moderate-income and homeless persons and families. These persons and families are disproportionately underserved and from communities of color. Approximately 3,800 individuals will benefit from the CDBG funding.
	Location Description	City of Seattle, Human Services Department, 700 5th Ave, Seattle, WA 98104. RFP for homeless services to be awarded in November 2017 will determine exact activities and the associated location of the services
	Planned Activities	Provide emergency shelter operations and case management to move people to permanent housing.
	Project Name	HSD 2019 Emergency Solutions Grant Program Activities

3	Target Area	
	Goals Supported	CPD: Increase homeless services
	Needs Addressed	AFH: Displacement due to economic pressure AFH: Access to financial services AFH: Impediments to mobility
	Funding	:
	Description	Provides emergency shelter, day center / outreach activities, and homelessness prevention services
	Target Date	12/31/2019
	Estimate the number and type of families that will benefit from the proposed activities	Programs and activities supported by these funds are specifically intended to benefit low- and moderate-income and homeless persons and families. These persons and families are disproportionately underserved and from communities of color. Approximately 4,800 individuals will benefit from the ESG funding.
	Location Description	City of Seattle, Human Services Department, 700 5th Ave, Seattle, WA 98104.
Planned Activities	The 2019 ESG allocation will be used to fund operations at two shelter sites and also fund a Rapid Re-Housing program for families. The amount of funds going to emergency shelter will not exceed the amount spent on emergency services in 2010 and no more than 7.5% of the 2019 allocation will be used for administration.	
4	Project Name	Project 1: 2019-2022 City of Seattle WAH19-F001 (SEATTLE)
	Target Area	
	Goals Supported	CPD: Increase homeless services
	Needs Addressed	AFH: Displacement due to economic pressure AFH: Historic Disinvestment in Public Hsg Community AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Access to financial services AFH: Admissions, occupancy policies & procedures AFH: Impediments to mobility
	Funding	:
	Description	Allocate funds to project sponsors to provide the most effective mix of activities to serve persons living with AIDS and their families.
	Target Date	12/31/2019

	Estimate the number and type of families that will benefit from the proposed activities	Low and moderate-income and homeless persons and families. These persons and families are disproportionately underserved and from communities of color. Approximately 340 households will benefit from the HOPWA funding.
	Location Description	Seattle, King County, and Snohomish County.
	Planned Activities	Provide funding for homelessness prevention and permanent housing through tenant based and project based rental assistance, and permanent housing placement. In 2019, three subrecipients will provide tenant- and project-based rental assistance to approximately and Permanent Housing Placement resources to approximately 230+ residents. One subrecipient will receive operational support for approximately 50 HOPWA eligible tenants of in an apartment building. Allocation for 2019 funding will be used for service activities in 2020-2021.
5	Project Name	HSD 2019 Minor Home Repair
	Target Area	
	Goals Supported	AFH/CPD: Provide housing/services to seniors
	Needs Addressed	AFH: Displacement due to economic pressure AFH: Insufficient Investment in Affordable Housing AFH: Lack of Afford, Access. Hsg in Range of Sizes AFH: Access to financial services AFH: Impediments to mobility AFH: Scarcity/High Costs of Land AFH: Lack of Hsg Accessibility Modification Assist
	Funding	:
	Description	Provide minor home repairs to qualifying low- and moderate-income homeowners for safety and health-related repairs to their homes via sub-recipient service providers.
	Target Date	12/31/2019

	<p>Estimate the number and type of families that will benefit from the proposed activities</p>	<p>Programs and activities supported by these funds are specifically intended to benefit low- and moderate-income seniors and younger disabled adults. These persons are disproportionately underserved and from communities of color. Economic and community development activities will specifically target historically disadvantaged neighborhoods and business districts. It is estimated 550 homeowners in 2019 will be assisted with this minor home repair program, enabling the homeowner to stay in their home longer, as well as preserve older housing stock in Seattle. This program has been funded at the same level since 2014 with CDBG funding and historically assisted a majority of households of color throughout Seattle. Specifically, 67% of 556 households assisted in 2016 identified as households of color; 65% of 623 for 2015, 64% of 673 in 2014, and 65% of 682 in 2013, and 66% of 709 households in 2012. It is anticipated that a similar percentage of households assisted will also identify as households of color in 2019. Historically this program has assisted homeowners of which 85% identify as senior and of which over 60% are Female Heads of Household. Additionally, over 80% of the households have incomes that are half (50%) of Area Median Income; a 2-person household makes less than \$40,100 annually in 2018.</p>
	<p>Location Description</p>	<p>City of Seattle, Human Services Department, 700 5th Ave, Seattle, WA 98104. The program benefits low-moderate income homeowners throughout Seattle. Applicants apply for assistance, then individual eligibility is determined.</p>
	<p>Planned Activities</p>	<p>The Minor Home Repair program serves younger disabled homeowners, low-income family homeowners, and older adult homeowners who are faced with the challenge of affording home repairs. Subrecipient staff provide parts and labor to make minor home repairs for homeowners who are on limited incomes. Subrecipient staff conduct an assessment and implementation of minor repairs on owner-occupied housing. Repairs include, but are not limited to, fixing leaking pipes, replacing broken sinks, rebuilding broken steps, replacing broken doors and window panes, building wheelchair ramps, and installing grab bars.</p>
<p>6</p>	<p>Project Name</p>	<p>OH 2019 Home Repair Program & Staffing</p>
	<p>Target Area</p>	
	<p>Goals Supported</p>	<p>AFH/CPD:Resources for at-risk renters/owners</p>

	Needs Addressed	AFH: Displacement due to economic pressure AFH: Access to financial services AFH: Impediments to mobility
	Funding	:
	Description	Provide major home repair financial assistance to qualifying low- and moderate-income homeowners, to help them maintain their homes so that they can continue to live there.
	Target Date	12/31/2019
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 30 homeowners will receive financial assistance for major home repair. Assisted households typically include seniors and others on low, fixed incomes. The Home Repair Loan Program helps prevent displacement of low-income homeowners by helping them remain safely in their homes. Homeowners of color are more likely than their white counterparts to be severely cost burdened, meaning that they pay more than 50% of their income towards housing. Therefore, homeowners of color may be more likely to not have access to resources needed for critical home repairs like roof replacements or side sewers.
	Location Description	Homeowners will apply to the Office of Housing for home repair loans throughout 2019. Project locations will be reported after home repair loans are completed.
	Planned Activities	Financial assistance in the form of loans to qualifying homeowners. Program development, financial management, and data reporting activities in support of the Home Repair Program.
7	Project Name	OH 2019 Homebuyer Education and Counseling
	Target Area	
	Goals Supported	AFH/CPD: Promote financial security for LMI HHS
	Needs Addressed	AFH: Displacement due to economic pressure AFH: Access to financial services AFH: Impediments to mobility AFH: Lack of Educational/Employment Spprt for LMI
	Funding	:
	Description	Support Community Based Development Organization (CBDO) costs of providing education for first-time low- and moderate-income homebuyers
	Target Date	12/31/2019

	<p>Estimate the number and type of families that will benefit from the proposed activities</p>	<p>These services are affirmatively marketed to make them available to homebuyers and homeowners of color and other historically disadvantaged Seattle residents. Ensuring that racial minorities and others who have been systematically shut out of the housing market have access to education, counseling and purchase assistance is a key tenet of this program. When low-income people and people of color have the opportunity to purchase homes at affordable prices or stay in their homes due to post-purchase counseling or foreclosure prevention resources this increases racial equity and decreases race and class disparities. It is estimated that 900 households will benefit from this program.</p> <p>400 households will attend workshops and/or receive counseling services: 180 households will attend first-time homebuyer workshops; and 220 households will receive pre- and post-purchase counseling or foreclosure prevention counseling</p> <p>Because of these services, 10 low- to moderate income homeowners will receive foreclosure prevention assistance, and 10 low- to moderate income homebuyers will receive financial assistance to purchase a home.</p> <p>Additionally, at least 500 households will receive information and referrals regarding homeownership.</p>
	<p>Location Description</p>	<p>Services will be provided to homebuyers and homeowners throughout the city, by phone and in person.</p>
	<p>Planned Activities</p>	<p>Homebuyer counseling and education services; homeowner counseling and foreclosure prevention.</p>
<p>8</p>	<p>Project Name</p>	<p>OH 2019 Rental Housing Program and Staffing</p>
	<p>Target Area</p>	
	<p>Goals Supported</p>	<p>AFH/CPD: Preserve and increase affordable housing</p>

Needs Addressed	<p>AFH: Displacement due to economic pressure</p> <p>AFH: Insufficient Investment in Affordable Housing</p> <p>AFH: Lack of Afford, Access. Hsg in Range of Sizes</p> <p>AFH: Lack of Afford. in-Home/Com Based Spprt Serv.</p> <p>AFH: Access to Medical Services</p> <p>AFH: Access publicly supprted hsg for ppl w/disabil</p> <p>AFH: Admissions, occupancy policies & procedures</p> <p>AFH: Lack of Afford Integrated Hsg-Ind w/Supp Serv</p> <p>AFH: Lack of Hsg Accessibility Modification Assist</p>
Funding	:
Description	The Seattle Office of Housing will uses the 2019 HOME allocation solely for the production of rental housing.
Target Date	12/31/2019
Estimate the number and type of families that will benefit from the proposed activities	<p>Funding will be awarded to housing development and preservation projects through a competitive Notice of Funds Available (NOFA) process in December 2018. An estimated 57 households will be assisted, of whom an estimated 20 will be homeless households.</p> <p>Funded projects will serve low-income households, including formerly homeless households, for 50 years or more. These are households with incomes at or below 60% of AMI who are disproportionately people of color and disproportionately cost burdened. These households also include other protected classes, such as seniors and people with disabilities who are living on low, fixed incomes. Housing will be affirmatively marketed to ensure access by disadvantaged groups. Homeless housing will serve households assessed and referred through in the Continuum of Care's coordinated entry system.</p>
Location Description	Funding will be awarded to housing development and preservation projects through a competitive Notice of Funds Available (NOFA). Project locations will be determined at that time.
Planned Activities	This year's allocation of HOME funds will likely go towards the production of approximately 20+ units of rental housing, some of which may be developed by a CHDO. The CDBG funds will be used, with other funds, to rehab up to 34 units of multi-family housing in the Delridge neighborhood: Funds will be used for capital financing related to construction, acquisition and rehabilitation of affordable rental housing for low-income households.
Project Name	OH 2019 OH Staffing, Administration & Planning

9	Target Area	
	Goals Supported	AFH/CPD: Preserve and increase affordable housing
	Needs Addressed	AFH: Location & Type of Affordable Housing
	Funding	:
	Description	Support OH staff costs associated with CDBG and HOME program planning administration, and contracted services.
	Target Date	12/31/2019
	Estimate the number and type of families that will benefit from the proposed activities	The Consolidated Plan funds are used to benefit the 704,352 residents of the City of Seattle (2016 Population Estimates, US Census Bureau), specifically targeting the needs of the 237,285 Low-Moderate-Income residents of Seattle (FY 2017 LMISD by Grantee - Summarized Block Group Data, Based on 2006-2010 American Community Survey). Programs and activities supported by these funds in the Office of Housing are specifically intended to address affordable housing needs that benefit low- and moderate-income and homeless persons and families. These persons and families are disproportionately underserved and from communities of color.
	Location Description	City of Seattle, Office of Housing, 700 5th Ave, Seattle, WA 98104
	Planned Activities	Provide internal staffing capacity to adequately and effectively manage and administer the HOME and CDBG funds that the Office of Housing manages; including program planning, administration and contracted services.
10	Project Name	OED 2019 Neighborhood Business District - Only in Seattle
	Target Area	
	Goals Supported	CPD: Increase Small Business Assistance
	Needs Addressed	AFH: Scarcity/High Costs of Land AFH: Lack of Educational/Employment Spprt for LMI AFH: Lack Private Investment in Specific Neighbhds
	Funding	:
	Description	The Only in Seattle Initiative provides grants and services to foster inclusive neighborhood business districts that allow small businesses to thrive. The Initiative focuses on supporting district stakeholders to organize around a common vision for their district and take action. Includes planning and administration that supports the Only in Seattle Initiative.

Target Date	12/31/2019
Estimate the number and type of families that will benefit from the proposed activities	<p>Two staff people and 1 or 2 consultants will provide support, assistance and oversight in approximately 9 business districts. 200 small businesses are located within the business districts served with CDBG and benefit from the work.</p> <p>Seattle is experiencing rapid redevelopment, particularly in urban villages and business districts. Although some areas of Seattle have not seen the same level of redevelopment, particularly in areas of historic disinvestment, the rapid rise in real estate costs has pushed higher income people into these less-expensive areas and pushed lower-income residents and businesses out of Seattle. The projects in the Only in Seattle program focus on preventing displacement of small businesses of color. This is accomplished by organizing district stakeholders to create a shared vision, developing strategies to address priorities and intentionally reaching out to businesses and connecting them to services. This allows local businesses, property owners, residents and organizations to drive changes and develop local support for businesses.</p>
Location Description	<p>RFA occurs in November 2018 to determine final neighborhoods, but the program has consistently supported the following business districts to implement comprehensive commercial district strategies: Beacon Hill, Central Area, Chinatown-ID and Little Saigon, Hillman City, Lake City, Othello, Rainier Beach, Mount Baker, and South Park.</p>
Planned Activities	<p>Racial Equity in Business Districts Project: This project includes supporting several business districts to conduct in-language outreach to local small businesses, to learn challenges they are facing and support with services. The project also includes a training cohort in racial equity and implicit bias to build awareness and provide tools for business district leaders to build more equitable organizations and practices. In 2019, approximately 3-5 business districts will receive outreach support and 15-20 business district leaders will receive training.</p> <p>Commercial District Strategies: Approximately 9 business districts receive CDBG funding to develop and implement plans that support local businesses. Typical outcomes include, connecting businesses to technical assistance, supporting businesses with marketing strategies, and helping them resolve issues they are facing. Will also explore feasibility of King Street station project.</p>

11	Project Name	OED 2019 Small Business Support
	Target Area	
	Goals Supported	CPD: Increase Small Business Assistance
	Needs Addressed	AFH: Access to financial services AFH: Scarcity/High Costs of Land AFH: Lack of Educational/Employment Spprt for LMI
	Funding	:
	Description	Support deliver of technical assistance in the form of business assistance, marketing support, and one-on-one technical support to small business entrepreneurs in the retail, restaurant or service sectors that are located in low- and moderate-income neighborhoods. Additionally provide direct financial assistance to qualifying microenterprises and small businesses for job creation and retention and services to disadvantaged communities.
	Target Date	12/31/2019
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 100 small businesses will be supported with technical assistance. The program prioritizes outreach for business technical assistance to women, minority and immigrant owned businesses. Approximately 20 microenterprises will be supported with financing.
	Location Description	Citywide
Planned Activities	Financing will be provided citywide to low- and moderate-income owned businesses (microenterprises), prioritizing outreach for financing to women, minority and immigrant owned businesses. Financing tools may take the form of Individual Development Accounts for Businesses, a form of matched savings program that combines business savings, technical assistance and matching funds (i.e., CDBG funds). Financing will also be provided as interest subsidy on microenterprise loans. Business technical assistance will be provided citywide to low- and moderate-income owned businesses (microenterprises), businesses in low- and moderate-income areas and immigrant owned businesses. Services could include lease education, business plan development, and financial management training. Will work with OPCD to leverage Othello Project for equitable development.	
12	Project Name	Parks 2019 Parks Upgrade Project
	Target Area	

	Goals Supported	CPD: Access to Nature and Physical Activities
	Needs Addressed	AFH: Displacement due to economic pressure AFH: Lack Public Investment in Specific Neighbhds. AFH: Impediments to mobility AFH: Inaccessible Government Facilities/Services AFH: Inaccessible Infrastructure AFH: Location of Environmental Health Hazards
	Funding	:
	Description	Provide capital improvements, renovation and ADA improvements in neighborhood parks serving qualifying low- and moderate-income neighborhoods.
	Target Date	12/31/2019
	Estimate the number and type of families that will benefit from the proposed activities	Park improvements occur in parks that serve low income neighborhoods. The neighborhoods disproportionately serve people of color and other historically disadvantaged people. The residents within an approximate 1.5-mile radius of each park benefit from the improvements.
	Location Description	Location for park improvements to be determined in early 2018.
	Planned Activities	Installation of up to 9 park improvements including but not limited to safety fencing, paths, ADA compliance, and improved landscaping.
13	Project Name	OIRA 2019 Ready to Work
	Target Area	
	Goals Supported	AFH/CPD: Initiatives support marginalized groups
	Needs Addressed	AFH: Displacement due to economic pressure AFH: Access to financial services AFH: Impediments to mobility AFH: Scarcity/High Costs of Land AFH: Lack of Educational/Employment Spprt for LMI AFH: Lack Private Investment in Specific Neighbhds
	Funding	:
	Description	Provide ESL, job skills training and placement for persons with limited English proficiency via a CBDO.
	Target Date	12/31/2019

	Estimate the number and type of families that will benefit from the proposed activities	The total number of families served is estimated to be 150. Participants will be English language learners in need of stable employment and ongoing access to English language learning programs. Currently immigrant and refugee jobseekers who have low levels of English language proficiency succeed in college certificate, job training, and basic skills programs at a significantly lower rate than native -born English proficient individuals. The outcomes of this program will demonstrate course completion and educational advancement rates that exceed those of traditional college-based ESL programs.
	Location Description	Classes and services will be provided at 1.) Asian Counseling and Referral Service, 3629 Martin Luther King Dr. South, Seattle, WA 98144 and 2.) Rainier Beach Public Library, 9125 Rainier Ave. South, Seattle , WA 98119.
	Planned Activities	Via a CBDO, and subcontracted CBOs, provide English language learning classes and employment services including: outreach, learning assessments, classroom instruction, case management, educational and career planning, job placement and employer engagement to support the program.
14	Project Name	OPCD 2019 Equitable Development Initiative
	Target Area	
	Goals Supported	AFH: Promote equitable growth in new development
	Needs Addressed	AFH: Lack Public Investment in Specific Neighbhds.
	Funding	:
	Description	Provide support for community-based organizations pursuing investment strategies that will mitigate displacement within high-risk neighborhoods.
	Target Date	12/31/2019

<p>Estimate the number and type of families that will benefit from the proposed activities</p>	<p>Funding will be awarded to eligible organizations through a competitive Notice of Funds Availability (NOFA) process in early 2019. CDBG funds will support at least 2 neighborhoods pursuing an anti-displacement strategy.</p> <p>The EDI Fund addresses displacement and the unequal distribution of opportunities to sustain a diverse Seattle. The EDI fosters community leadership and supports organizations to promote equitable access to housing, jobs, education, parks, cultural expression, healthy food and other community needs and amenities. The EDI Framework integrates people and place to create strong communities and people, as well as great places with equitable access. The Framework, with its equity drivers and outcomes, functions as an analytical tool to guide implementation to reduce disparities and achieve equitable outcomes for marginalized populations. The following are the indicators that inform the displacement Risk Index that EDI projects are focusing on:</p> <ol style="list-style-type: none"> 1. People of color: Percentage of population that is not non-Hispanic White 2. Linguistic isolation: Percentage of households in which no one 14 and over speaks English only or no one 14 and over speaks both a language other than English and English "very well" 3. Low educational attainment: Percentage of population 25 years or older who lack a Bachelor's degree 4. Rental tenancy: Percentage of population in occupied housing units that are renters 5. Housing cost-burdened households: Percentage of households with income below 80% of AMI that are cost burdened (> 30% of income on housing) and Percentage of households with income below 80% of AMI that are severely cost burdened (> 50% of income on housing) 6. Household income: Percentage of population with income below 200% of poverty level 7. Proximity to transit: Number of unique transit trips within 0.25-mile walking distance of a location
<p>Location Description</p>	<p>High displacement risk / low access to opportunity (ex. Rainier Beach, Othello, South Park, Highland Park)</p> <p>High displacement risk / high access to opportunity (ex. Chinatown/International District, Central Area(23rd and Union-Jackson), Lake City and North Gate)</p>

	Planned Activities	Equitable Development Projects are community-driven strategies created through an inclusive community engagement process and are prioritized in neighborhoods with high levels of chronic and recent displacement risk, history of disinvestment and community driven priorities to mitigate further displacement and increase access to opportunity. Funds will be awarded to eligible organizations through a request for proposal process in 2019.
15	Project Name	HSD 2019 Community Facilities Improvements
	Target Area	
	Goals Supported	AFH/CPD: Equitable investment across communities
	Needs Addressed	AFH: Displacement due to economic pressure
	Funding	:
	Description	The City receives multiple requests each year for support of community-based facilities serving low- and moderate-income people and/or providing access to community services, education, government programs and economic development benefits. Public facilities improvements can improve ADA access, maintain viable life of community use buildings not owned by the City, enhance service capacity, provide childcare sites and rehabilitate older buildings run by non-profit operators as examples. Prior year funds will be used to support facilities improvement projects that meet City and Consolidated Plan goals and are otherwise eligible for CDBG funding. Project identified for this funding may come from a Federal Grants Management Unit (FGMU) RFP in 2019.
	Target Date	12/31/2019
	Estimate the number and type of families that will benefit from the proposed activities	Estimated 3- 5 projects could be funded based on timing and project eligibility
	Location Description	
	Planned Activities	Potential 2019 RFP to identify timely and eligible community facilities projects.
16	Project Name	Alpha Cine Section 108 Loan Payoff
	Target Area	
	Goals Supported	AFH/CPD: Initiatives support marginalized groups

	Needs Addressed	AFH: Displacement due to economic pressure
	Funding	CDBG: \$723,138
	Description	Repayment of Section 108 loan
	Target Date	12/31/2019
	Estimate the number and type of families that will benefit from the proposed activities	NA
	Location Description	NA
	Planned Activities	NA
17	Project Name	CV-OED 2020 Small Business Stabilization Round 2
	Target Area	
	Goals Supported	CPD: Increase Small Business Assistance
	Needs Addressed	AFH: Displacement due to economic pressure
	Funding	CDBG-CV: \$1,410,045
	Description	This project will issue stabilization grants to microenterprises to ensure they are able to meet their financial obligations during income losses attributed to the COVID19 outbreak
	Target Date	12/31/2020
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 50 microenterprises whose businesses have been impacted by the COVID19 crisis will benefit from the proposed activity.
	Location Description	city-wide
	Planned Activities	The City of Seattle Office of Economic Development (OED) offers grants of up to \$10,000 to microenterprises with low- and moderate- income owners located in Seattle. Grants may be used to cover the day-to-day operating expenses of the business, such as but not limited to payroll or losses due to the impacts of the COVID19 crisis.
18	Project Name	ESG20 Seattle
	Target Area	
	Goals Supported	CPD: Increase homeless services

	Needs Addressed	AFH: Displacement due to economic pressure
	Funding	HESG-CV: \$2,829,807
	Description	HESG-CV funds will support short term rent assistance and the provision of meals to shelter participants.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	70 individuals with extremely low incomes who are categorized as high risk for catching COVID-19, and also at risk of losing their housing will benefit from the rental assistance program. 1000 individuals and households experiencing homelessness and residing in emergency shelters will benefit from the provision of meals at these sites.
	Location Description	City-wide
	Planned Activities	A rental assistance program will provide up to one-year of rental assistance and case management for individuals who are 1) age 50 or older, 2) at high risk of COVID-19, 3) have income limited to federal disability benefits, especially Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), that is not more than \$1,000 per month, 4) are at risk of or currently experiencing homelessness; Meals will be provided to people who are accessing emergency shelters which have been de-intensified and spread across the City to ensure social distancing and safety during the COVID-19 crisis through two subrecipient agreements with meal providers who will work with shelter programs.
19	Project Name	CV-HSD 2020 Emergency Rental Assistance: general
	Target Area	
	Goals Supported	AFH/CPD:Resources for at-risk renters/owners
	Needs Addressed	AFH: Displacement due to economic pressure
	Funding	CDBG-CV: \$2,820,095
	Description	Funds will be made available through existing Rental Assistance providers, who will enter into subrecipient agreements with the City of Seattle and provide emergency rental assistance to households whose housing is at risk because they have been economically impacted by the COVID-19 crisis.
	Target Date	12/31/2020

	Estimate the number and type of families that will benefit from the proposed activities	600 households with low- and moderate-incomes will benefit from these proposed activities.
	Location Description	City-wide
	Planned Activities	50% of the funds are to be made available to up to 10 current providers of Homelessness Prevention Assistance; 50% will be made available to the United Way of King County's "Homeward Bound" program. Emergency rent payments will be made to landlords on tenants' behalf, to ensure they are able to maintain housing.
20	Project Name	CV-OH 2020 Emergency Rental Assistance: Affordable Housing
	Target Area	
	Goals Supported	AFH/CPD:Resources for at-risk renters/owners
	Needs Addressed	AFH: Displacement due to economic pressure
	Funding	CDBG-CV: \$1,410,045
	Description	Funds will provide emergency rental assistance to households who reside in low-income housing in the City's asset portfolio and, due to the coronavirus, are unable to pay their rent. The maximum level of assistance will equal a one-time payment of \$1,000
	Target Date	12/31/2020
	Estimate the number and type of families that will benefit from the proposed activities	1100 households with incomes at or below 80% of area median income
	Location Description	City-wide
	Planned Activities	Office of Housing staff will review and approve applications for assistance from households and issue emergency rent payments to their landlords.
21	Project Name	CV-COVID-19 2020 - 2023 Catholic Community Services WAH20-F001 (CCS)
	Target Area	
	Goals Supported	AFH/CPD:Resources for at-risk renters/owners
	Needs Addressed	AFH: Displacement due to economic pressure

	Funding	HOPWA-CV: \$85,268
	Description	Catholic Community Services will provide STRMU assistance to households who have been impacted by the COVID-19 crisis, to ensure they are able to maintain their housing.
	Target Date	12/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	13 households that are earning 0%-50% AMI and have a household member who is diagnosed with HIV/AIDS.
	Location Description	King and Snohomish Counties
	Planned Activities	Via a subrecipient agreement with Catholic Community Services, 13 households that are earning 0%-50% AMI and have a household member who is diagnosed with HIV/AIDS will be provided rental assistance to ensure they remain in their housing.
22	Project Name	CV-COVID-19 2020 - 2023 Lifelong WAH20-F001 (Lifelong)
	Target Area	
	Goals Supported	AFH/CPD:Resources for at-risk renters/owners
	Needs Addressed	AFH: Displacement due to economic pressure
	Funding	HOPWA-CV: \$341,072
	Description	Lifelong will provide STRMU to households who are impacted by the COVID-19 crisis to ensure they maintain their housing.
	Target Date	12/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	51 households that are earning 0%-50% AMI and have a household member who is diagnosed with HIV/AIDS.
	Location Description	King and Snohomish Counties
	Planned Activities	Via subrecipient agreement, STRMU rental assistance will be provided to 51 households that are earning 0%-50% AMI and have a household member who is diagnosed with HIV/AIDS, to ensure they maintain their housing.

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

At present, the City is not implementing any official HUD designated geographic based priority areas such as NRSAs or Empowerment Zone or Brownfields. Allocations and program activities are funded City-wide in accordance with eligibility and program priorities set through sub-recipient departments policies. Going forward, however, there will be intentional application of the following principles to help address the disparities of access to services, housing and community infrastructure identified through:

1. Disparities identified through the 2017 City and Seattle Housing Authority's Assessment of Fair Housing analysis in terms of geographic equity in access to private and publicly supported housing, services and community assets. In many cases this will be based on the need to balance City-wide access; but it will also prioritize those investments that address the current and future boundaries that HUD maps and data determine fall into Racial/Ethnically Concentrated Areas of Poverty. Other issues, such as improving access and reducing impact on people with different abilities could focus on system-level improvements without being tied to specific geographic locales such as Transit Improvement that are primarily driven by urban planning and growth management principles but need to address disparate impact on people with different abilities, *regardless* of location.
2. The City's Economic Equity Development Initiative (EDI); also part of the AFH work plan; the EDI is being implemented specifically to address disparities in communities of color (which may also represent LMI areas). Based on the City's ongoing commitment to operationalizing Race and Social Justice principles, the EDI will focus on community generated priorities for facilities improvements, job development, and economic parity in sharing the City's prosperity and amenities specifically from the standpoint of current and developing area of communities of color.
3. The Mandatory Housing Affordability ordinance and implementation. In order to realize affordable housing goals in the mix of all residential and commercial development across the City, the Office of Planning and Community Development in consultation with many other departments and Seattle Housing Authority will implement a series of upzones in areas of the City deemed "high opportunity" areas (mainly based on transit access and growth management goals) where higher density development will be required in conjunction with incentives and required production of units of affordable housing by private and public developers. As each upzone happens through the Mayor's Office and Council; that area may rise in priorities for investment of CDBG/HOME, State trust fund or local Levy funding. The HUD federal grants may be used for eligible high priority developments that

directly benefit LMI households.

Geographic Distribution

Target Area	Percentage of Funds

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

See answer to question one above. In addition, where activities might impact HUD identified Racial/Ethnicity concentrated area of Poverty (R/ECAPS) we want to suggest a broader approach to those neighborhoods. The [2017 Assessment of Fair Housing](#) suggested that it's good to pay attention not only to areas currently meeting R/ECAP criteria, but also areas of the city that are close to meeting the R/ECAP criteria **and** to areas that have come out of R/ECAP status.

- Areas of micro-segregation and economic disadvantage can be masked with data at the Census Tract level.
- A Census Tract can land inside or outside of the criteria for R/ECAPs as an artifact of the high margins of error in the ACS estimates used to test for R/ECAP status. (The tract-level margins of error for poverty rate HUD used to identify R/ECAPs averages +/- 9 to 10 percentage points.)

Additionally, it's helpful to keep in mind that former R/ECAPs may be rapidly gentrifying areas with high displacement risk. Example: in 1990, Census Tract 87 in the Central Area/Squire Park area was a R/ECAP; as of the 2009-2013 5-year ACS, this Census Tracts was no longer a R/ECAP.

Discussion

Regardless of focus on a particular geographic area which is an official HUD designation like an empowerment zone, or Brownfield urban renewal area, this Consolidated Plan will prioritize projects that meet the following criteria:

- Meet one or more of the established Consolidated Plan Goals for 2018-2022;
- Address and/or mitigate issues identified in the 2017 Assessment of Fair Housing;
- Proactively address the Race and Social Justice impact questions included in SP- 25 and SP-25;
- Address the needs of a City R/ECAP (geographic area that is disproportionately represented by

- people of color who are in poverty);
- Leverage the work of other City and/or SHA adopted plans or initiatives.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The goal numbers presented here reflect activities to be funded with federal funds through the Seattle Office of Housing (OH) and Human Services Department (HSD). OH funds production and preservation of affordable rental housing, including rehabilitation of existing low-income housing. OH also funds rehabilitation of owner-occupied homes. HSD funds rental assistance such as rapid rehousing programs for homeless households with a variety of federal sources, as well as minor home repair for low- and moderate-income homeowners. The Special-Needs includes Tenant Based Rental Assistance (TBRA) and Short-Term Rent, Mortgage and Utility Assistance (STRMU) through the Housing Opportunities for People with AIDS (HOPWA) program. The rental assistance goal excludes certain homelessness prevention activities funded by HSD using city fund sources.

One Year Goals for the Number of Households to be Supported	
Homeless	120
Non-Homeless	608
Special-Needs	109
Total	837

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	209
The Production of New Units	22
Rehab of Existing Units	606
Acquisition of Existing Units	0
Total	837

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

Affordable housing assistance programs implement many of the goals of the 2017 Assessment of Fair Housing and this Consolidated Plan by assisting people who are experiencing homelessness and other high needs groups, and by providing housing in areas with access to high opportunity and areas at high risk of displacement.

Funding for rental housing production and preservation is awarded following the priorities and

procedures adopted in OH's Housing Funding Policies (link in PR-10 of the Consolidated Plan).

The funding supports housing that will serve seniors and people with disabilities; low-wage workers and their families; and adults, families and youth/young adults experiencing homelessness, including chronically homeless people with disabilities. Housing is funded throughout the city, meeting fair housing goals to increase housing options in areas that afford access to opportunity, as well as preserve and increase housing in areas where residents are at high risk of displacement. Rehabilitation funding is also available for existing low-income rental housing needing major systems upgrades to extend the life of buildings that serve extremely low-income residents.

Funding for housing rehabilitation loans and grants is also made available following priorities and procedures in OH's Housing Funding Policies (see above). Assistance is available to low-income homeowners, including seniors on fixed income and other homeowners at risk of displacement. The program prioritizes repairs that address immediate health and safety issues and other urgent repairs that will result in increased cost and unhealthy living conditions if left unaddressed.

AP-60 Public Housing – 91.220(h)

Introduction

Seattle Housing Authority (SHA) provides affordable housing and rental assistance to more than 34,000 people, including 29,000 people in neighborhoods throughout the city of Seattle. Most SHA households are served through Low Income Public Housing (LIPH) and Housing Choice Vouchers (also referred to as Section 8 or HCV).

Actions planned during the next year to address the needs to public housing

Seattle Housing Authority (SHA) provides affordable housing and rental assistance to more than 34,000 people, including 29,000 people in neighborhoods throughout the city of Seattle. Most SHA households are served through Low Income Public Housing (LIPH) and Housing Choice Vouchers (also referred to as Section 8 or HCV).

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Residents play an active role at SHA. SHA Community Builders support residents in becoming involved in management, working with interested residents to form and sustain elected resident councils and issue-specific work groups to collaborate with management on issues of common interest. In addition, most communities send representatives to the Joint Policy Advisory Committee (JPAC), which SHA regularly consults on major policy issues, as well as the Senior Advisory Committee. Residents are also involved in planning for the use of HUD's Resident Participation Funds.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Seattle Housing Authority is not a troubled PHA.

Discussion

SHA maintains a safe and healthy living environment for its residents. However, limited funding

continues to present challenges.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Seattle is responding to the needs of persons experiencing homelessness through a coordinated Continuum of Care. The City invests in services to prevent homelessness and to help homeless people access and retain permanent, affordable housing with direct grants through contracts with community-based organizations. The City also invests in the development of affordable, permanent housing for homeless and low-income individuals and families.

The one-year Action Plan goals and action steps for 2019 implements priorities through planning, program development, investment, and contract monitoring of projects in three strategic investment areas:

- Homelessness Prevention – Providing diversion assistance to prevent people from becoming homeless and needing to enter the shelter;
- Homeless Intervention Services – Connecting people who are homeless with rapid rehousing and housing navigation resources to increase safety and access to housing;
- Housing Placement, Stabilization, and Support – Moving people rapidly into housing and providing support when needed to remain in housing. Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The one-year goals and actions for outreach and assessment include:

1. Continuous improvement in conjunction with the All Home the Seattle/King County Continuum of Care Lead, to implement CEA coordinated entry and assessment for all. Implementing recommendations from Pathways Home and Outreach workgroup to ensure comprehensive outreach services are provided.

All homeless projects funded by the City of Seattle are required to participate in the CEA system, except for confidential shelters for victims of domestic violence. Assessment for DV confidential shelters is managed through a separate coordinated system called Day One. Investing, contracting and monitoring of funding for outreach services and day centers, drop-in centers, hygiene service centers and shelter programs adhere to department strategies in Pathways Home. These programs are responsible for reaching out to homeless persons and assessing individual needs for intervention

services, referrals to shelter and access to housing.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

2019 priorities one-year goals and actions for outreach and assessment include:

1. Planning and program development, in conjunction with All Home the Seattle/King County Continuum of Care Lead, to implement coordinated entry and assessment (CEA) for all populations, including families, youth/young adults and single adults.
2. Implementation of outreach continuum workgroup recommendations to ensure that outreach providers can connect people living unsheltered to the full array of services needed to end their homeless situation.

All projects funded by the City of Seattle who serve homeless individuals are required to participate in the CEA system which is integrated with HMIS, except for confidential shelters for victims of domestic violence. Assessment for DV confidential shelters is managed through a separate coordinated system called Day One. HSD is conducting a competitive funding process for outreach services and day centers, drop-in centers, hygiene service centers and shelter programs in 2017. These programs are responsible for reaching out to homeless persons and assessing individual needs for intervention services, referrals to shelter and access to housing. Projects funded by Consolidated Plan funding resources are listed in AP-38, Project Summary.

City of Seattle also provides local general fund resources to other projects and programs (listed and updated on the city of Seattle HSD Webpage which address the emergency shelter and transitional

housing needs of homeless people.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City and its community partners are committed to:

1. Increasing access to shelter services to move people inside more quickly via an expanded outreach effort dedicated to working with people living in encampments throughout the City. The navigation team is composed of 12 Seattle police officers and 8 outreach workers. The team is deployed daily to encampments throughout the City to address public health and safety risks, connect people with shelter options, refer to services for mental health/substance abuse, and housing navigation. Implementing "pay for performance" expectations of service providers to increase exits to permanent housing will be implemented in contracts. Contracted providers must meet minimum standards to ensure full quarterly reimbursement for services. Standards for emergency services are 40% of singles move to PH and 65% of families move to permanent housing, 35% of youth and young adults move to permanent housing. Length of stay in shelter target is 90 days or less, return rate to homelessness target is less than 10% of families and 20% of youth and young adults become homeless again. Increasing training and support of shelter service providers to address the needs of long-term shelter stayers; through critical time intervention and motivational interviewing. These trainings are emerging best practices identified by the National Alliance to End Homelessness, and critical component of our systems transformation work under the Pathways Home framework.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

1. Investing, contracting and monitoring of funding in housing placement, stabilization & support services. This includes financial assistance via rapid rehousing, housing navigation services designed to move a homeless household quickly into permanent, "non time-limited" housing; and housing focused services such as case management, housing advocacy, search and placement services for short-term or ongoing support to households to stabilize, move into housing. Programs are designed to rapidly rehouse and stabilize homeless individuals, families, and youth/young adults and special needs populations, including persons with HIV/AIDS, in housing with the most appropriate level and duration of service intervention(s). Projects funded by Consolidated Plan funding resources are listed in AP-38, Project Summary. City of Seattle also

provides local general fund resources to other projects and programs (listed and updated on the city of Seattle HSD Webpage. Planning , program development and system coordination in conjunction with the All Home the CoC Lead to implement initiatives aimed at reducing homelessness among families with children, youth/young adults, chronically homeless individuals, and persons living with HIV/AIDS (HIV/AIDS Housing Committee and Ryan White Planning and Implementation groups). Implementation of Pathways Home the city's strategic plan to address homelessness.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

1. Investing, contracting and monitoring of funding in Homelessness Prevention programs that provide financial assistance and housing services, such as case management, search and placement services for short-term or ongoing support to households to stabilize, move into housing. Prevention programs assist individuals, families, youth/young adults and special needs populations, including persons with HIV/AIDS, who are at greatest risk of becoming homeless. Projects funded by Consolidated Plan funding resources are listed in AP-38, Project Summary. City of Seattle also provides local Housing Levy funding with federal funding, such as ESG to support these prevention programs (listed and updated on the city of Seattle HSD Webpage. Planning, program development and system coordination in conjunction with All Home, the CoC lead on implementation of initiatives that prevent homeless families with children, homeless youth/young adults, chronically homeless individuals, and households at-risk of homelessness. Coordinating homelessness prevention and discharge planning programs and protocols. Discharge planning/protocols in place for health care, mental health institutions, corrections, and foster care systems are included in Section MA-35, Special Needs Facilities and Services.

Discussion

Funding to agencies described in the action plan is provided in the form of a contract between the recipient agency and the Seattle Human Services Department (HSD). The contract contains terms and conditions of funding, reporting and invoicing requirements, performance expectations and service delivery levels, record keeping responsibilities, and consent to on-site monitoring as requested by the

City.

HSD makes funding awards through procurement processes called Requests for Investments (RFIs). An RFI is an open and competitive funding allocation process in which HSD will set the desired outcomes and agencies respond by submitting a proposal requesting an investment to achieve these outcomes by providing specific program or project services.

The specific requirements for requests for funding will be detailed in procurement materials. Funding opportunities and materials are posted on the HSD Funding Opportunities web page. Requests for Investments indicate the amount and type of funding anticipated for specific investment areas, investment outcomes, priorities for investments and program models, eligible activities and performance requirements for contracts awarded through the RFI. All agencies submitting proposals for investment through the competitive RFI demonstrate their ability to deliver established outcomes for clients by providing specific services.

Applications in each process are reviewed for ability to deliver services that meet investment outcomes and goals. Applicants are also asked to demonstrate how they will incorporate specific standards and principles, such as cultural and linguistic relevance, in their program model.

AP-70 HOPWA Goals– 91.220 (I)(3)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	95
Tenant-based rental assistance	142
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	103
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	340

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The 2017 City of Seattle (City) and Seattle Housing Authority (SHA) Assessment of Fair Housing (Assessment) responds to the requirements of HUD’s December 2015 Final Rule requiring jurisdictions to make a baseline assessment of their compliance with Affirmatively Furthering Fair Housing. The Assessment requirements in 24 CFR 5.150 through 5.180 make clear that HUD’s purpose in adopting the new rule is to ensure that public and private policies, programs, contracting and resource allocations: 1) take “meaningful action” to affirmatively further fair housing and economic opportunity; and 2) remove barriers to compliance with the Fair Housing Act of 1968 (FHA); and 3) not take action that is inconsistent with the duty to further fair housing.

To complete this assessment, the City and SHA used HUD’s prescribed Assessment Tool to analyze HUD-provided maps and data, identify contributing factors that “cause, increase, contribute to, maintain, or perpetuate segregation, racially or ethnically concentrated areas of poverty, significant disparities in access to opportunity, and disproportionate housing needs” by Federal protected class members (24 CFR 5.154a and 5.154d(4)). This data analysis combined with the input gained through multiple community engagement efforts to develop the Fair Housing Goals and Priorities integrated into this Assessment. The City and SHA have long been committed to the principles of equity and compliance with the Fair Housing Act of 1968 and related civil rights laws. People who live and work here in the public and private sectors of this city and region are known for a progressive approach to fair housing and equity issues.

HUD requires the full integration of the 2017 AFH results, goals and adopted work plan (as approved by HUD - Fair Housing Equal Opportunity Office in July 25th, 2017) as an on-going part of the regular HUD reporting and allocation cycle for federal HUD grants governed by this 2018-2022 Consolidated Plan. The CP Goals, Project Activities for the 2018 Annual Action Plan, housing and services needs assessments and market analysis components and all questions related to barriers to affordable housing are now "answered" by the detailed report which can be accessed at <http://www.seattle.gov/humanservices/funding-and-reports/resources/community-development-block-grant---assessment-of-fair-housing>.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

HUD requires the AFH to address prioritized Contributing Factors (which include public and private action or inaction regarding public policies, land use controls, tax policies affecting land zoning

ordinances, growth limitations, etc.) by developing fair housing Goals and Objectives which the City adopted via the AFH; to eliminate or mitigate the fair housing issues and conditions identified in the community engagement and data analysis phases of the assessment. The City and SHA strategies to address the "contributing factors" are detailed in the 2017 AFH Goals and Objectives Matrix that is attached to the 2018-22 Consolidated Plan as a supplemental document, see section AD-25. The following list highlights the City and SHA identified factors.

- Access to financial services
- Access to proficient schools for persons with disabilities
- Access to publicly supported housing for persons with disabilities
- Access to transportation for persons with disabilities
- Admissions and occupancy policies and procedures, including preferences in publicly supported housing
- The availability of affordable housing units in a range of sizes
- The availability, type, frequency and reliability of public transportation
- Community opposition
- Displacement of residents due to economic pressures
- Inaccessible buildings, sidewalks, pedestrian crossings, or other infrastructure
- Inaccessible government facilities or services
- Lack of community revitalization strategies
- Lack of local private fair housing outreach and enforcement
- Lack of local public fair housing enforcement
- Lack of private investment in specific neighborhoods
- Lack of public investment in specific neighborhoods, including services or amenities
- Land use and zoning laws
- Lending Discrimination
- Location of employers
- Location of environmental health hazards
- Location of proficient schools and school assignment policies
- Location and type of affordable housing
- Occupancy codes and restrictions
- Private discrimination
- Siting selection, policies, practices and decisions for publicly supported housing
- Source of income discrimination

Discussion:

As the City and SHA proceed with implementation of the 2017 Assessment of Fair Housing Goals and Priorities it must take into consideration the following challenges which require balancing potentially

competing strategies.

- HUD calls for a balanced approach to Affirmatively Furthering Fair Housing. HUD is not “prescriptive in the actions that may affirmatively further fair housing, program participants are required to take meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities free from discrimination.” However, HUD makes it clear that “for a balanced approach to be successful, it must affirmatively further fair housing...specific to local context, including the actions a program participant has taken in the past.”
- Jurisdictions are to balance place-based strategies (to create equity, reduce poverty and mitigate displacement risk) and housing mobility strategies (to encourage integration and provide people in protected classes more options for housing city-wide). HUD describes place-based strategies as “making investments in segregated, high poverty neighborhoods that improve conditions and eliminate disparities in access to opportunity” and “maintaining and preserving existing affordable rental housing stock to reduce disproportionate housing needs.” Housing mobility strategies include “developing affordable housing in areas of opportunity to combat segregation and promote integration.”
- The challenge of influencing and/or changing policies, initiatives, and actions that are outside of the direct authority of a jurisdiction. For example, states generally control taxation authority rather than cities, which may impact land use and zoning regulation.
- Because HUD CDBG/HOME/HOPWA/ESG federal funds are targeted to low- and moderate-income people with specific eligibility criteria it was difficult to ensure that the AFH was not limited only to impacts on vulnerable populations. It was necessary to remind agencies, stakeholders, and participants that the AFH is about inequity and potential discrimination regardless of income on a broader scope and scale than in prior planning efforts.

It is also clear that the federal government’s role is changing. Shifting priorities in direct federal allocations; decreasing priority for enforcement of fair housing violations; and cuts in funds for domestic programs which directly impact protected classes will leave cities in a vacuum of resources to address the issues identified in Assessments.

AP-85 Other Actions – 91.220(k)

Introduction:

Because of the duplicative nature of the following questions, instructions have been provided and hyperlinks to guide the reader to more detail in responding to these overarching questions.

Actions planned to address obstacles to meeting underserved needs

In the context, of meeting unmet or underserved needs, broadly, please see the Strategic plans and initiatives relied upon as documented in PR-10 and PR-15 of the Consolidated Plan report and accompanying narratives. Particularly for the Homeless Investments "Pathways Home" plan, the City's Housing Affordability and Livability (HALA) initiatives, the City's Economic Equity Development Plan (EDI) and for the 2017 Assessment of Fair Housing for the City and Seattle Housing Authority.

Actions planned to foster and maintain affordable housing

Please see section PR-10, PR-15, and the Needs Assessment and Market Analysis elements of this report for detail analysis and links to work plans that address Seattle's on-going commitment to foster and maintain affordable housing. Or visit the City Office of Housing website at <http://www.seattle.gov/housing/about>

Actions planned to reduce lead-based paint hazards

Please refer to SP-65 of Consolidated Plan for details on the scope of LBP hazard in Seattle's housing stock and for actions planned by the City Office of Housing, the Seattle Housing Authority and during our environmental reviews of federally funded capital project for LBP removal.

Actions planned to reduce the number of poverty-level families

Please refer to SP-70 for the City's antipoverty approach to the needs of vulnerable populations,

homeless and economic equity issues for all communities in Seattle including poverty-level families.

Actions planned to develop institutional structure

Please refer to SP-40 for a description and issues regarding development of institutional structure to carry-out the work of the federal grant activities funded by the City of Seattle.

Actions planned to enhance coordination between public and private housing and social service agencies

Please refer to PR-10 for previously provided answer to a very similar question. In addition, the City's Human Services department (particularly Homeless Strategies and Investment Division), the Office of Housing and Seattle Housing Authority have consistent interaction, project teams, and collaboration on RFPs, contracting, monitoring and joint reporting which sustains the commitment to our coordination.

Discussion:

The City encourages HUD staff to take the Consolidated Plan as written, in its entirety with reference to multiple other major plans, as substantial evidence of a broad range of approaches, funding priorities, leveraged activities, and system efficiency toward the federally mandated goals of the CDBG/HOME/HOPWA/ESG/CoC-McKinney and all state and local funds represented in our investments. We seek to plan for all needs, seek out the high priority and eligible activities for federal funding and make that part of the "whole cloth" overall outcomes and investments the City tries to accomplish. We encourage many City departments, the Mayor's Office and Councilmembers, City Budget Office, Seattle Housing Authority and stakeholder entities and beneficiaries to see this as the City's Consolidated Plan for federal HUD grants in the context of all other plan priorities and resource management.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

The Seattle Human Services Department makes funding awards through procurement processes called Requests for Investments (RFIs). An RFI is an open and competitive funding allocation process in which HSD will set the desired outcomes and agencies respond by submitting a proposal requesting an investment to achieve these outcomes by providing specific program or project services. The specific requirements for requests for funding will be detailed in procurement materials. Funding opportunities and materials are posted on the HSD Web page: <http://www.seattle.gov/humanservices/funding/>. See specifically the 2017 Homeless Investments RFP at (see link in PR-10 of the Consolidated Plan) for example.

Requests for Investments indicate the amount and type of funding anticipated for specific investment areas, investment outcomes, priorities for investments and program models, eligible activities and performance requirements for contracts awarded through the RFI. All agencies submitting proposals for investment through the competitive RFI will demonstrate their ability to deliver established outcomes for clients by providing specific services.

Applications in each process will be reviewed for ability to deliver services that meet investment outcomes and goals. Applicants will also be asked to demonstrate how they will incorporate specific standards and principles, such as cultural and linguistic relevance, in their program model. Funding will be provided in the form of a contract between the recipient agency and the Seattle Human Services Department. The contract contains terms and conditions of funding, reporting and invoicing requirements, performance expectations and service delivery levels, record keeping responsibilities, and consent to on site monitoring as requested by the City.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

- | | |
|--|---------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed | 400,000 |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. | 0 |
| 3. The amount of surplus funds from urban renewal settlements | 0 |

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4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	400,000

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

No other forms of investment are contemplated for the use of the HOME funds except as identified in 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

US Department of Housing and Urban Development rules limit the maximum eligible sales price for HOME-assisted ownership housing to \$373,000 for homes in Seattle. In Seattle's high cost market, there is extremely limited inventory available for income-eligible buyers. The City could request a waiver to increase the maximum sales price based on a market study reflecting the higher median sales price; however HUD requires this study to be updated on an annual basis and the City cannot justify the costs at this time. Therefore, Seattle will use HOME funds solely for rental housing activities.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired

with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Seattle does not utilize HOME funds for homeownership projects. See above.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City does not have any plans to refinance existing debt secured by multifamily housing as described in the question, and therefore we do not have any refinancing guidelines for that activity.

Emergency Solutions Grant (ESG) Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

ESG will be governed by the requirements, priorities, and contract processes as for all other fund sources included in the 2017 Homelessness Investments RFP described in question #1 Introduction above.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The Seattle/King County Continuum of Care (CoC) has implemented a system wide coordinated entry and assessment system for all population groups. The system has been operational under a new platform since June of 2016. The CEA system is managed by King County. CEA serves all people (single adults, young adults, couples, families, and veterans) experiencing homelessness in the following situations:

- Living and sleeping outside
- Sleeping in a place not meant for human habitation
- Staying in a shelter
- Fleeing/attempting to flee domestic violence
- Exiting an institution where you resided for up to 90 days and were in shelter or a place not meant for human habitation immediately prior to entering that institution or transitional housing

- Young adults who are imminently at risk of homelessness within 14 days are also eligible for CEA.
3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

ESG funds in the past have been used the City as part of resources prioritized for homeless intervention services. Future sub-awards of ESG funding are planned to be governed by RFP process available to all applicants; relying heavily on community based NPOs and open to faith-based organizations within the statutory limits of use of federal funds by these types of organizations.

For the first time in over a decade, The City of Seattle Human Services Department facilitated an open and competitive funding process for homelessness services and support. The Homeless Investments RFP identified agencies that provide services that support movement toward and access to permanent housing for people experiencing homelessness. \$30 million in funding is available through this RFP. Awards were given to service providers that demonstrated the ability to address the RFP Program Areas: Homelessness Prevention, Diversion, Outreach & Engagement, Emergency Services, Transitional Housing, Rapid Re-Housing and Permanent Supportive Housing, and to deliver person-centered services, show results, and address racial disparities.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The Seattle / King County Continuum of Care (CoC) includes King County plus the cities of Seattle, Auburn, Bellevue, Federal Way, Kent, Renton, and Shoreline and already includes consumer input in its operations. The lead agency for the CoC is All Home, a broad coalition of government, faith communities, non-profits, the business community and homeless and formerly homeless people working together to end homelessness in King County. ESG funding decisions are coordinated with All Home, as lead CoC agency, and its Funders Group. For more information about All Home and its structure please visit its webpage at About All Home <http://allhomekc.org/about/>.

All Home brings together local governments, religious institutions, non-profits, philanthropic organizations, shelter and housing providers, the private sector and engaged citizens in a coordinated effort that both responds to the immediate crisis of homeless individuals and addresses the root causes of the problem in our region. As a critical part of that consultation, All Home includes the Consumer Advisory Council who mission is to Educate. Advocate. Inform Change. The Consumer Advisory Council (CAC) serves as a forum to incorporate consumer feedback within policy and strategic decisions and action items under the Strategic Plan. Consumers ensure that the effort to end homelessness in King County incorporates the expertise of people who experience

homelessness – including those who are at risk of becoming homeless or were formerly homeless – at all levels of implementation, evaluation, and plan revision.

5. Describe performance standards for evaluating ESG.

The City combined ESG funding with multiple fund sources in the 2017 Homeless Investments RFP. Part of the RFP requirements are "Appendix E - Minimum Performance and Target Performance Standards for sub-recipients (see full document at <http://www.seattle.gov/Documents/Departments/HomelessInvestmentsRFP/Appendix%20E%20-%20Minimum%20Performance%20Standards%20and%20Target%20Performance%20Standards.pdf>).

This document also includes System wide (for the Human Services Department), minimum and Core Outcomes for funded services to benefit homeless people by program type. Examples of performance measurements include Exit Rate to Permanent Housing, comparison of Length of Stay (days), Return Rate to Homelessness, Entries from Homelessness and Utilization Rate for singles and families and youth and Young Adults.

RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN (RARAP).

Federal law requires a plan that applies to projects funded by the City of Seattle with CDBG or HOME program funds to minimize displacement of people from their homes and neighborhoods because of such projects. The RARAP also affirms that the City will comply with the requirements for relocation assistance and one-for-one replacement under Section 104(d) of the Housing and Community Development Act of 1974 ("Section 104(d)"). Terms used in the RARAP and defined in 24 CFR Section 42.305 have the meanings set forth in that Section unless the context otherwise requires. The RARAP will apply to projects undertaken as part of the anticipated project activities covered by the 2018-2022 Consolidated Plan and to any designated "urgent needs" emergency or state/federally declared disaster. For details of the RARAP please visit the Office of Housing's website (see link in PR-10 of Con).

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Human Services Department	Dan Burton / 206.256.5415	Daniel Kirk / 206.727.8517

** 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 funding for housing and community development programs; adopting a substantial amendment to The City of Seattle 2019 Annual Action Plan Amendment to the 2018-2022 Consolidated Plan for Housing and Community Development and authorizing its submission to the United States Department of Housing and Urban Development; authorizing acceptance of grant funds from that department for programs and activities included in the Annual Action Plan; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Summary and background of the Legislation: This legislation adopts a substantial amendment to The City of Seattle 2019 Annual Action Plan of the 2018-2022 Consolidated Plan and authorizes its submission to the United states Department of Housing and Urban Development (HUD). This substantial amendment details how the City will spend the approximately \$8.9m of federal funds which have been directly allocated to the City by HUD via the following three grants: Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons With AIDS grant (HOPWA).

The funds have already been allocated through ORD 126074 and ORD 126084. To enter into grant agreements with HUD and receive the funds, jurisdictions have been directed to amend their most current Annual Action Plan. Since the grant agreements for the 2020 Annual Action Plan have not yet been executed, that is the 2019 Annual Action Plan.

Funds have been allocated to the Human Services Department, Office of Housing and Office of Economic Development to prevent, prepare for and respond to coronavirus. These funds will support emergency rental assistance, grant payments to small businesses and meal programs for people experiencing homelessness.

2. CAPITAL IMPROVEMENT PROGRAM

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

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

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?

Not implementing this legislation will cause the City to forgo approximately \$8.9 million in federal assistance that supports services and community development activities for low- and moderate-income persons in Seattle. The City would be faced with reducing or eliminating services and/or using General Fund to provide the services.

4. OTHER IMPLICATIONS

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

This legislation adopts specific plans for use of Federal Funds into law. This affects the following departments: Human Services Department, Office of Housing, Office of Economic Development.

b. Is a public hearing required for this legislation?

Yes.

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?

Yes.

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?

Programs and activities supported by these funds are specifically intended to prevent, prepare for and respond to coronavirus, and benefit low- and moderate-income and homeless persons and families. In the United States of America, the COVID-19 pandemic has disproportionately affected people of color.

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

June 26, 2020

MEMORANDUM

To: Seattle City Council
From: Amy Gore, Analyst
Subject: CB 119785: 2019 Annual Action Plan Significant Amendment

Overview

A public hearing is scheduled for Monday, June 29 on [Council Bill \(CB\) 119814](#). This bill would:

- amend the [Final 2019 Annual Action Plan](#) (AAP or the Plan) which was adopted by the City Council on July 15, 2019 and adopt the amended plan;
- approve its submittal to the U.S. Department of Housing and Urban Development (HUD);
- authorize the acceptance of up to \$8.9 million dollars to be used as described in the Plan; and
- authorize the Executive to make technical changes needed to the Plan.

This memo (1) provides background information on the AAP and describes recent action by the City Council, (2) summarizes the bill, (3) identifies policy options; and (4) outlines next steps.

Background

Amending the AAP

The AAP is adopted annually by the City Council and submitted to HUD. The Plan describes how the City will spend four federal grants: Community Development Block Grants (CDBG), Housing Opportunities for People with AIDS (HOPWA), Emergency Solutions Grants (ESG) and Home Investment Partnerships Program (HOME) funds. The AAP is guided by the [5-Year Consolidated Plan for Housing and Community Development](#) and should be consistent with the City's annual adopted budget.

In response to the COVID-19 emergency, the federal government allocated additional, emergency grant funds to support local jurisdictions in their COVID-19 response activities through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. As part of this grant distribution, HUD requires that a jurisdiction update its current AAP to reflect the receipt of the CARES Act emergency grants and how those funds are being spent. Because HUD has not yet approved the City's 2020 Final Action Plan (adopted by [CB 119785](#)), the 2019 AAP is the current plan which needs to be amended in order to receive these funds.

Recent Council Actions

Council accepted the emergency grant funds and authorized spending of those funds that are governed by the AAP in [CB 119783](#) and [CB 119791](#).¹ The grant acceptance included \$8.9 million in grant funds from ESG (\$2,829,807), HOPWA (\$426,340) and CDBG (\$5,640,185).

Table 1: Summary of Council Approved Spending Authority

Source	Funds	Dept	Purpose	CB
Emergency Solutions Grant (ESG)	\$750,000	HSD	Fund a pilot program to prevent homelessness for individuals transferring from Essential Needs or Aged, Blind, and Disabled assistance programs into SSI or SSDI. Council funded this pilot program with General Fund as part of the 2020 Adopted Budget.	119783
	\$2,079,807	HSD	Support the provision of meals at shelters which have had to modify operations to implement social distancing guidelines provided by Public Health Seattle/King County as a result of COVID-19.	119783
Housing Opportunities for Persons with AIDS (HOPWA)	\$426,340	HSD	Support housing options for low-income persons diagnosed with HIV/AIDS requiring assistance to maintain or acquire appropriate affordable permanent housing and services such as short-term rent, mortgage, and utility assistance, permanent housing placement, and rental assistance.	119783
Community Development Block Grants	\$705,025	HSD	Increase support for the Homelessness Prevention Program that screens clients for risk of homelessness and assists households to maintain housing, avoiding homelessness.	119783
	\$705,025	HSD	Expand support for United Way's Emergency HomeBase Rental Assistance program that provides rental assistance for low-income households at risk of eviction and/or homelessness.	119783
	\$1,410,045	OH	Support new Building Stabilization Fund that provides rent assistance to non-profit building owners already in the OH portfolio who have experienced a reduction in rental income from tenants impacted by COVID-19.	119783
	\$1,410,045	OED	Expand existing Small Business Stabilization Fund that supports Seattle's smallest businesses facing severe financial challenges with payroll, rent, and lost revenue during the COVID-19 pandemic crisis.	119783
	\$1,410,045	HSD	Support for shelter redistribution and deintensification, specifically to support shelter deintensification by providing non-congregate shelter space for individuals experiencing homelessness and at risk of contracting COVID-19 in a congregate shelter environment.	119791

¹ CB 119783 also appropriated funds from the Older Americans Act grant and Medicaid Title IX programs which are not part of the Annual Action Plan.

Summary of CB 119814

CB 119814 adopts an amended 2019 Final Annual Action Plan which reflects the appropriations described above with one exception. The AAP indicates that \$1.4 million in CDBG that Council intended for shelter deintensification and redistribution (as described in CB 119791) will be spent on the HomeBase rental assistance program and the Homelessness Prevention Program. Because these programs are all funded through the same Budget Summary Level (BSL), this change can be made by the Executive through administrative transfer rather than through Council action. The Executive instead plans to fund shelter redistribution with \$4.8 million of State Commerce Grant Funds, which will be authorized through separate Council action.

In addition, the bill approves the plans submittal to HUD, authorizes the acceptance of the grants to be used as described in the Plan and authorizes the Executive to make technical changes needed to the Plan, as long as those changes are consistent with the adopted budget and the [5-Year Consolidated Plan for Housing and Community Development](#).

Policy Considerations

1. Funds for Shelter Deintensification

As described above, CB 119814 adopts an amended 2019 AAP which is not reflective of the Council's prior budget appropriations.

The Council could:

- a. Do nothing – The \$1.4 million would support rental assistance programs.
- b. Amend the AAP to keep \$1.4 million of CDBG funds for shelter deintensification – The AAP does not make budget appropriations, however Council could introduce and pass a bill imposing a proviso on the \$1.4 million in CDBG funds, limiting the use of funds to shelter deintensification and redistribution and amending the Final 2019 AAP to reflect this change before passing CB 119814. The Executive would still have the option of not spending the \$1.4 million, however it could not be spent on other uses.

2. Timing

CB 119814 is considered part of the budget rebalancing package, however it is scheduled for a vote on Monday, July 6 because adoption of the Amended AAP is required before these funds can be distributed. Council could choose to consider this bill on the same timeline as the remainder of the budget to consider these expenditures in the context of the remaining COVID emergency relief funds and full rebalancing effort.

The Council could:

- a. Vote on CB 119814 on July 6, as scheduled.
- b. Delay voting on CB 119814.

Next Steps

A public hearing on CB 119814 is scheduled for June 29. Final action on the bill is scheduled for July 6. This bill has been drafted in accordance with [RCW 35.32A.060](#) and therefore requires a three-fourth majority to pass.

If you have any additional questions or requests for amendments, please contact me by 5 p.m., Tuesday, June 30, 2020.

cc: Kirstan Arestad, Executive Director
Aly Pennucci, Supervising Analyst



Legislation Text

File #: CB 119816, **Version:** 2

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

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.

WHEREAS, the World Health Organization (WHO) has declared that COVID-19 disease is a global pandemic, which is particularly severe in high risk populations such as people with underlying medical conditions and the elderly, and the WHO has raised the health emergency to the highest level requiring dramatic interventions to disrupt the spread of this disease; and

WHEREAS, on February 29, 2020, Governor Jay Inslee declared a statewide state of emergency in response to outbreaks of the COVID-19 disease in Washington; and

WHEREAS, in response to outbreaks of the COVID-19 disease in Seattle, Mayor Jenny Durkan proclaimed a civil emergency exists in the City of Seattle in the Mayoral Proclamation of Civil Emergency dated March 3, 2020, modified by Resolution 31937; and

WHEREAS, on March 23, 2020, the Governor issued a “Stay Home, Stay Healthy” order, which, combined with other measures taken to prevent the transmission of COVID-19, effectively closed many businesses in the state of Washington; and

WHEREAS, on April 2, 2020, the Governor extended the “Stay Home, Stay Healthy” order through May 4, 2020; and

WHEREAS, on May 1, 2020, the Governor extended the “Stay Home, Stay Healthy” order through May 31,

2020; and

WHEREAS, many people in Seattle are struggling with the impacts of the COVID-19 disease and the measures taken to prevent its spread, including unemployment, housing insecurity, food insecurity; and

WHEREAS, local companies have recently reported laying off employees, experiencing substantial revenue losses, dealing with lost business due to fear and stigma, and seeing major declines in foot traffic as tens of thousands of employees are being asked to work from home; and

WHEREAS, these impacts are being felt across all industry sectors, including retail, restaurant, hospitality, transportation, logistics, arts, and culture; and

WHEREAS, the economic impact may have long-term, dynamic, and unpredictable local and regional consequences, necessitating the City to act and plan accordingly; and

WHEREAS, a number of City departments have implemented immediate assistance for affected local small businesses and displaced workers; and

WHEREAS, more than half of Seattle's residents are renters, and even before COVID-19, a substantial share of renters paid more than 30 percent of their income to remain stably housed; and

WHEREAS, the global COVID-19 crisis shows that our collective health depends on people being stably housed; and

WHEREAS, many Seattle renters are facing job loss, struggling with childcare, and dealing with other unprecedented financial burdens stemming from the global COVID-19 crisis, leaving many unable to pay rent; and

WHEREAS, notwithstanding Governor Inslee's eviction moratorium, renters need to pay their rent to ensure long-term housing stability; and

WHEREAS, the United Way of King County's expanded Home Base program to provide rental assistance to King County households that have lost all or part of their income due to the coronavirus pandemic, originally funded at \$5 million, including \$1 million of City resources, was oversubscribed within days of

its creation, further evidencing the impact of the immediate rental crisis; and

WHEREAS, on January 25, 2019, a point in time count enumerated more than 7,700 persons experiencing homelessness in Seattle; and

WHEREAS, among those persons experiencing homelessness, over 3,500 were unsheltered; and

WHEREAS, 70 percent of persons experiencing homelessness across King County find shelter and services in Seattle; and

WHEREAS, the Centers for Disease Control (CDC) has published its Interim Guidance on responding to COVID-19 among people experiencing homelessness that suggests a variety of responses and preventive measures to limit the spread of the virus among this extremely vulnerable population; and

WHEREAS, both the CDC and Seattle - King County Public Health recommend ensuring social distancing by maintaining at least 6 feet of distance between persons sleeping sheltered and unsheltered; and

WHEREAS, existing shelters that cannot meet the social distance minimum should be de-concentrated through redistribution of clients to alternate shelters, requiring The City of Seattle to invest in 450 new temporary shelter beds across the city; and

WHEREAS, there is insufficient shelter capacity to offer beds to every person sleeping outside and the City is aligned with the CDC recommendation against dispersion of encampments as that can contribute to the spread of the virus through social contact, thus requiring the City to increase access to hygiene facilities, toilets, handwashing, and showers by placing portable units across the City; and

WHEREAS, the most effective response to homelessness is a combination of poverty alleviation through safety net programs such as food banks, job training, and health care access; prevention of housing loss through employment assistance and education, rent support, and connection to appropriate supportive services; and immediate response to homelessness through ready access to shelter and health services, especially behavioral health care, and rapid connection to housing with short- or long-term financial support; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council finds and declares that:

A. On February 29, 2020, Governor Inslee proclaimed a State of Emergency for all counties throughout the State of Washington as a result of the confirmed person-to-person spread of COVID-19 in Washington State.

B. The COVID-19 disease, caused by a virus that spreads easily from person to person and which may cause serious injury and death, has spread throughout King County and the City of Seattle.

C. On March 3, 2020, Mayor Durkan issued a Proclamation of Civil Emergency declaring a civil emergency within the City of Seattle based on the confirmed spread of COVID-19 in King County and resulting deaths.

D. In addition to the paramount public health concerns, the spread of COVID-19 and the necessary measures taken to reduce that spread are causing and will continue to cause severe economic dislocation in the State of Washington, King County, and the City of Seattle. As of April 25, 2020, more than a half million Washingtonians have filed for jobless benefits since the start of the COVID-19 emergency. In addition, governments at all levels, including The City of Seattle, face major reductions in tax revenues even as they face major new emergency expenditures to combat the pandemic.

E. The State of Washington has taken a number of steps to mitigate the impacts of the COVID-19 pandemic on people, organizations, and businesses of Washington, including passing a COVID-19 relief bill in March 2020, which added state appropriations to programs used by The City of Seattle to assist people facing homelessness.

F. The quick acceptance and appropriation of these newly available funds is crucial to mitigating the impacts of COVID-19 on The City of Seattle and the people and organizations it serves.

Section 2. The Mayor or the Mayor's designee, the Human Services Director, and the General Manager/CEO of Seattle Public Utilities are authorized to accept the following non-City funding from the

grantors listed below; and to execute, deliver, and perform, on behalf of The City of Seattle, agreements for the purposes described below. The funds, when received, shall be deposited in the receiving funds identified below to support the appropriations in Section 3 of this ordinance.

Item	Department	Grantor	Purpose	Fund	Amount
2.1	Human Services Department	Washington state Department of Commerce Grant	Provide funding for homeless services necessary to respond to the COVID-19 outbreak	Human Services Fund (16200)	\$12,250,000
2.2	Seattle Public Utilities	Washington state Department of Commerce Grant	Provide funding for hygiene services necessary to respond to the COVID-19 outbreak	General Fund (00100)	\$750,000
2.3	Human Services Department	Federal Older American's Act grant	Provide meals for seniors	Human Services Fund (16200)	\$498,120
Total					\$13,498,120

Section 3. Contingent upon the execution of the grant or other funding agreement authorized in Section 2, the appropriations for the following items in the 2020 Budget are increased from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/ BCL Code	Amount
3.1	Human Services Department	Human Services Fund (16200)	Addressing Homelessness (BO-HS-H3000)	\$3,300,000
3.2	Human Services Department	Human Services Fund (16200)	Addressing Homelessness (BO-HS-H3000)	\$4,850,000
3.3	Human Services Department	Human Services Fund (16200)	Supporting Affordability and Livability (BO-HS-H1000)	\$2,500,000
3.4	Human Services Department	Human Services Fund (16200)	Addressing Homelessness (BO-HS-H3000)	\$1,600,000
3.5	Seattle Public Utilities	General Fund (00100)	Utility Service and Operations (BO-SU-N200B)	\$750,000
3.6	Human Services Department	Human Services Fund (16200)	Supporting Affordability & Livability (BO-HS-1000)	\$498,120

Total	\$13,498,120
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Unspent funds so appropriated shall carry forward to subsequent fiscal years until they are exhausted or abandoned by ordinance.

Section 4. Based on the findings of fact set forth in Section 1 of this ordinance, the Council finds and declares that this ordinance is a public emergency ordinance, which shall take effect immediately and is necessary for the protection of the public health, safety, and welfare.

Section 5. By reason of the findings set out in this ordinance, and the emergency that is declared to exist, this ordinance shall become effective immediately upon a passage by a 3/4 vote of the Council, and its approval by the Mayor, as provided in Article IV, subsection 1.I of the Charter of the City.

Passed by a 3/4 vote of all the members of all the members of the City Council the _____ day of _____, 2020, and signed by me in open session in authentication of its passage this _____ day of _____, 2020.

President _____ of the City Council

Approved by me this _____ day of _____, 2020.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2020.

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
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 4th. 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	
TOTAL			\$13,498,120	-

*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	
TOTAL			\$13,498,120	-

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:



Legislation Text

File #: CB 119810, **Version:** 2

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to taxation; imposing a payroll expense tax on persons engaging in business in Seattle; adding a new Chapter 5.38 to the Seattle Municipal Code; and amending Sections 5.30.010, 5.30.060, 5.55.010, 5.55.040, 5.55.060, 5.55.150, 5.55.165, 5.55.220, 5.55.230, and 6.208.020 of the Seattle Municipal Code.

WHEREAS, the City Council intends to revisit the tax imposed by this new Chapter 5.38 in the event that an organization with overlapping jurisdiction implements a progressive revenue source that provides City of Seattle (“City”) funding at levels equivalent to those generated through this payroll expense tax; and

WHEREAS, on March 11, 2020, the World Health Organization announced that the novel coronavirus (COVID-19) is officially a global pandemic; and

WHEREAS, on February 29, 2020, the Washington Governor issued Proclamation 20-05, proclaiming a state of emergency for all counties throughout the state of Washington in response to new cases of COVID-19, and

WHEREAS, on March 25, 2020, the Washington Governor issued Proclamation 20-25, prohibiting all people in Washington from leaving their homes and all non-essential businesses in Washington from conducting business (“Stay Home, Stay Healthy Proclamation”); and

WHEREAS, these actions are appropriate for public health reasons but result in severe economic impacts on families and individuals in Seattle; and

WHEREAS, these impacts are felt most strongly by people with low incomes who have become unemployed or had their work hours severely reduced; and

WHEREAS, federal and state assistance to people with low incomes will not be sufficient to meet their basic needs during this public health and financial crisis; and

WHEREAS, without additional support, many people with low incomes will face severe financial hardship that will have significant negative impacts, including but not limited to public health impacts and greater housing insecurity, as well as impacts to small businesses and the local economy; and

WHEREAS, on November 2, 2015, the Mayor of Seattle issued a Proclamation of Civil Emergency related to homelessness; on November 3, 2015, the City Council adopted Resolution 31630 ratifying and confirming the Mayoral Proclamation of Civil Emergency; and the civil emergency remains in effect. As of 2019 there were roughly 11 percent more people experiencing homelessness in the region than in 2015; and

WHEREAS, a national study published in the *Journal of Urban Affairs* established the correlation between increasing rent and homelessness, finding that an increase of \$100 in median rent for an area results in a 15 percent (metro areas) and a 39 percent (nearby suburbs and rural areas) increase in homelessness; and

WHEREAS, average rents in Seattle rose 69 percent between 2010 and 2018, far beyond the rate of inflation and more than double the national average; and

WHEREAS, the 2019 Seattle-King County Point in Time Count of persons experiencing homelessness estimates there are 11,199 individuals experiencing homelessness in the region; and

WHEREAS, the October 2019 Report and Recommendations of the King County Regional Affordable Housing Task Force found that 156,000 affordable homes were needed immediately, and another 88,000 affordable homes by 2040, to ensure that no low-income or working households were cost-burdened; and

WHEREAS, the Third Door Coalition proposal advocates for the creation of 6,500 permanent supportive housing units as a proven solution for meeting the housing and services needs of those who are

chronically homelessness; and

WHEREAS, the City recognizes the importance of using a “Housing First” approach in the development of permanent housing for those experiencing homelessness, which prioritizes providing access to low- or no-barrier housing for such persons; and

WHEREAS, the affordable housing crisis, homelessness emergency, and now the COVID-19 pandemic and related economic and unemployment emergencies in Seattle are deeply impacting the lives of people throughout Seattle and the region, and disproportionately harm people of color, immigrants, the LGBTQ community, indigenous peoples’ communities, disabled community members, and women, who already struggle against entrenched inequality; and

WHEREAS, the International Monetary Fund’s recent World Economic Outlook forecasts the worst global recession since the Great Depression; and

WHEREAS, the City Budget Office’s recent economic forecast for the Seattle metropolitan area predicts significant job loss, high unemployment, and declining per capita income; and

WHEREAS, the City Budget Office projects the City’s revenue will be impacted by between \$210 million and \$300 million in 2020; and

WHEREAS, a significant decline in revenue will impact the City’s ability to provide necessary support to communities facing hardship due to the COVID-19 public health crisis and recession and to adequately address the ongoing homelessness crisis; and

WHEREAS, the period of economic recovery from the 2007-2009 Great Recession resulted in worsening economic disparities in Washington, and households experiencing deep poverty increased by 15,000 in the state; and

WHEREAS, the economic hardships and loss of wealth resulting from the Great Recession disproportionately impacted households of color, in particular Black households and Hispanic and Latinx households; and

WHEREAS, the gains in income growth associated with the period of economic recovery and growth in

Washington leading up to the COVID-19 recession have been concentrated among the wealthiest households; and

WHEREAS, public investments have not kept pace with the growing economy, and in fact have declined from pre-Great Recession levels; and

WHEREAS, austerity measures and spending cuts made in response to the Great Recession resulted in uneven and slow economic recovery, and prolonged hardship for vulnerable and marginalized communities; and

WHEREAS, Washington ranks as the worst in the nation for regressive state and local tax systems; and

WHEREAS, the U.S. Internal Revenue Service states that “a progressive tax takes a larger percentage of income from high-income groups than from low-income groups and is based on the concept of ability to pay”; and

WHEREAS, on November 20, 2017, the City Council unanimously adopted Resolution 31782, “establishing a process by which [T]he City of Seattle will determine new progressive revenues including an Employee Hours Tax, expressing the City Council’s intent to impose such potential revenues, and expressing the City Council’s intent to make investments with these revenues that would assist people who are homeless or at a high risk of becoming homeless in obtaining and retaining stable housing”; and

WHEREAS, Resolution 31782 established a Progressive Revenue Task Force (“Task Force”) and requested that the Task Force evaluate and determine “appropriate tax rates and possible exemption levels that are expected to yield between \$25 million and \$75 million in revenue per year”; and

WHEREAS, the Progressive Revenue Task Force’s March 9, 2018, final report recommended that the City seek to collect \$75 million from a new employee hours tax, a new payroll tax, or both to address homelessness and affordable housing; and

WHEREAS, the City imposed an employee hours tax through Ordinance 125578 that would have raised \$47 million annually plus a measure of inflation; and

WHEREAS, the City repealed the employee hours tax through Ordinance 125592; and

WHEREAS, The City of Seattle intends to exercise its taxing authority, as granted by the Washington State Constitution and as authorized by the Washington State Legislature; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A new Chapter 5.38 is added to the Seattle Municipal Code as follows:

Chapter 5.38 PAYROLL EXPENSE TAX

5.38.010 Administrative provisions

All of the provisions contained in Chapter 5.55 shall have full force and application with respect to taxes imposed under the provisions of this Chapter 5.38 except as may be expressly stated to the contrary herein.

5.38.020 Definitions

The definitions contained in Chapter 5.30 shall be fully applicable to this Chapter 5.38 except as may be expressly stated to the contrary herein. The following additional definitions shall apply throughout this Chapter 5.38:

“Business” has the same meaning as that term is defined in Section 5.30.020. Depending on the context, “business” may also mean a person engaging in business in Seattle.

“Compensation” means remuneration as that term is defined in RCW 50A.05.010, net distributions, or incentive payments, including guaranteed payments, whether based on profit or otherwise, earned for services rendered or work performed, whether paid directly or through an agent, and whether in cash or in property or the right to receive property. “Compensation” does not include payments to an owner of a pass-through entity that are not earned for services rendered or work performed, such as return of capital, investment income, or other income from passive activities.

“Employee” means any individual who performs work, labor, or personal services of any nature for compensation paid by a business. For purposes of this Chapter 5.38, the term “employee”:

1. Includes individuals who are members of limited liability companies, members of professional limited liability companies, partners, other owners of pass-through entities, and sole proprietors; and

2. Includes individuals who would be considered to be independent contractors for purposes of the business license tax under subsection 5.45.090.S.

“Grocery business” means:

1. A business whose primary business is making retail sales of food and food ingredients to consumers that are exempt from the retail sales tax under RCW 82.08.0293; and

2. A business whose primary business is making wholesale sales of food and food ingredients that will be exempt from the retail sales tax under RCW 82.08.0293 when resold by the purchaser.

For subsections (1) and (2) of this definition, “primary business” means that 70 percent of the gross income of the business for purposes of calculating the business license tax under Chapter 5.45 is attributable to that business activity.

“Local government entity” has the same meaning as that term is defined in RCW 4.96.010.

“Net distribution” means the draws from net income by any owner of a pass-through entity. Taxable distributions are limited by the amount of draws or net income for that owner, whichever is less. If the owner’s draw exceeds that individual’s net profit, the excess draw is a return of capital. A return of capital is not taxable because it is a liquidation of an owner’s assets.

“Pass-through entity” includes a trust, partnership, corporation described in Subchapter S of the Internal Revenue Code of 1986, as amended, limited liability company, limited liability partnership, professional corporation, and any other person or entity which is not subject to the income tax imposed by Subtitle A, Chapter 1 of the Internal Revenue Code of 1986, as amended, or which is allowed a deduction in computing such tax for distributions to the owners or beneficiaries of such person or entity.

“Payroll expense” means the compensation paid in Seattle to employees. Compensation is paid in Seattle to an employee if:

1. The employee is primarily assigned within Seattle;
2. The employee is not primarily assigned to any place of business for the tax period and the employee

performs 50 percent or more of their service for the tax period in Seattle; or

3. The employee is not primarily assigned to any place of business for the tax period, the employee does not perform 50 percent or more of their service in any city, and the employee resides in Seattle.

“Primarily assigned” means the business location of the taxpayer where the employee performs their duties.

“Remuneration” has the same meaning as that term is defined in RCW 50A.05.010.

“Taxpayer” means any person who engages in any business in Seattle or who performs any act for which a tax is imposed under this Chapter 5.38.

5.38.030 Tax imposed-Rate

A. A payroll expense tax is hereby levied upon and shall be collected from every person engaging in business within Seattle.

B. The amount of the payroll expense tax due shall be the payroll expense of the business, subject to any deductions authorized under this Chapter 5.38, multiplied by the following rates:

1. For businesses with payroll expense up to \$99,999,999.99, the rate shall be:

a. Seven-tenths percent of the payroll expense of employees with annual compensation of \$150,000 to \$399,999.99; and

b. One and seven-tenths percent of the payroll expense of employees with annual compensation of \$400,000 or more.

2. For businesses with payroll expense of \$100 million to \$999,999,999.99, the rate shall be:

a. Seven-tenths percent of the payroll expense of employees with annual compensation of \$150,000 to \$399,999.99; and

b. One and nine-tenths percent of the payroll expense of employees with annual compensation of \$400,000 or more.

3. For businesses with payroll expense of \$1 billion or greater, the rate shall be:

a. One and four-tenths percent of the payroll expense of employees with annual compensation of \$150,000 to \$399,999.99; and

b. Two and four-tenths percent of the payroll expense of employees with annual compensation of \$400,000 or more.

C. The tax imposed by this Chapter 5.38 is levied on businesses. A business may not make any deductions from employees' compensation to pay for this tax.

5.38.040 Exemptions from the payroll expense tax

A. The following are exempt from the payroll expense tax:

1. Any business having payroll expense, as defined under Section 5.38.020, of less than \$7 million in the most recent complete calendar year.

2. Any business engaged in business in Seattle as a grocery business.

3. Any individual who is an independent contractor for purposes of the business license tax under subsection 5.45.090.S and whose compensation is included in the payroll expense of another business subject to the tax imposed by Section 5.38.030.

4. Businesses that are preempted from taxation by cities pursuant to federal or state statutes or regulations, including, but not limited to, the following:

a. Insurance businesses and their agents as defined by RCW 48.01.050 and 48.17.010, respectively, and whose total revenue is exempt from the business license tax per Chapter 5.45.

b. Businesses that only sell, manufacture, or distribute motor vehicle fuel as defined in RCW 82.38.020 and exempted under RCW 82.38.080.

c. Businesses that only distribute or sell liquor as defined in RCW 66.04.010 and exempted in RCW 66.08.120.

d. Federal and state government agencies and any local governmental entity.

5.38.050 Allocation and apportionment

A. The Director may adopt procedures to allow taxpayers who have payroll expenses consisting of work done and services provided within and outside Seattle to use a representative test period or conduct a survey based on factual data to arrive at a formula with which to calculate the percentage of payroll expense attributable to Seattle. Any formula so established will be subject to review and correction by the Director.

B. If payroll expense as defined in Section 5.38.020 does not fairly represent the extent of the compensation paid by the taxpayer to its employees that is attributable to work performed or services rendered in Seattle, the taxpayer may petition the Director for, or the Director may require, the employment of another method to effectuate an equitable allocation and apportionment.

C. Nothing in this Chapter 5.38 shall be construed as requiring the payment of any tax for engaging in business when such payment would be in violation of the Constitution or a statute of the United States or of the Constitution or a statute of the state of Washington. Notwithstanding anything to the contrary herein, if imposition of the City's tax would place an undue burden upon interstate commerce or violate other constitutional requirements, a taxpayer shall be allowed a credit to the extent necessary to preserve the validity of the City's tax, and still apply the City's tax to as much of the taxpayer's activities as may be subject to the City's taxing authority.

D. Businesses engaging temporary or contracted employees shall report and pay the tax on the payroll expense of such temporary or contracted employees, whether or not they are from an employment agency.

5.38.060 Payroll expense tax-When due

The payroll expense tax imposed by this Chapter 5.38 shall be due and payable on a quarterly basis in accordance with Section 5.55.040. Notwithstanding Section 5.55.040, the tax due for 2021 shall be payable on the same date that the tax payment for the fourth quarter of 2021 is due. The Director may use discretion to assign businesses to an annual reporting period. Forms for such filings shall be prescribed by the Director. Persons discontinuing their business activities in Seattle shall report and pay the payroll expense tax at the same time as they file their final business license tax return under Chapter 5.45.

5.38.070 Adjustments for inflation

A. Beginning on January 1, 2022, and on January 1 of every year thereafter, the Director shall adjust in the manner described in subsection 5.38.070.B the following dollar amounts:

1. The amount of the dollar thresholds in Section 5.38.030; and
2. The amount of the exemption in subsection 5.38.040.A.1.

B. The amounts listed in subsection 5.38.070.A shall increase commensurate with the rate of growth of the prior year's June-to-June Consumer Price Index (CPI-U) for the Seattle-Tacoma-Bellevue area as published by the United States Department of Labor. The amounts calculated shall be rounded to the nearest whole dollar.

5.38.080 Tax in addition to other license fees or taxes

The tax imposed herein shall be in addition to any license fee or tax imposed or levied under any other law, statute, or ordinance whether imposed or levied by the City, the State, or other governmental entity or political subdivision.

5.38.090 Tax part of operating overhead

It is not the intention of this Chapter 5.38 that the taxes herein levied upon persons engaging in business be construed as taxes upon the customers of such businesses, but that taxes shall be levied upon, and collectible from, the person engaging in the business activities herein designated and that such taxes or fees shall constitute a part of the operating overhead or cost of doing business of such persons.

5.38.100 Maintaining a level playing field

To maintain a level playing field and to provide predictability for the businesses impacted by the payroll expense tax imposed in this Chapter 5.38, the Council intends to monitor proposals for any taxes imposed by King County or the State of Washington to ensure: a) businesses in its jurisdiction are not subject to additional payroll taxes imposed under Chapter 5.38, b) filings are consolidated and streamlined to reduce administrative burden on taxpayers and Finance and Administrative Services, and c) a sustainable, progressive funding source is maintained for the items as described in Council Bill 119811.

5.38.110 Rules and regulations

The Director shall adopt, publish, and enforce rules and regulations not inconsistent with this Chapter 5.38 for the purpose of carrying out the provisions of this Chapter 5.38, including but not limited to rules to determine the payroll expense attributable to work performed and services rendered by employees in Seattle.

Section 2. Section 5.30.010 of the Seattle Municipal Code, last amended by Ordinance 125934, is amended as follows:

5.30.010 Definition provisions

The definitions contained in this Chapter 5.30 shall apply to the following chapters of the Seattle Municipal Code: Chapters 5.32 (Amusement Devices), 5.35 (Commercial Parking Tax), 5.38 (Payroll Expense Tax), 5.39 (Transportation Network Company Tax), 5.40 (Admission Tax), 5.45 (Business License Tax), 5.46 (Square Footage Tax), 5.47 (Heating Oil Tax), 5.48 (Business Tax-Utilities), 5.50 (Firearms and Ammunition Tax), 5.52 (Gambling Tax), 5.53 (Sweetened Beverage Tax), and 5.55 (General Administrative Provisions) unless expressly provided for otherwise therein, and shall also apply to other chapters and sections of the Seattle Municipal Code in the manner and to the extent expressly indicated in each chapter or section. Words in the singular number shall include the plural and the plural shall include the singular. Words in one gender shall include all other genders.

Section 3. Subsections 5.30.060.B and 5.30.060.C of the Seattle Municipal Code, which section was last amended by Ordinance 125934, are amended as follows:

5.30.060 Definitions, T-Z

* * *

B. “Taxable gross income of the business and the value of products,” as used in Section 5.55.030 to determine the business license tax certificate fee, and “taxable gross income” (~~means~~) mean the taxpayer’s total amount of gross proceeds of sale, gross income of the business, and the value of products, less any deductions available to the taxpayer under Chapter 5.45.

C. “Taxpayer” means any “person,” as herein defined, required by Chapter 5.55 to have a business license tax certificate, or liable for any license, tax, or fee, or for the collection of any tax or fee, under Chapters 5.32 (Revenue Code), 5.35 (Commercial Parking Tax), 5.38 (Payroll Expense Tax), 5.39 (Transportation Network Company Tax), 5.40 (Admission Tax), 5.45 (Business License Tax), 5.46 (Square Footage Tax), 5.47 (Heating Oil Tax), 5.48 (Business Tax-Utilities), 5.50 (Firearms and Ammunition Tax), 5.52 (Gambling Tax), and 5.53 (Sweetened Beverage Tax), or who engages in any business or who performs any act for which a tax or fee is imposed under those chapters.

* * *

Section 4. Section 5.55.010 of the Seattle Municipal Code, last amended by Ordinance 125934, is amended as follows:

5.55.010 Application of chapter stated

Unless expressly stated to the contrary in each chapter, the provisions of this Chapter 5.55 shall apply with respect to the licenses and taxes imposed under this Chapter 5.55 and Chapters 5.32 (Amusement Devices), 5.35 (Commercial Parking Tax), 5.38 (Payroll Expense Tax), 5.39 (Transportation Network Company Tax), 5.40 (Admission Tax), 5.45 (Business License Tax), 5.46 (Square Footage Tax), 5.47 (Heating Oil Tax), 5.48 (Business Tax-Utilities), 5.50 (Firearms and Ammunition Tax), 5.52 (Gambling Tax), 5.53 (Sweetened Beverage Tax), and under other titles, chapters, and sections in such manner and to such extent as indicated in each such title, chapter, or section.

Section 5. Subsection 5.55.040.A of the Seattle Municipal Code, which section was last amended by Ordinance 125934, is amended as follows:

5.55.040 When due and payable-Reporting periods-Monthly, quarterly, and annual returns-Threshold provisions-Computing time periods-Failure to file returns

A. Other than any annual license fee or registration fee assessed under this Chapter 5.55, the taxes imposed by Chapters 5.32 (Amusement Devices), 5.35 (Commercial Parking Tax), 5.38 (Payroll Expense Tax),

5.39 (Transportation Network Company Tax), 5.40 (Admission Tax), 5.45 (Business License Tax), 5.46 (Square Footage Tax), 5.47 (Heating Oil Tax), 5.48 (Business Tax-Utilities), 5.50 (Firearms and Ammunition Tax), 5.52 (Gambling Tax), and 5.53 (Sweetened Beverage Tax) shall be due and payable in quarterly installments. The Director may use discretion to assign businesses to a monthly or annual reporting period depending on the tax amount owing or type of tax. Taxes imposed by subsections 5.52.030.A.2 and 5.52.030.B.2 for punch boards and pull-tabs shall be due and payable in monthly installments. Tax returns and payments are due on or before the last day of the next month following the end of the assigned reporting period covered by the return.

* * *

Section 6. Subsection 5.55.060.A of the Seattle Municipal Code, which section was last amended by Ordinance 125934, is amended as follows:

5.55.060 Records to be preserved-Examination-Inspection-Search warrants-Estoppel to question assessment

A. Every person liable for any fee or tax imposed by this Chapter 5.55 and Chapters 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, 5.52, and 5.53 shall keep and preserve, for a period of five years after filing a tax return, such records as may be necessary to determine the amount of any fee or tax for which the person may be liable; which records shall include copies of all federal income tax and state tax returns and reports made by the person. All books, records, papers, invoices, ticket stubs, vendor lists, gambling games, and payout information, inventories, stocks of merchandise, and other data, including federal income tax and state tax returns, and reports needed to determine the accuracy of any taxes due, shall be open for inspection or examination at any time by the Director or a duly authorized agent. Every person's business premises shall be open for inspection or examination by the Director or a duly authorized agent. For the purposes of this Section 5.55.060, for the tax imposed by Chapter 5.53, "business premises" means wherever the person's business records and tax documents are maintained and does not mean every site owned or operated by the person.

* * *

Section 7. Subsection 5.55.150.E of the Seattle Municipal Code, which section was last amended by Ordinance 125934, is amended as follows:

5.55.150 Appeal to the Hearing Examiner

* * *

E. The Hearing Examiner shall ascertain the correct amount of the tax, fee, interest, or penalty due either by affirming, reversing, or modifying an action of the Director. Reversal or modification is proper if the Director's assessment or refund denial violates the terms of this Chapter 5.55, or Chapters 5.30, 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, 5.52, or 5.53.

* * *

Section 8. Section 5.55.165 of the Seattle Municipal Code, last amended by Ordinance 125934, is amended as follows:

5.55.165 Director of Finance and Administrative Services to make rules

The Director of Finance and Administrative Services shall have the power and it shall be the Director's duty, from time to time, to adopt, publish, and enforce rules and regulations not inconsistent with this Chapter 5.55, with Chapters 5.30, 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, 5.52, or 5.53, or with law for the purpose of carrying out the provisions of such chapters, and it shall be unlawful to violate or fail to comply with any such rule or regulation.

Section 9. Subsections 5.55.220.A and 5.55.220.B of the Seattle Municipal Code, which section was last amended by Ordinance 125934, are amended as follows:

5.55.220 Unlawful actions-Violation-Penalties

A. It shall be unlawful for any person subject to the provisions of this Chapter 5.55 or Chapters 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, 5.52, and 5.53:

1. To violate or fail to comply with any of the provisions of this Chapter 5.55, or Chapters 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, 5.52, and 5.53, or any lawful rule or regulation adopted by

the Director;

2. To make or manufacture any license required by this Chapter 5.55 except upon authority of

the Director;

3. To make any false statement on any license, application, or tax return;

4. To aid or abet any person in any attempt to evade payment of a license fee or tax;

5. To refuse admission to the Director to inspect the premises and/or records as required by this Chapter 5.55, or to otherwise interfere with the Director in the performance of duties imposed by Chapters 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, 5.52, and 5.53;

6. To fail to appear or testify in response to a subpoena issued pursuant to Section 3.02.120 in any proceeding to determine compliance with this Chapter 5.55 and Chapters 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, 5.52, and 5.53;

7. To testify falsely in any investigation, audit, or proceeding conducted pursuant to this Chapter 5.55;

8. To continue to engage in any business activity, profession, trade, or occupation after the revocation of or during a period of suspension of a business license tax certificate issued under Section 5.55.030; or

9. In any manner, to hinder or delay the City or any of its officers in carrying out the provisions of this Chapter 5.55 or Chapters 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, 5.52, and 5.53.

B. Each violation of or failure to comply with the provisions of this Chapter 5.55, or Chapters 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, 5.52, or 5.53 shall constitute a separate offense. Except as provided in subsection 5.55.220.C, any person who commits an act defined in subsection 5.55.220.A is guilty of a gross misdemeanor, punishable in accordance with Section 12A.02.070. The provisions of Chapters 12A.02 and 12A.04 apply to the offenses defined in subsection 5.55.220.A, except that liability is absolute and none of the mental states described in Section 12A.04.030 need be proved.

* * *

Section 10. Subsection 5.55.230.A of the Seattle Municipal Code, which section was last amended by Ordinance 125934, is amended as follows:

5.55.230 Denial, revocation of, or refusal to renew business license tax certificate

A. The Director, or the Director’s designee, has the power and authority to deny, revoke, or refuse to renew any business license tax certificate or amusement device license issued under the provisions of this Chapter 5.55. The Director, or the Director’s designee, shall notify such applicant or licensee in writing by mail in accordance with Section 5.55.180 of the denial of, revocation of, or refusal to renew the license and on what grounds such a decision was based. The Director may deny, revoke, or refuse to renew any business license tax certificate or other license issued under this Chapter 5.55 on one or more of the following grounds:

1. The license was procured by fraud or false representation of fact.
2. The licensee has failed to comply with any provisions of this Chapter 5.55.
3. The licensee has failed to comply with any provisions of Chapters 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, 5.52, or 5.53.
4. The licensee is in default in any payment of any license fee or tax under Title 5 or Title 6.

* * *

Section 11. Subsection 6.208.020.A of the Seattle Municipal Code, which section was last amended by Ordinance 125934, is amended as follows:

6.208.020 Denial, revocation of, or refusal to renew business license

A. In addition to any other powers and authority provided under this Title 6, the Director, or the Director’s designee, has the power and authority to deny, revoke, or refuse to renew any business license issued under the provisions of this Chapter 6.208. The Director, or the Director’s designee, shall notify such applicant or licensee in writing by mail of the denial, revocation of, or refusal to renew the license and on what grounds such a decision was based. The Director may deny, revoke, or refuse to renew any license issued under this

Chapter 6.208 on one or more of the following grounds:

1. The license was procured by fraud or false representation of fact.
2. The licensee has failed to comply with any provisions of this Chapter 6.208.
3. The licensee has failed to comply with any provisions of Chapters 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, or 5.52.
4. The licensee is in default in any payment of any license fee or tax under Title 5 or Title 6.
5. The property at which the business is located has been determined by a court to be a chronic nuisance property as provided in Chapter 10.09.
6. The applicant or licensee has been convicted of theft under subsection 12A.08.060.A.4 within the last ten years.
7. The applicant or licensee is a person subject within the last ten years to a court order entering final judgment for violations of chapters 49.46, 49.48, or 49.52 RCW, or 29 U.S.C. 206 or 29 U.S.C. 207, and the judgment was not satisfied within 30 days of the later of either: a. The expiration of the time for filing an appeal from the final judgment order under the court rules in effect at the time of the final judgment order; or b. If a timely appeal is made, the date of the final resolution of that appeal and any subsequent appeals resulting in final judicial affirmation of the findings of violations of chapters 49.46, 49.48, or 49.52 RCW, or 29 U.S.C. 206 or 29 U.S.C. 207.
8. The applicant or licensee is a person subject within the last ten years to a final and binding citation and notice of assessment from the Washington Department of Labor and Industries for violations of chapters 49.46, 49.48, or 49.52 RCW, and the citation amount and penalties assessed therewith were not satisfied within 30 days of the date the citation became final and binding.
9. Pursuant to subsections 14.16.100.A.4, 14.17.075.A, 14.19.100.A.4, 14.20.080.A.4, 14.22.115.A.4, and 14.23.115.A.4, the applicant or licensee has failed to comply, within 30 days of service of any settlement agreement, with any final order issued by the Director of the Office of Labor Standards, or any

final order issued by the Hearing Examiner under Chapters 14.16, 14.17, 14.19, 14.20, 14.22, and 14.23 for which all appeal rights have been exhausted, and the Director of the Office of Labor Standards has requested that the Director deny, refuse to renew, or revoke any business license held or requested by the applicant or licensee. The denial, refusal to renew, or revocation shall remain in effect until such time as the violation(s) under Chapters 14.16, 14.17, 14.19, 14.20, 14.22, and 14.23 are remedied.

10. The business is one that requires an additional license under this Title 6 and the business does not hold that license.

11. The business has been determined under a separate enforcement process to be operating in violation of law.

* * *

Section 12. Severability. If any part, provision, or section of this ordinance is held to be void or unconstitutional, all other parts, provisions, and sections of this ordinance not expressly so held to be void or unconstitutional shall continue in full force and effect.

Section 13. Sections 1 through 11 of this ordinance shall take effect on January 1, 2021.

Section 14. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2020, and signed by me in open session in authentication of its passage this _____ day of _____, 2020.

President _____ of the City Council

Approved by me this _____ day of _____, 2020.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2020.

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Legislative	Tom Mikesell 4-8735/ Dan Eder 4-8147	

** 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 taxation; imposing a payroll expense tax on persons engaging in business in Seattle; adding a new Chapter 5.38 to the Seattle Municipal Code; and amending Sections 5.30.010, 5.30.060, 5.55.010, 5.55.040, 5.55.060, 5.55.150, 5.55.165, 5.55.220, 5.55.230, and 6.208.020 of the Seattle Municipal Code.

Summary and background of the Legislation: This council bill would impose a tax on business payrolls of \$7 million or more annually. The new tax would have different rates determined by size of business and level of compensations as follows:

1. Seattle payroll from \$7 million to \$999,999,999.99:
 - a. Individual employee compensation \$150,000 to \$499,999.99: 0.7%
 - b. Individual employee compensation at or above \$500,000: 1.4%
2. Seattle Payroll at or above \$1 billion:
 - a. Individual employee compensation \$150,000 to \$499,999.99: 1.4%
 - b. Individual employee compensation at or above \$500,000: 2.1%

Federal and state government entities, grocery stores, and businesses preempted from taxation by cities under federal or Washington State laws, and businesses with payrolls below the \$7 million threshold, would be exempt.

To payroll tax would be imposed January 1, 2021 and, based on estimates using available government data, would generate approximately \$173.5 million annually. The tax sunsets on December 31, 2030 and includes a statement that the City Council intends to monitor progressive tax proposals from governments with overlapping jurisdiction and consider amendments to the tax in the event that businesses become subject to future significant progressive taxes at the state or county level.

2. CAPITAL IMPROVEMENT PROGRAM

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

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

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?
 Implementing the corporate payroll tax would require both one-time startup costs (including costs to update or create new computer systems) and ongoing administrative costs. CB 119811 provides 5% of total estimated revenue for administration as part of the 2021 spending plan.

Is there financial cost or other impacts of *not* implementing the legislation?
 This council bill provides the revenue to repay a \$86 million use of the City’s Emergency Management Fund and Revenue Stabilization Fund in 2020, that is included in Council Bill 119812. Not implementing this legislation, but approving the appropriations in Council Bill 119812, would require that these funds be replenished from other General Fund resources.

If there are no changes to appropriations, revenues, or positions, please delete sections 3.a., 3.b., and 3.c. and answer the questions in Section 4.

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

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
General Fund 001000		Payroll Expense Tax	\$0	\$173,500,000
TOTAL			\$0	\$173,500,000

Is this change one-time or ongoing?
 The payroll expense tax is effective through December 31, 2030.

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 ordinance would generate both one-time setup and ongoing administrative costs for the Department of Finance & Administrative Services. See 3.b 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?**
As described in CB 119811 and CB 119812, the proceeds from the taxes to be collected under this council bill would be used in 2021 repay proposed uses in 2020 of the Emergency Management Fund and the Revenue Stabilization Fund that funds small business support, housing security and services, support for immigrant and refugee communities, and emergency grocery vouchers. In 2022 and thereafter proceeds support affordable housing investments, Equitable Development Initiative projects, and support for local business and workforce stability.
- 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)?**
While this ordinance would generate revenues to support expanded programming, it does not directly establish or expand any initiatives or programs.



Legislation Text

File #: CB 119811, **Version:** 2

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE establishing a spending plan for proposed use of the proceeds generated from the payroll expense tax authorized by the ordinance introduced as Council Bill 119810 establishing an oversight committee; and adding a new Section 3.35.100 to the Seattle Municipal Code.

WHEREAS, the City Council (“Council”) adopted the ordinance introduced as Council Bill 119810,

authorizing the collection of a new payroll expense tax (“payroll tax”) to be imposed beginning January 2021; and

WHEREAS, on November 2, 2015, the Mayor issued a Proclamation of Civil Emergency to address the homelessness crisis in the City of Seattle; and

WHEREAS, on November 3, 2015, the City Council adopted Resolution 31630, ratifying and confirming the Mayoral Proclamation of Civil Emergency; and

WHEREAS, the Civil Emergency to address the homelessness crisis is still in effect today; and

WHEREAS, on March 11, 2020, the World Health Organization announced that the novel coronavirus (COVID-19) is officially a global pandemic; and

WHEREAS, on February 29, 2020 the Washington Governor issued Proclamation 20-05, proclaiming a state of emergency for all counties throughout the state of Washington in response to new cases of COVID-19; and

WHEREAS, on March 13, 2020 the President of the United States declared a national state of emergency in response to the COVID-19 pandemic; and

WHEREAS, on March 25, 2020 the Washington Governor issued Proclamation 20-25, prohibiting all people in Washington State from leaving their homes and all non-essential businesses in Washington State from conducting business (“Stay Home - Stay Healthy Proclamation”); and

WHEREAS, these actions are appropriate for public health reasons but result in severe economic impacts on families and individuals in Seattle; and

WHEREAS, these impacts are felt most strongly by people with low incomes who have become unemployed or had their work hours severely reduced; and

WHEREAS, the affordable housing crisis, homelessness emergency, and now the COVID-19 pandemic and related economic and unemployment emergencies, in Seattle are deeply impacting the lives of people throughout Seattle and the region and disproportionately harms people of color, immigrants, the LGBTQ community, indigenous peoples’ communities, disabled community members, and women, who already struggle against entrenched inequality; and

WHEREAS, average rents in Seattle rose 69 percent between 2010 and 2018, far beyond the rate of inflation and more than double the national average; and

WHEREAS, more than 4,280 students in Seattle Public Schools are homeless or have unstable housing; and

WHEREAS, even before the COVID-19 emergency, thousands of Seattle renters faced eviction threats every year, and in September 2018, the Seattle Women’s Commission and the King County Bar Association jointly published *Losing Home: The Human Cost of Eviction in Seattle*, finding that more than half of Seattle renters receiving eviction notices in 2017 owed one month’s rent or less, and most tenants who are evicted become homeless; and

WHEREAS, the *Losing Home* report found that evictions in Seattle fall disproportionately on women and people of color, with people of color constituting about 35 percent of renters, and nearly 52 percent of evictions involved people of color; and

WHEREAS, the October 2019 Report and Recommendations of the King County Regional Affordable Housing

Task Force found that 156,000 affordable homes were needed immediately and another 88,000

affordable homes by 2040 to ensure that no low-income or working households were cost burdened; and

WHEREAS, the 2019 point-in-time count of people experiencing homelessness in King County estimates there are 11,199 individuals experiencing homelessness in the region; and

WHEREAS, the Third Door Coalition proposal advocates for the creation of 6,500 permanent supportive housing units as a proven solution for meeting the housing and services needs of those who are chronically homeless; and

WHEREAS, the City recognizes the importance of using a “Housing First” approach in the development of permanent housing for those experiencing homelessness that prioritizes providing access to low or no barrier housing for such persons; and

WHEREAS, in addition to increasing investments to support programs that provide housing security and that increase the supply of affordable housing, the Council is committed to pursuing additional strategies, such as changes to development regulations and permit review processes, to reduce the time and costs of building affordable housing; and

WHEREAS, in October 2016, the Council adopted, with the Mayor concurring, Resolution 31712, endorsing community principles for green jobs, defining a green job as one that preserves or enhances environmental health as well as the economic and social well-being of people and communities, centers on communities most negatively impacted by climate change, and pays a living wage while providing career pathways; and

WHEREAS, the City Council adopted Resolution 31895 establishing a Green New Deal for Seattle; and

WHEREAS, Resolution 31895 envisioned the need to establish a dedicated revenue source in order to implement Green New Deal strategies, including creating more permanently affordable housing, located near transit hubs, green space, and neighborhood amenities to reduce dependence on private vehicles and strengthening green building standards for new construction to minimize emissions while

maximizing energy efficiency; and

WHEREAS, the Council is committed to advancing strategies to improve job quality for the local work force, including investing in labor-management trainings and partnering with other entities committed to implementing and adopting innovative workforce strategies; and

WHEREAS, the new tax will generate significant funds that will increase the construction and preservation of new permanently affordable housing units for low-income households to address the housing affordability and homelessness crisis, will contribute to reducing Seattle's climate pollution, and will in the process support living-wage jobs, and in doing so will help the City make the necessary changes to shift Seattle's economy to be more equitable and ecologically sustainable; and

WHEREAS, the City is committed to eliminating racial inequities through implementation of the Race and Social Justice Initiative; and

WHEREAS, Resolution 31577, adopted in May 2015, affirmed that The City of Seattle's core value of racial and social equity is one of the foundations on which the Comprehensive Plan is built, and defined "equitable development" as public and private investments, programs, and policies in neighborhoods to meet the needs of marginalized people and reduce disparities; and

WHEREAS, Ordinance 125173, passed in October 2016, amended the Seattle Comprehensive Plan to increase its emphasis on race and social equity, and affirm the conclusions of the Seattle 2035 Equity Analysis that was part of the City's overall analysis of the Plan; and

WHEREAS, Resolution 31711, adopted in September 2016, identified the Equitable Development Initiative as a key component of implementing Ordinance 125173 and approved the Equitable Development Implementation Plan and the Equitable Development Financial Investment Strategy to advance the public purposes of community stability, cohesion, and affordability; and

WHEREAS, the City's Equitable Development Initiative supports community driven projects that promote economic opportunities for marginalized populations and enhance community cultural anchors,

affordable housing development, health services, child care services, and other community services that support the needs of diverse populations in areas at risk of displacement; and

WHEREAS, the Equitable Development Initiative receives annual funding of \$5 million from the short-term rental tax, but this funding is insufficient to support the number of current projects in development and additional future projects; and

WHEREAS, on March 18, 2019, the City Council adopted Resolution 31870, committing to taking future actions to mitigate displacement impacts on marginalized communities, including communities of color and low-income communities, particularly in neighborhoods identified as at high risk of displacement by the Growth and Equity Analysis. One action called for was to identify a permanent and consistent source of funding for the Equitable Development Initiative, beyond the \$5 million per year expected to be generated through the short-term rental tax, with a long-term goal of \$20 million annually; and

WHEREAS, the new payroll tax will generate significant funds to address identified inequities and to respond to the economic and public health impacts caused by the COVID-19 pandemic that are anticipated to persist beyond 2020; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Findings. The City Council finds that:

A. On March 3, 2020, the Mayor proclaimed that a civil emergency exists in the City of Seattle related to the COVID-19 virus.

B. On March 11, 2020, the Governor of Washington State and the Local Health Officer for Public Health - Seattle & King County issued parallel orders prohibiting gatherings of 250 people or more for social, spiritual and recreational activities in King County.

C. On March 13, 2020, the Governor of Washington state issued an emergency order announcing all K-12 schools in Washington to be closed from March 17, 2020 through June 19, 2020 to combat the spread of the disease.

D. On March 13, 2020, the President of the United States declared a national emergency to allow the government to marshal additional resources to combat the virus.

E. On March 23, 2020, the Governor of Washington State issued an emergency order (“the Stay Home, Stay Safe” order) announcing that “[a]ll people in Washington State shall immediately cease leaving their home or place of residence except: (1) to conduct or participate in essential activities, and/or (2) for employment in essential business services.”

F. As of June 11, 2020, the Washington State Department of Health confirmed 25,171 cases of COVID-19 and 1,204 deaths caused by the virus in Washington State, with 8,611 confirmed cases and 586 deaths caused by the virus in King County.

G. The COVID-19 crisis has had a significant impact on the local economy impacting the retail, restaurant, construction, gig economy, and other industries resulting in layoffs and reduced work hours for a significant percentage of this workforce and loss of income for small businesses. These impacts are being felt most strongly by low income workers, people of color, immigrants, and members of the LGBTQIA community, who have become unemployed or had their work hours severely reduced and will have both immediate and long-term impacts.

H. There are at least 38,000 businesses in the City of Seattle employing a minimum of 655,000 individuals. Since the Governor of Washington closed or limited operations of many businesses in the state beginning in March, the statewide unemployment rate went from 5.1 percent in March to 15.4 percent in April. This equates to 199,000 individuals in March, and 610,000 individuals in April who are unemployed. In the Seattle/ Bellevue/Everett area, the unemployment rate went from 5.6 percent in March to 14.5 percent in April. This equates to 96,000 individuals in March and 248,000 individuals in April who are unemployed. Rising unemployment will put more and more Seattle households, particularly low-income households, in financial peril.

I. Providing financial assistance to small business owners and operators is necessary to prevent small

businesses from having to close permanently due to the hardship associated with government-mandated full or partial closure of their businesses, or requirements to implement new businesses practices and physical modifications to the business to meet public health guidance, during and after the COVID-19 crisis. Such assistance shall provide economic benefits to the public by saving or creating jobs, moderating impacts to local tax revenue by supporting continue operations of small businesses and ensuring that businesses can modify operations as necessary to comply with public health guidance.

J. Federal and state assistance is inaccessible to many people with low-incomes, to many small businesses, and is being delayed for many others, and will not be sufficient to meet their basic needs during the COVID-19 public health and financial crisis. In addition, federal assistance provided to small businesses may not allow flexibility in terms of non-payroll costs that can be covered, timeline for expending funds, etc. Therefore, additional and immediate financial support to small businesses and people with low-incomes is necessary to help meet their basic needs and to help minimize impacts to public health as well as the local economy.

K. The economic impacts from the COVID-19 emergency are drastic and immediate but are also expected to last much longer than the civil shut-down emergency itself.

L. Data from the 2012-2016 American Community Survey (ACS) shows that: over 60,000 households in Seattle with incomes at or below 80 percent of AMI are cost burdened, paying more than 30 percent of their income for rent and utilities; and 29,000 households with incomes at or below 50 percent of area AMI are severely cost burdened, paying over 50 percent of their income for rent and utilities, and, as a result, are at potential risk of homelessness.

M. The COVID-19 emergency poses a serious threat to the housing stability of households who are unable to pay rent due during the crisis and is expected to impact the ability for people to be securely housed beyond 2020.

N. Spending on equitable development investments, including the community-identified and City-

approved projects included in the Equitable Development Financial Investment Strategy, achieves a clear public purpose in advancing the City’s core value of racial and social equity through fostering the development and improvement of physical and social assets serving communities, economic development, education, and workforce training programs, and other public benefits.

O. The spending plan is being tailored to address both the shorter (2021) and longer-term (2022 and beyond) basic human health and public health needs created by the multiple and overlapping crises, which include the long-running affordable housing and homelessness crisis, food insecurity, and loss of childcare and small businesses through the community, which has now been greatly exacerbated and complicated by the COVID-19 pandemic and related economic and unemployment crises.

P. Investments in the programs and services described in this ordinance will help counteract the economic and health impacts caused by the COVID-19 crisis by investing in low-income communities, small businesses, and other services that will continue to be needed in 2021 and beyond by people who saw significant reductions in income due to employment changes and business closures or reductions stemming from the crisis.

Q. The City’s Adopted 2020 Budget fully appropriates all available municipal revenues to address the many and varied needs of the community.

R. At an April 22 presentation to the Select Budget Committee, the City Budget Director stated that a “Rapid Recovery” in City General Fund finances from the COVID 19 civil emergency would result in a \$100 million or 7 percent reduction in General Fund revenues available for City spending priorities in 2020, and further stated that a “Slow Recovery” scenario would result in a \$186 million or 13 percent reduction in General Fund revenues and about \$113 million reduction in other general government revenues in 2020, for a total reduction of about \$300 million in 2020.

S. The City will impose a new payroll tax through Council Bill 119810 that is expected to provide new and sufficient revenues to allow the City, in 2021, to replenish emergency funds used in 2020 to make public

assistance available to households most impacted by the COVID-19 civil emergency and to provide resources to maintain services and provide longer term solutions to address the inequities exacerbated by the COVID-19 crisis.

Section 2. Proceeds from the new payroll tax imposed by the ordinance introduced as Council Bill 119810 may only be used as described in subsections 2.A and 2.B of this ordinance. The programs funded in this spending plan may be used to provide assistance to low income people who live or work in Seattle. The Council intends to adopt by resolution or through adoption of the annual budget, spending details by year and program area to provide: (1) specific allocations of funds for each program area based on the anticipated annual revenue from the payroll tax authorized by the ordinance introduced as Council Bill 119810; and (2) programmatic details such as income levels served by proposed housing investments. The spending plan may be amended from time to time by the City Council by ordinance.

A. In 2021, to replenish the City's Emergency Fund and Revenue Stabilization Fund balance that was reduced in 2020 to fund programs that address the economic impacts caused by COVID-19. Any remaining proceeds from the payroll tax are intended to be used as follows:

1. To administer the payroll tax authorized by the ordinance introduced as Council Bill 119810 and to administer the investments described in subsections 2.A.2 and 2.A.3 of this ordinance.

2. To (1) provide continuity of services and programs administered or supported by the City prior to the COVID-19 crisis that, absent the support from the payroll tax revenue, would see a reduction in funding; and (2) funding to support increased costs and the expansion of services and programs administered or funded by the City that support low-income communities, immigrant and refugee communities, people experiencing homelessness or housing insecurity, people experiencing food insecurity, and to fund other City programs and services that address the needs of low-income households and small businesses. It is the Council's intent that funding is prioritized for investments in services and programs that service lower-income neighborhoods.

3. To extend funding for programs and services that received funding in 2020 as described in the ordinance introduced as Council Bill 119812.

B. In all subsequent years, the proceeds from the payroll tax will be allocated as described in the resolution intended by this section or through adoption of the annual budget and further described in an implementation plan adopted by the City Council biennially, with the first plan adopted in 2021 for spending in years 2022 and 2023. The intent is to use the proceeds from the payroll tax authorized by the ordinance introduced as Council Bill 119810 as follows:

1. To administer and evaluate the effectiveness of the payroll tax authorized by the ordinance introduced as Council Bill 119810, to administer the investments described in subsections 2.B.2 through 2.B.5 of this ordinance, and to evaluate the effectiveness of at least those investments described in subsection 2.B.4 of this ordinance.

2. Housing and services. To support (1) capital costs associated with the construction or acquisition of housing for low-income households, including but not limited to people with disabilities, the elderly, low-wage working people, homeless individuals and families, and families with children; (2) operating and services costs of rental housing serving households at or below 30 percent of area median income (AMI); (3) associated infrastructure to support the ongoing operations costs for the housing, such as maintenance, retrofitting, and energy efficient upgrades to support the housing; and (4) rental assistance programs.

It is the Council's intent that new construction of housing projects funded with this tax will be built consistent with the City's Housing Funding Policies as adopted by Ordinance 119531, or as may be amended. These include, but are not limited to:

a. Requirements and goals that advance labor equity outcomes, such as: the payment of prevailing wages, apprenticeship utilization, and employment of Women and Minority Owned Businesses. Imposing additional requirements including, but not limited to: preferred entry to apprenticeship programs, requirements for pre-apprenticeship, mentoring or other training programs, and utilization of workers from

economically distressed areas, will be considered for new construction housing projects based on the results of the evaluation of the 2nd and Mercer housing pilot project, expected in mid-2021. The implementation plan that will be adopted by the City Council in 2021 will guide spending for 2022 and 2023, and may impose further labor equity-related requirements for new construction projects and recommend any needed amendments to the City's Housing Funding Policies to impose such requirements.

b. Prioritize projects that advance equitable development goals and address displacement, including those proposed or supported by local, community-based, non-profit organizations that are culturally relevant and historically rooted, particularly when the project site is in an area that is at high risk for displacement.

c. Utilize well-located publicly owned properties to achieve cost savings for affordable housing development through reduced or no-cost land transfers, favorable purchase terms, and efficient funding and disposition processes.

3. To support the Equitable Development Initiative (EDI). Funding may be used to support community-initiated equitable development projects that advance economic mobility and opportunity, prevent residential, commercial, and cultural displacement, build on local cultural assets, promote transportation mobility and connectivity, develop healthy and safe neighborhoods, and enable equitable access to all neighborhoods.

4. To support local businesses and tourism to spur the local economic recovery, and to provide economic stability for the city's workforce.

5. For investments that advance Seattle's Green New Deal as described in Resolution 31895. Investments should be prioritized in communities historically most harmed by economic, racial, and environmental injustice.

Section 3. On or before June 30, 2021, the Executive is requested to submit an Implementation Plan for the payroll tax spending for years 2022 and beyond to the City Council that includes:

- A. Specific spending proposal for years 2022 and beyond;
- B. Proposed outcomes for each funded program or service and the tracking and evaluation framework to measure actual results as compared to the proposed outcomes and to implement improvements as needed;
- C. How the programs or services will be implemented (i.e., responsible department, funding processes, etc.);
- D. Proposed policies for implementing and evaluating the effectiveness of funded programs or services;
- E. Recommended modifications to the City’s Housing Funding policies imposing new labor equity outcomes for new construction housing projects, if appropriate; and
- F. Proposal for the detailed roles and responsibilities for the Oversight Committee described in Section 5 of this ordinance.

The Executive, with the support of the Seattle Office for Civil Rights, will conduct racial equity analysis on the proposed implementation plan prior to submittal to the City Council. The completion of this analysis should not delay submittal of the Implementation Plan by June 30, 2021. The Executive is expected to work cooperatively with the City Council in the development of this implementation plan to ensure it is consistent with the proposed spending plan.

Section 4. A new Section 3.35.100 is added to the Seattle Municipal Code as follows:

3.35.100 Payroll Tax Oversight Committee

A. There is established an Oversight Committee for the purpose of providing oversight on the services and programs supported by the payroll tax and the impacts of this tax on the number of jobs and businesses in the City, and other data that directly relates to measuring the impact of this tax on the City’s economy. The Oversight Committee shall provide an annual report that provides this information to the Mayor and the City Council. The Oversight Committee shall consult with the Coalition of City Unions, Small Business Advisory Council, Housing Levy Oversight Committee, the Green New Deal Oversight Board and other oversight bodies that monitor programs and services similar to those supported by the payroll tax. The Committee may elect

officers and establish rules of procedure, including what shall constitute a quorum. The Director of Neighborhoods or such other department head as may be designated by the Mayor shall provide the Committee such information as is necessary for the Committee to determine the status of individual programs and projects.

B. The Oversight Committee shall consist of nine voting members, appointed to positions number 1 through 9.

1. Position 1 shall be a City employee appointed by the Mayor or designee; position 2 shall be a City employee appointed by the City Council; positions 3 through 9 shall be persons outside City government. Positions 3, 5, and 7 shall be appointed by the Mayor. Positions 4, 6, 8 and 9 shall be appointed by the City Council.

2. Positions 3 and 4 shall represent labor.

3. Positions 5 and 6 shall represent business.

4. Positions 7 and 8 shall represent community organizations that reflect the diversity of the City.

5. Position 9 shall represent communities that will benefit from the proposed spending.

6. The appointing authority may remove any member who is absent from two or more consecutive meetings without cause.

C. No more than one committee members appointed by the Mayor and no more than one committee members appointed by the City Council shall be an officer, director, board member, trustee, partner, or employee of an entity that receives or competes for funding under this ordinance; or be a member of the immediate family of, or an individual residing with, an officer, director, board member, trustee, partner, or employee of an entity that receives or competes for funding under this ordinance; or be a person seeking or having an arrangement concerning future employment with an entity that receives or competes for funding under this ordinance. For the purposes of this Section 3.35.100, an individual's "immediate family" means the individual's spouse, domestic partner, child, child of a spouse or domestic partner, sibling-in-law, parent, parent of a spouse or domestic partner, a person for whom the individual acts as a guardian, or a person claimed as a

dependent on the individual's most recent federal income tax return. Subject to the preceding sentence and applicable law, an individual serving as an officer, director, board member, trustee, partner, or employee of an entity that receives or competes for funding under this ordinance, or who has an interest in such an entity, shall not thereby be disqualified from serving on the Committee, but shall fully disclose any such relationships and shall not vote on any matter in which the interest of such entity is directly involved.

D. Upon the resignation, retirement, death, incapacity, or removal of a member, the authority appointing such member may appoint a replacement for the balance of the term.

E. The initial terms of positions 1, 3, 5, 7, and 9 shall be two years; the initial terms of positions 2, 4, 6, and 8 shall be three years; all subsequent terms shall be three years. Any vacancy in an unexpired term shall be filled in the same manner as the original appointment. A member whose term is ending may continue on an interim basis as a member with voting rights until such time as a replacement for that position has been appointed by the City Council or confirmed by the City Council.

F. Members shall serve without pay, except that members may request compensation of \$50 per hour served if participating on the committee presents a financial hardship. Upon such request, the Director of Neighborhoods is authorized to expend funds in the Department of Neighborhood's budget for this purpose. No money may be expended for services rendered prior to a request being filed with and approved by the Director.

Section 5. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of its application to any person or circumstance, does not affect the validity of the remainder of this ordinance or the validity of its application to other persons or circumstances.

Section 6. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by a 3/4 vote of all the members of the City Council the _____ day of _____, 2020, and signed by me in open session in authentication of its passage this _____ day of _____, 2020.

President _____ of the City Council

Approved by me this _____ day of _____, 2020.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2020.

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Legislative Department	Aly Pennucci/Traci Ratzliff	

** 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 establishing a spending plan for proposed use of the proceeds generated from the payroll excise tax authorized by the ordinance introduced as Council Bill 119810; establishing an oversight board; and adding a new Section 3.35.100 to the Seattle Municipal Code

Summary and background of the Legislation: This ordinance establishes proposed spending plans for 2021, and 2022 and beyond, that utilize the proceeds generated from the payroll excise tax authorized by the ordinance introduced as Council Bill 119810. A summary of the proposed spending for 2021 and 2022 and beyond are described in Attachment 1 to the ordinance. The Executive is requested to submit by June 30, 2021 an Implementation Plan for spending in these years and to conduct a racial equity analysis of that plan before submittal to the Council for approval. The Implementation Plan shall include the following:

- Specific spending proposal for years 2022 and beyond;
- Proposed outcomes for each funded program or service;
- How the programs or services will be implemented (i.e., responsible department, funding processes, etc.);
- Proposed policies for implementing funded programs or services;
- Recommended modifications to the City’s Housing Funding policies imposing new labor equity outcomes for new construction housing projects, if appropriate; and
- Proposal for the detailed roles and responsibilities for the Oversight Committee established in the legislation.

The legislation also establishes a nine-member Payroll Tax Oversight Committee. This Committee will provide oversight on the services and programs supported by the payroll tax and the impacts of this tax on the number of jobs and businesses in the City, and other data that directly relates to measuring the impact of this tax on the City’s economy. The Oversight Committee shall provide an annual report that provides this information to the Mayor and the City Council. The Oversight Committee shall consult with the Coalition of City Unions, Small Business Advisory Committee, Housing Levy Oversight Committee, the Green New Deal Oversight Committee, and other oversight committees that monitor programs and services similar to those supported by the payroll tax. Four of the Oversight Committee members will be appointed by the Mayor and five members will be appointed by the Council. Members of the Oversight Committee shall include representatives of: labor, business, community organizations that reflect the diversity of the City, and communities that will benefit from the proposed spending.

2. CAPITAL IMPROVEMENT PROGRAM

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

If yes, please fill out the table below and attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page. If no, please delete the table.

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:	Total Project Cost Through 2025:

3. SUMMARY OF FINANCIAL IMPLICATIONS

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

If there are no changes to appropriations, revenues, or positions, please delete the table below.

Appropriation change (\$):	General Fund \$		Other \$	
	2020	2021	2020	2021
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2020	2021	2020	2021
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?

If so, describe the nature of the impacts. This could include increased operating and maintenance costs, for example.

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

4. OTHER IMPLICATIONS

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

Office of Housing, Office of Economic Development, Office of Immigrant and Refugee Affairs, Human Services Department, Department of Neighborhoods will all likely be involved in implementing programs funded in the proposed spending plan. Five percent of the tax revenues will be provided to support implementation and administration of these programs.

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?** This funding will support programs that assist: low-income households, individuals and families who are homeless and are disproportionately represented by people of color, immigrants and refugees, small businesses, and others to have greater access to needed services, including housing, food, jobs, and other services to assist them recover from the effects of COVID-19.
- 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).** As described in Attachment 1 to the legislation.
List attachments/exhibits below: