



# CITY OF SEATTLE

## City Council

### Agenda

#### Special Meeting

Wednesday, August 12, 2020

2:00 PM

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or  
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](mailto:Lorena.González@seattle.gov)

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**CITY OF SEATTLE**  
**City Council**  
**Agenda**  
**Special Meeting**  
**August 12, 2020 - 2:00 PM**

**Meeting Location:**

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or Seattle Channel online.

**Committee Website:**

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

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*In-person attendance is currently prohibited per Washington State Governor's Proclamation No. 20-28.8 through September 1, 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. Special City Council meeting at

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

Online registration to speak at the Special 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](mailto:Council@seattle.gov)

Sign-up to provide Public Comment at the meeting at

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

Watch live streaming video of the meeting at

<http://www.seattle.gov/council/watch-council-live>

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One Tap Mobile No. US: +12532158782,,5864169164#

**A. CALL TO ORDER**

**B. ROLL CALL**

**C. APPROVAL OF THE AGENDA****D. 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. Special City Council meeting at <http://www.seattle.gov/council/committees/public-comment>.

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**E. RECONSIDERATION OF COUNCIL BILL 119812**

1. [CB 119812](#) AN ORDINANCE amending Ordinance 126000, which adopted the 2020 Budget; making appropriations from the Emergency Fund for public assistance during the COVID-19 civil emergency; making an appropriation from the General Fund for public assistance during the civil emergency; and making appropriations from the Revenue Stabilization Fund for public assistance during the civil emergency; 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: 9 - Mosqueda, Herbold, González , Juarez, Lewis, Morales, Pedersen, Sawant, Strauss**

**Opposed: None**

**Attachments:** [Mayor's Veto of Council Bill 119812](#)

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

**F. CITY COUNCIL REPORT / FINAL VOTE ON LEGISLATION**

2. [CB 119860](#) AN ORDINANCE amending Ordinance 126000, which adopted the 2020 Budget; and amending the ordinance introduced as Council Bill 119812, relating to appropriations from the Emergency Fund for public assistance during the COVID-19 civil emergency; and making appropriations from the Revenue Stabilization Fund for public assistance during the civil emergency; all by a 3/4 vote of the City Council.

**Supporting Documents:**

[Summary and Fiscal Note](#)

3. [CB 119862](#) AN ORDINANCE amending Ordinance 126000, which adopted the 2020 Budget; changing appropriations to the Legislative Department; appropriating funds from the Revenue Stabilization Fund; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

**Supporting Documents:**

[Summary and Fiscal Note](#)

4. [CB 119861](#) AN ORDINANCE amending Ordinance 126000, which adopted the 2020 Budget; creating new budget summary levels to disaggregate Seattle Police Department precincts from the Patrol Operations Budget Summary Level.

**Supporting Documents:**

[Summary and Fiscal Note](#)

5. [CB 119863](#) AN ORDINANCE authorizing the loan of funds from the Construction and Inspections Fund to the General Fund.

**Supporting Documents:**

[Summary and Fiscal Note](#)

## G. ADJOURNMENT



Legislation Text

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**File #:** CB 119812, **Version:** 3

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**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

AN ORDINANCE amending Ordinance 126000, which adopted the 2020 Budget; making appropriations from the Emergency Fund for public assistance during the COVID-19 civil emergency; making an appropriation from the General Fund for public assistance during the civil emergency; and making appropriations from the Revenue Stabilization Fund for public assistance during the civil emergency; all by a 3/4 vote of the City Council.

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 businesses, 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 which will have significant negative impacts, including but not limited to public health impacts, greater housing insecurity, as well as impacts to small businesses and the local economy; and

WHEREAS, the City will use general fund balance and emergency funds in 2020 to support programs and services that support immigrant communities, small businesses, and the housing needs of low-income households, and people experiencing homelessness or housing insecurity in 2020, to be repaid with proceeds from the new tax collected in 2021; and

WHEREAS, regarding use of the proceeds of these appropriations for emergency financial assistance in response to the COVID-19 civil emergency, the City Council has determined that there is no viable alternative available for advancing a core City objective during a time of civil emergency; and

WHEREAS, after accounting for 2020 deposits the currently available Emergency Fund balance is \$66.9 million and the currently available Revenue Stabilization Account balance is \$60.8 million; and

WHEREAS, the City Budget Director reported on April 22, 2020 that the General Fund had an unanticipated year-end balance of \$18.6 million; 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 LGBTQIA community, indigenous peoples' communities, disabled community members, and women, who already struggle against entrenched inequality; 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. The impacts of the COVID-19 crisis on the economy, employment, job retention, child care, and businesses has resulted in: restaurants, bars, and other businesses being forced to close; workers being unable to go to work because of illness; the need to care for children home from day care or school or for other family members without paid sick or safe time; and reduced business income due to reduced demand as businesses struggle during the state of emergency proclaimed by Mayor Durkan on March 3, 2020. These impacts have led to a temporary closure of many businesses, which will struggle to reopen.

J. The impacts of the forced closure of businesses will be felt most by small businesses and nonprofits, which typically have smaller profit margins, smaller cash reserves, and less access to capital than larger for-profit businesses.

K. Providing financial assistance to small business owners and operators, including owners of family child care businesses, 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, maintaining access to child care so workers who have children at home can return to work, moderating impacts to local tax revenue by supporting continued operations of small businesses, and ensuring that businesses can modify operations as necessary to comply with public health guidance.

L. 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, including child care providers, 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.

M. On March 12, 2020, the Governor issued Proclamation 20-08 closing schools in King, Snohomish, and Pierce Counties. The next day, he issued Proclamation 20-09 expanding the closing of schools to require the statewide closure of K-12 public and private schools until April 24, 2020 and then extended such orders again until June 19, 2020.

N. On June 11, 2020, the Governor issued Proclamation 20.09.2 allowing a phased re-opening of schools subject to the requirements of the Washington State Department of Health's K-12 Schools - Summer 2020 Guidance and the Re-opening K-12 Fall 2020-2021 Guidance.

O. The science of COVID-19 will evolve over the summer and into the school year, and the trajectory of disease in Washington State and Seattle specifically may require changes to the public health response and adds uncertainty to when the re-opening of schools full-time will occur.

P. The closure of schools increased the need for childcare for first responders, healthcare workers, and other essential front-line employees as they combat the COVID-19 emergency, and as other non-essential businesses are beginning to re-open workers who are required to return to work before schools re-open full time will add to increased need for childcare for all workers.

Q. 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.

R. 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.

S. The 2019 point-in-time count of people experiencing homelessness in King County found in Seattle at least 3,558 individuals who are living unsheltered in addition to at least 4,239 more individuals who are experiencing homelessness but are sheltered, for a total of at least 7,797 individuals who are experiencing homelessness in Seattle.

T. The Centers for Disease Control and Prevention recommend against removing encampments while there is community spread of COVID-19 unless there is adequate housing available, defined as individual housing and non-congregate shelter options.

U. There may be circumstances in which moving people is necessary, even in a pandemic, but in those limited cases such activity should be planned and implemented with great care and appropriate individual housing or temporary alternative workable living arrangements made available.

V. The COVID-19 emergency poses a serious threat to the housing stability of households who are unable to pay rent due to this crisis. The United Way of King County, with funding provided by the City and other partners, expanded their Home Base program to provide emergency rental assistance to households in King County during the COVID-19 emergency. Over 2,500 applications have been submitted by low-income households in Seattle in need of rental assistance.

W. 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 be needed by people who saw significant reductions in income due to employment changes and business closures or reductions stemming from the crisis.

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

Y. 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. Additional information provided by the City Budget office anticipates the budget gap expected in 2020 due to increased spending addressing COVID-19 related needs and reduced General Fund resources.

Z. A new payroll tax authorized through Council Bill 119810 is anticipated to provide new and sufficient revenues to replenish the Emergency Fund and Revenue Stabilization Fund in 2021.

Section 2. In order to pay for expenses and obligations to address the economic impacts caused by the COVID-19 epidemic that could not have been anticipated at the time of making the 2020 Budget, appropriations for the following items in the 2020 Budget are increased from the funds shown, as follows:

<b>Item</b>	<b>Department</b>	<b>Fund</b>	<b>Budget Summary Level/BCL Code</b>	<b>Amount</b>
2.1	Executive (Office of Economic Development)	Emergency Fund (10102)	Business Services (BO-ED-X1D00)	\$14,448,000
2.2	Department of Education and Early Learning	Revenue Stabilization Fund (00166)	Early Learning (BO-EE-IL100)	\$3,612,000
2.3	Human Services Department	Emergency Fund (10102)	Addressing Homelessness (BO-HS-H3000)	\$32,643,800
2.4	Executive (Office of Housing)	Emergency Fund (10102)	Homeownership & Sustainability (BO-HU-2000)	\$1,708,200
2.5	Executive (Office of Housing)	Revenue Stabilization Fund (00166)	Multifamily Housing (BO-HU-3000)	\$1,721,600
2.6	Executive (Office of Immigrant and Refugee Affairs)	Emergency Fund (10102)	Office of Immigrant and Refugee Affairs (BO-IA-X1N00)	\$18,100,000

2.7	Executive (Office of Sustainability & Environment)	Revenue Stabilization Fund (00166)	Office of Sustainability and Environment (BO-SE-X1000)	\$13,545,000
<b>Grand Total</b>				<b>\$85,778,600</b>

Section 3. The City Council (“Council”) intends to replenish the Emergency Fund and Revenue Stabilization Fund as described in the ordinance introduced as Council Bill 119811 in 2021 using proceeds received from the tax authorized in Council Bill 119810.

Section 4. The appropriations in Section 2 of this ordinance, amending the 2020 Adopted Budget, shall be subject to the following provisos:

A. Of the funding appropriated to the Office of Economic Development’s Business Services (BO-ED-X1D00) Budget Summary Level in the 2020 Adopted Budget, \$14.45 million of the funds shall be used to address the economic hardship small business owners and their employees, and nonprofit organizations and their employees, experience due to loss of business income, grant funding reductions, layoffs and reduced work hours for a significant percentage of this workforce as a result of the COVID-19 crisis and may be used for no other purpose. Up to five percent of these funds may be used for expenditures incurred by the department to administer the investments. The Council intends that this funding will be allocated as follows:

1. \$14.1 million to provide financial assistance to small business owners or operators and nonprofit organizations, with preference to brick and mortar small businesses, that would be used to reduce the economic hardship caused by COVID-19 crisis and assist small businesses and nonprofit organizations to comply with public health guidelines, thereby protecting the local economy by reducing the number of businesses or nonprofits that are permanently closed and jobs permanently lost due to the short- and long-term economic impacts caused by COVID-19.
2. \$315,000 to provide training, referral services, and technical assistance to support businesses, including assistance in preparing applications for federal or state loans or grants that provide direct financial assistance to small businesses to prepare such businesses for the road to recovery.
3. The Council further intends that:
  - a. Up to \$10,000 in financial assistance may be provided to any single eligible small business owner or nonprofit organization under this proviso.
  - b. Assistance should be prioritized for businesses and nonprofit organizations who commit to not reducing wages and benefits provided prior to the COVID-19 emergency, and for business and nonprofit organizations who have historically, or recently, been unable to access other forms of assistance through state or federal programs available to support businesses, including businesses owned by Black, Indigenous, and people of color and those with limited English proficiency, and businesses in the creative industry. Any awards to those in the creative industry should be made in partnership with advocates in

the creative industry sphere.

- c. For purposes of this proviso, an eligible “small business” is defined as a business with 25 or fewer full time equivalent employees (FTEs) and an eligible “nonprofit organization” is a nonprofit with 25 or fewer FTEs that provides community services that protect or enhance the health, safety, environment, or general welfare of people who live or work in Seattle.
- d. The Executive should develop eligibility criteria for small businesses who have been economically impacted by the COVID-19 crisis and for whom such assistance will 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. Criteria should include consideration of equitably distributing financial assistance to small businesses and nonprofit organizations located in neighborhoods across Seattle. Further, businesses that have previously received financial assistance from the City’s Small Business Stabilization Fund are not eligible for additional assistance.

B. Of the funding appropriated to the Department of Education and Early Learning’s Early Learning (BO-EE-IL100) Budget Summary Level in the 2020 Adopted Budget, \$3.61 million of the funds shall be used to address the economic hardship child care providers and their employees experience due to loss of income, layoffs and reduced work hours for a significant percentage of this workforce as a result of the COVID-19 crisis and may be used for no other purpose. Up to five percent of these funds may be used for expenditures incurred by the department to administer the investments. The Council intends that:

1. Up to \$10,000 in financial assistance may be provided to (1) any single eligible family child care provider and (2) other licensed child care providers that adhere to labor laws and has a commitment to labor harmony, under this proviso.
2. Up to \$500 in financial assistance may be provided to any single eligible family, friends, and neighbors (FFN) child care provider under this proviso.
3. Assistance should be prioritized for child care providers who commit to not reducing wages and benefits provided prior to the COVID-19 emergency, and for providers who have historically, or recently, been unable to access other forms of assistance through state or federal programs available to support businesses.
4. For purposes of this ordinance (1) family child care is generally defined as licensed child care for mixed-age children and youth (0-12 years) provided by individuals operating in residential homes; and (2) FFN child care is generally defined as an individual who is exempt from child care licensing requirements and provides in-home child care. FFN providers include grandparents, aunts and uncles, elders, older siblings, friends, neighbors, and others who help families by providing child care.
5. The Executive should develop eligibility criteria for child care providers who have been economically impacted by the COVID-19 crisis and for whom such assistance will provide economic benefits to the public by saving or creating jobs, providing essential child care services as people return to work, and ensuring that child care providers can modify

operations as necessary to comply with public health guidance.

- C. Of the funding appropriated to the Human Services Department’s Addressing Homelessness (BO-HS-H3000) Budget Summary Level in the 2020 Adopted Budget, \$32.64 million of the funds shall be used to address housing insecurity by funding housing programs and services that support low-income households and people experiencing homelessness and may be used for no other purpose. Furthermore, none of the money so appropriated may be spent by the Department on congregate shelter. Up to five percent of these funds may be used for expenditures incurred by the department to administer the investments. The Council intends that the City will partner with CBOs that have a history of trust and success in reaching low-income communities and people experiencing homelessness, including experience reaching those who are traditionally marginalized or typically face barriers to enrolling in assistance programs, such as, but not limited to, language barriers, and other historically marginalized communities, to distribute the funds as follows:
1. \$19.5 million for existing homelessness prevention programs and rental assistance programs that serve individuals and families such as the United Way of King County’s Home Base program and other programs to provide rental assistance; and
  2. \$10.8 million for shelter de-intensification activities and housing or shelter options for unsheltered homeless individuals and families in non-congregate settings, including costs for new tiny homes, acquiring or leasing hotels or motels or other buildings, or extending leases on such facilities. At least \$3.6 million of this funding shall be used to establish four or five new or expanded tiny home village; and
  3. \$2.35 million to support the ongoing service and operation costs of shelter providers. Eligible service and operating costs can include, but are not limited to: personal protective equipment, overtime or premium pay for staff, food service, or cleaning supplies.
- D. Of the funding appropriated to the Office of Housing’s Homeownership & Sustainability (BO-HU-2000) Budget Summary Level in the 2020 Adopted Budget, \$1.1 million of the funds shall be used for mortgage counseling and foreclosure prevention programs, including costs for housing counselors, legal aid, service coordination, and direct financial assistance. The Council intends that the City will partner with CBOs that have a history of trust and success in reaching low-income communities, including experience reaching those who are traditionally marginalized or typically face barriers to enrolling in assistance programs, such as, but not limited to, language barriers, and other historically marginalized communities. Up to five percent of these funds may be used for expenditures incurred by the department to administer the investments.
- E. Of the funding appropriated to the Office of Housing’s Multifamily Housing (BO-HU-3000) Budget Summary Level in the 2020 Adopted Budget, \$2.35 million of the funds shall be used for programs that support the ongoing service and operation costs of nonprofit affordable housing providers. Eligible service and operating costs can include, but are not limited to: personal protective equipment, overtime or premium pay for staff, food service, or cleaning supplies. Up to five percent of these funds may be used for expenditures incurred by the department to administer the investments.
- F. Of the funding appropriated to the Office of Immigrant and Refugee Affairs’ (BO-IA-X1N00) Budget Summary Level in the 2020 Adopted Budget, \$17.05 million shall be for (1) direct financial assistance to Seattle’s low-income immigrant and refugee workers and households who have experienced the economic impacts caused by the COVID-19 crisis, and (2) to advise potential

recipients of this temporary financial assistance to ensure it will not impact the recipients eligibility for, or result in loss of, any other income-tested benefits; and may be used for no other purpose. Furthermore, \$1.05 million shall be for programs and services that provide language access support for low-income people who need help accessing and understanding federal, state and local assistance programs and may be spent for no other purpose. Up to 11 percent of these funds may be used for expenditures incurred by the department to administer the investments. The Council intends the following:

1. Prior to the expenditure of any funds for direct financial assistance, the Executive will partner with CBOs who have a history of trust and success in reaching immigrant and refugee communities to provide such assistance, such as the organizations who worked with the City to distribute emergency grocery vouchers.
2. Assistance should include direct cash assistance, including pre-paid debit or credit cards, or other services to assist with basic living expenses. The maximum amount of financial assistance provided per individual will not exceed \$1,000.
3. CBOs will determine the eligibility, including criteria to confirm income eligibility, prioritizing those who experience structural or institutional barriers to accessing support from the government (e.g. language barriers, risk of deportation), are ineligible for other federal or state emergency assistance, or are receiving such assistance in a limited or delayed manner that does not meet their needs, or those who have had or whose families have had adverse health impacts from COVID. Requests for documentation of eligibility should comply with Seattle Municipal Code Section 4.18.015, should not impose an unnecessary burden on those applying for assistance, and should not unnecessarily delay the approval and distribution process.

G. Of the funding appropriated to the Office of Sustainability and Environment's Office of Sustainability and Environment (BO-SE-X1000) Budget Summary Level in the 2020 Adopted Budget, \$13.6 million shall be used to continue and expand the Emergency Grocery Voucher program to allow more people participating in existing City programs to be served by this program and may be used for no other purpose. Existing City programs include, but are not limited to: Fresh Bucks, Utility Discount Program, Early Childhood Education and Assistance Program, Child Care Assistance Program, and the portion of the Seattle Preschool Program and the Pathway to Seattle Preschool Program that provide services to households that qualify for free tuition. Up to five percent of these funds may be used for expenditures incurred by the department or the CBOs to administer the investments.

The Council intends that vouchers will be made available for use at grocery stores participating in the existing Emergency Grocery Voucher program and expanded to include other community grocers and farmers markets. The Council intends that the Executive will work with CBOs that currently enroll people in the Fresh Bucks program to expand the use of vouchers by identifying culturally appropriate neighborhood grocers to participate in the voucher program.

Section 5. The Council intends to consider additional actions to support small businesses through a future ordinance that could reduce business and occupation tax obligations for certain small businesses.

Section 6. 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 7. 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)



**City of Seattle**  
Mayor Jenny A. Durkan

July 31, 2020

Monica Martinez Simmons  
Seattle City Clerk  
600 4<sup>th</sup> Avenue, 3<sup>rd</sup> Floor  
Seattle, WA 98124

Dear Ms. Martinez Simmons,

I have received Council Bill 119812. This bill, together with other budget actions Council is considering, wipes out all of the City's Rainy Day and Emergency funds, leaving us with nothing to weather future storms or help close next year's even bigger deficit.

The City entered the COVID-19 pandemic with total General Fund reserves of \$127.5 million. Because of our current economic crisis, \$29 million of this was needed to close the approximate \$300 million dollar hole created in this year's 2020 budget. However, Council now wants to spend 90% of the reserves (an additional \$86 million) on new spending, and the remaining 10% (approximately \$13 million) in other spending next week.

We are in the middle of an unprecedented public health and economic emergency. While I support expanding the programs my administration created during COVID-19, it is irresponsible to spend the entirety of our rainy day and emergency funds in the first few months of what is likely a multi-year crisis. The very programs all of us support could fall off a deeper, steeper cliff at a time our most vulnerable residents will need us the most next year.

If 2020 is any indication, no one can responsibly project that Seattle will not have additional emergencies this year and next. Already this year, in addition to the health and economic crisis, we have seen a significant unplanned infrastructure emergency with the closure of the West Seattle Bridge. Other cities have seen earthquakes, the failure of infrastructure, and the ravages of wildfires. Seattle is susceptible to all such events, and we have an obligation to be as ready as possible.

My office previously urged Council to consider the following issues before they nearly depleted our emergency funds, but they declined to do so:

- *Will the budget shortfall for next year be even bigger?* The projections in our next City revenue forecast is in mid-August, including actual revenue from the first six months of the year and an assessment of how much economic and financial uncertainty remains. This will help us better understand whether the City's budget hole has grown and requires deeper cuts;
- *How much will we receive from other sources?* This is dependent on developments around upcoming Congressional action to provide the City with additional COVID-19 relief funds, which

could provide support for the same programs proposed for city investments. Additionally there is additional support from the state coming to our city;

- *The ability to even get this spending out the door to help people.* Council did little to no consultation with my office, the City Budget Office, or with relevant departments to understand if this bill can even be implemented; and
- *Developments surrounding an expected legal challenge to the payroll tax.* Even if the economy comes back sooner than expected and jobs are here to tax, a legal challenge to the tax alone could preclude the ability of the city to use that new tax to “refill” the emergency funds.

I do fully expect that over the next few years the City will need to use the vast majority of its emergency funds as it relates to COVID-19 and the economic crisis. Unfortunately, our economic crisis for this year and next is likely worse, deeper and will be longer than initially projected. To make it through the rest of this year and through 2021, the City will need to draw upon our Rainy Day and Emergency Funds, including for direct relief for our residents and to continue basic city services.

But spending nearly all of our emergency and rainy day funds leaves the City too vulnerable financially and deeply risks future support for the very programs we have built to help people. Our state may need to enter into another Stay Home order this year, which could have further devastating impacts for our economy and city budget for both this year and next. We do not know what further challenges we will face, and our current revenue forecasts for 2020 and 2021 do not reflect the impacts of measures needed to combat the current surge in cases or those that may follow.

Against this backdrop, I continue to work with our Congressional delegation, the Governor and philanthropic organizations to address the very programs in this bill. With Council’s collaboration, my administration has worked to surge \$233 million in COVID-19 programs and relief to residents. The City shifted tens of millions of financial resources and staff to address the crisis and community needs. All told, the 2020 budget rebalancing package submitted to Council funded expanded services to those experiencing homelessness, rental assistance, grocery vouchers, meal assistance, emergency child care for essential workers, and small business assistance. This is in addition to the relief being provided to Seattle residents, workers and businesses by other organizations, like All in Seattle, Schultz Family Foundation and the Seattle Foundation’s COVID-19 Response Fund to name a few. To date, those programs have raised at least \$108 million, and we have seen recent philanthropic giving in recent weeks to expand even further. Together, all programs have delivered and will continue to deliver direct relief to tens of thousands of Seattle residents and support community-based organizations.

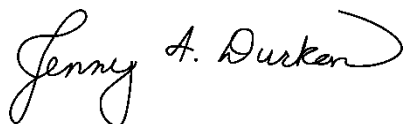
While we all support the use of the funds for COVID-19 relief, drawing down 90% of our emergency reserves now without a better understanding of our financial situation for the remainder of this year, 2021, and beyond is unwise. It also will ultimately hurt the very people we need to serve the most. I remain committed to working with Council to identify specific resources for some of the newly proposed programs, where we know there is great unmet need. For example, we continue to try to build funds and support for our immigrant and refugee communities, many of whom are left out of other benefit programs.

Council has stated that they hypothetically can restore some portion of our emergency funds with projected revenues to be earned from the recently adopted payroll tax. However, this is looking increasingly risky and unlikely. Those funds are not collected until 2022. As we sit here in July 2020, no one can responsibly project the amount of the revenues that will be collected through that tax – or even if it will be sufficient to cover next year’s already significant projected shortfall of \$300 million. The significant budget and legal risks associated with the payroll tax have only increased in the last few weeks. The economy has weakened, the pandemic has worsened and the timeframe for when we can even “come out of this” has lengthened. The longer the pandemic continues, the longer it will be before we can even begin recovery. The forecasts for how much revenue this new tax will generate, and the base General Fund revenues to which it would be additive, are subject to the economic uncertainties described above. Additionally, the new payroll tax only works if there are the jobs in Seattle to tax. That is very uncertain also. At least one large tech company has announced it will work from home until July 2021.

In plain terms, now is not the time to spend nearly all of our emergency funds. Seattle needs a cushion to make it through the next 18 months, and avoid complete austerity budgets. Even without new, unexpected emergencies, we are facing unprecedented financial challenges. Council may be willing to risk the entire cushion we need. I am not. Council may be certain that the month ahead will be emergency free. I am not. Council may be certain that we will recover from the current crisis enough to fill a \$300 million budget hole and collect \$200 million in new taxes on top of that. I am not. The facts simply say otherwise.

Thus, under my authority in Article IV, Section 12 of the Seattle City Charter, I respectfully veto this legislation and request Council to work with me to build a budget for 2021 that increases equity, provides businesses and residents critical support, and fosters a true recovery.

Sincerely,

A handwritten signature in black ink that reads "Jenny A. Durkan". The signature is written in a cursive, flowing style.

Jenny A. Durkan  
Mayor of Seattle

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
Legislative	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 amending Ordinance 126000, which adopted the 2020 Budget; making appropriations from the Emergency Fund for public assistance during the COVID-19 civil emergency; making an appropriation from the General Fund for public assistance during the civil emergency; and making appropriations from the Revenue Stabilization Fund for public assistance during the civil emergency; all by a 3/4 vote of the City Council.

**Summary and background of the Legislation:** This legislation appropriates \$86 million in 2020 funding - \$66.3 million from the Emergency Fund and \$19.5 million from the Revenue Stabilization Fund - to provide funding that addresses the economic impacts caused by the COVID-19 epidemic for small businesses, low-income and low-wage individuals and families, and immigrants and refugees. See Attachment 1 Summary Table for full description of the proposed spending of the \$86 million.

A new payroll tax authorized through Council Bill 119810 is anticipated to provide new and sufficient revenues to replenish the Emergency Fund and Revenue Stabilization Fund in 2021.

**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?**   x   Yes \_\_\_ 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
Emergency Fund			\$66.3 million	
Revenue Stabilization Fund			\$19.5 million	
<b>Total</b>			<b>\$85.8 million</b>	

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? N/A**  
 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?** Small businesses, low income individuals and families and immigrant and refugees' households are suffering significant impacts from the COVID-19 crisis. Funding provide to date by the state and federal governments is inadequate to meet the immediate needs of these businesses and households. Therefore, additional resources are needed to meet identified needs.

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.**

If this box is checked, please complete this section. If this box is not checked, please proceed to Revenues/Reimbursements.

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
2.1	Office of Economic Development	Emergency Fund (10102)	Business Services (BO-ED-X1D00)	\$14,448,000
2.2	Department of Education and Early Learning	Revenue Stabilization Fund (00166)	Early Learning (BO-EE-IL100)	\$3,612,000
2.3	Human Services Department	Emergency Fund (10102)	Addressing Homelessness (BO-HS-H3000)	\$32,643,800
2.4	Office of Housing	Emergency Fund (10102)	Homeownership & Sustainability (BO-HU-2000)	\$1,082,000
2.5	Office of Housing	Revenue Stabilization Fund (00166)	Multifamily Housing (BO-HU-3000)	\$2,347,800
2.6	Office of Immigrant and Refugee Affairs	Emergency Fund (10102)	Office of Immigrant and Refugee Affairs (BO-IA-X1N00)	\$18,100,000

2.7	Office of Sustainability & Environment	Revenue Stabilization Fund (00166)	Office of Sustainability and Environment (BO-SE-X1000)	\$13,545,000
<b>Grand Total</b>				<b>\$85,778,600</b>

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

Please explain any complicated scenarios – e.g. three-year funding agreement but not permanent ongoing.

**Appropriations Notes:**

**3.b. Revenues/Reimbursements**

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

If this box is checked, please complete this section. If this box is not checked, please proceed to Positions.

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

Fund Name and Number	Dept	Revenue Source	2020 Revenue	2021 Estimated Revenue
TBD	TBD	Payroll Tax		\$86 million
<b>TOTAL</b>				

This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below. Do the revenue sources have match requirements? If so, what are they?

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

Please explain any complicated scenarios – e.g. three-year funding agreement but not permanent ongoing.

**Revenue/Reimbursement Notes:**

Emergency Fund and Revenue Stabilization Fund will be repaid with revenues generated The new payroll taxes. These revenues are anticipated in 2021.

**3.c. Positions**

**This legislation adds, changes, or deletes positions.**

If this box is checked, please complete this section. If this box is not checked, please proceed to Other Implications.

**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:**

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/FT	2020 Positions	2020 FTE	Does it sunset? (If yes, explain below in Position Notes)
<b>TOTAL</b>							

\* *List each position separately*

This table should only reflect the actual number of positions created by this legislation. In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below.

### **Position Notes:**

#### **4. OTHER IMPLICATIONS**

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

If so, please list the affected department(s) and the nature of the impact (financial, operational, etc.). **Yes.** Five percent for the appropriations for each department are included to support the cost to implement and administer the programs as described in Attachment 1

**b. Is a public hearing required for this legislation? No**

If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned/required in the future?

**c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant? No**

If yes, please describe the measures taken to comply with RCW 64.06.080.

**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 legislation will provide funding to assist low income households (disproportionately represented by people of color), immigrant and refugee households, and small businesses significantly impacted by the COVID-19 pandemic. The loss of employment, health impacts, etc. related to the COVID-19 pandemic are having significant impacts for these households and businesses. State and Federal assistance is inadequate to meet the immediate needs and therefore the City must step in to provide resources to assist.

**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). See Attachment 1 for summary of outcomes to be achieved with funding.**

**List attachments/exhibits below:**

Attachment 1 – Summary of 2020 Proposed Spending Direct COVID Relief



### Attachment 1 – Summary of 2020 Proposed Spending Direct COVID Relief

Program/Activity	Program Description	% of total	2020 Spending <sup>1</sup>	Potential Impacts
<b>Small Business Support</b>	Small Business Stabilization Fund - Child Care	4.2%	\$3.6 million	\$10k grants to about 340 child care providers
	Small Business Stabilization Fund - small businesses	16.4%	\$14.1 million	\$10k grants to about 1,300 small businesses
	Training, referral services, and technical assistance to support businesses	0.4%	\$0.3 million	
	<b><i>Small Business Support - subtotal</i></b>	<b>21%</b>	<b>\$18 million</b>	
<b>Immediate Housing</b>	Homelessness prevention programs & Rental assistance programs such as the United Way of King County’s Home Base program	22%	\$19 million	1-month of rental assistance to 9,700 households (HH) or 3-months of rental assistance to about 3,300 households
	Shelter de-intensification and housing or shelter options for unsheltered homeless individuals in non-congregate settings (e.g. tiny homes, hotels or motels)	13%	\$11 million	If all used for tiny homes, create about 5-7 new villages
	Mortgage counseling and foreclosure prevention programs	1%	\$1 million	Mortgage assistance to about 35 households
	Programs that support the ongoing service and operation costs of nonprofit affordable housing & shelter providers	6%	\$5 million	
	<b><i>Immediate Housing - subtotal</i></b>	<b>42%</b>	<b>\$36 million</b>	
<b>Immigrant and Refugee Support</b>	Direct financial assistance for immigrant and refugee households	20%	\$17 million	Provide \$1,000 in financial assistance to about 16,200 households
	Language access support for people who need help accessing and understanding assistance programs	1%	\$1 million	
	<b><i>Immigrant and Refugee Support- subtotal</i></b>	<b>21%</b>	<b>\$18 million</b>	
<b>Food Security Programs</b>	Continuation or expansion of the Emergency Grocery Voucher program	16%	\$14 million	2-months of grocery vouchers (\$400/month) to about 16,000 households
	<b><i>Food Security - subtotal</i></b>	<b>16%</b>	<b>\$14 million</b>	
<b>TOTAL ANNUAL SPENDING:</b>		<b>100%</b>	<b>\$86 million</b>	

<sup>1</sup> The investments assume about five percent of funds will be needed to implement and administer these investments; if the full 5% is not needed to administer the funds, anything funds may be used for the direct programs and services described.



Legislation Text

File #: CB 119860, Version: 1

CITY OF SEATTLE

ORDINANCE \_\_\_\_\_

COUNCIL BILL \_\_\_\_\_

AN ORDINANCE amending Ordinance 126000, which adopted the 2020 Budget; and amending the ordinance introduced as Council Bill 119812, relating to appropriations from the Emergency Fund for public assistance during the COVID-19 civil emergency; and making appropriations from the Revenue Stabilization Fund for public assistance during the civil emergency; all by a 3/4 vote of the City Council.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 2 of the ordinance introduced as Council Bill 119812 is amended as follows:

In order to pay for expenses and obligations to eliminate or lessen the immediate threats to lives, public health, and safety resulting from the COVID-19 epidemic and to address the economic impacts caused by the COVID-19 epidemic that could not have been anticipated at the time of making the 2020 Budget, 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
2.1	Executive (Office of Economic Development)	Emergency Fund (10102)	Business Services (BO-ED-X1D00)	\$((14,448,000)) <u>13,915,965</u>
2.2	Department of Education and Early Learning	Revenue Stabilization Fund (00166)	Early Learning (BO-EE-IL100)	\$((3,612,000)) <u>3,477,600</u>
2.3	Human Services Department	Emergency Fund (10102)	Addressing Homelessness (BO-HS-H3000)	\$((32,643,800)) <u>31,429,147</u>
2.4	Executive (Office of Housing)	Emergency Fund (10102)	Homeownership & Sustainability (BO-HU-2000)	\$((1,708,200)) <u>1,041,740</u>

2.5	Executive (Office of Housing)	<del>((Revenue Stabilization Fund (00166)))</del> Emergency Fund (10102)	Multifamily Housing (BO-HU-3000)	<del>\$\$\$((1,721,600))</del> <u>\$2,260,440</u>
2.6	Executive (Office of Immigrant and Refugee Affairs)	Emergency Fund (10102)	Office of Immigrant and Refugee Affairs (BO-IA-X1N00)	<del>\$\$\$((18,100,000))</del> <u>17,427,109</u>
2.7	Executive (Office of Sustainability & Environment)	Emergency Fund (10102)	Office of Sustainability and Environment (BO-SE-X1000)	<u>\$825,600</u>
<del>((2.7))</del> 2.8	Executive (Office of Sustainability & Environment)	Revenue Stabilization Fund (00166)	Office of Sustainability and Environment (BO-SE-X1000)	<del>\$\$\$((13,545,000))</del> <u>12,422,400</u>
2.9	Finance and Administrative Services	Revenue Stabilization Fund (00166)	Finance and Administrative Services (City Finance (BO-FA-CITYFINAN))	<u>\$200,000</u>
<b>Grand Total</b>				<del>\$\$\$((85,778,600))</del> <b><u>\$83,000,000</u></b>

Section 2. Section 4 of the ordinance introduced as Council Bill 119812 is amended as follows:

The appropriations in Section 2 of this ordinance, amending the 2020 Adopted Budget, shall be subject to the following provisos:

A. Of the funding appropriated to the Office of Economic Development’s Business Services (BO-ED-X1D00) Budget Summary Level in the 2020 Adopted Budget, ~~\$\$\$((14.45))~~ 13.92 million of the funds shall be used to address the economic hardship small business owners and their employees, and nonprofit organizations and their employees, experience due to loss of business income, grant funding reductions, layoffs and reduced work hours for a significant percentage of this workforce as a result of the COVID-19 crisis and may be used for no other purpose. Up to ~~((five))~~ 1.3 percent of these funds may be used for expenditures incurred by the department to administer the investments. The Council intends that this funding will be allocated as follows:

1. ~~\$\$\$((14.1))~~ 13.61 million to provide financial assistance to small business owners or operators and nonprofit organizations, with preference to brick and mortar small businesses, that would be used to reduce the economic hardship caused by COVID-19 crisis and assist

small businesses and nonprofit organizations to comply with public health guidelines, thereby protecting the local economy by reducing the number of businesses or nonprofits that are permanently closed and jobs permanently lost due to the short- and long-term economic impacts caused by COVID-19.

2. \$~~((315,000))~~ 310,000 to provide training, referral services, and technical assistance to support businesses, including assistance in preparing applications for federal or state loans or grants that provide direct financial assistance to small businesses to prepare such businesses for the road to recovery.
3. The Council further intends that:
  - a. Up to \$10,000 in financial assistance may be provided to any single eligible small business owner or nonprofit organization under this proviso.
  - b. Assistance should be prioritized for businesses and nonprofit organizations who commit to not reducing wages and benefits provided prior to the COVID-19 emergency, and for business and nonprofit organizations who have historically, or recently, been unable to access other forms of assistance through state or federal programs available to support businesses, including businesses owned by Black, Indigenous, and people of color and those with limited English proficiency, and businesses in the creative industry. Any awards to those in the creative industry should be made in partnership with advocates in the creative industry sphere.
  - c. For purposes of this proviso, an eligible “small business” is defined as a business with 25 or fewer full time equivalent employees (FTEs) and an eligible “nonprofit organization” is a nonprofit with 25 or fewer FTEs that provides community services that protect or enhance the health, safety, environment, or general welfare of people who live or work in Seattle.
  - d. The Executive should develop eligibility criteria for small businesses who have been economically impacted by the COVID-19 crisis and for whom such assistance will 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. Criteria should include consideration of equitably distributing financial assistance to small businesses and nonprofit organizations located in neighborhoods across Seattle. Further, businesses that have previously received financial assistance from the City’s Small Business Stabilization Fund are not eligible for additional assistance.

B. Of the funding appropriated to the Department of Education and Early Learning’s Early Learning (BO-EE-IL100) Budget Summary Level in the 2020 Adopted Budget, \$~~((3.64))~~ 3.48 million of the funds shall be used to address the economic hardship child care providers and their employees experience due to loss of income, layoffs and reduced work hours for a significant percentage of this workforce as a result of the COVID-19 crisis and may be used for no other purpose. Up to ~~((five))~~ 1.3 percent of these funds may be used for expenditures incurred by the department to administer the investments. The Council intends that:

1. Up to \$10,000 in financial assistance may be provided to (1) any single eligible family child care provider and (2) other licensed child care providers that adhere to labor laws and has a commitment to labor harmony, under this proviso.

2. Up to \$500 in financial assistance may be provided to any single eligible family, friends, and neighbors (FFN) child care provider under this proviso.
3. Assistance should be prioritized for child care providers who commit to not reducing wages and benefits provided prior to the COVID-19 emergency, and for providers who have historically, or recently, been unable to access other forms of assistance through state or federal programs available to support businesses.
4. For purposes of this ordinance (1) family child care is generally defined as licensed child care for mixed-age children and youth (0-12 years) provided by individuals operating in residential homes; and (2) FFN child care is generally defined as an individual who is exempt from child care licensing requirements and provides in-home child care. FFN providers include grandparents, aunts and uncles, elders, older siblings, friends, neighbors, and others who help families by providing child care.
5. The Executive should develop eligibility criteria for child care providers who have been economically impacted by the COVID-19 crisis and for whom such assistance will provide economic benefits to the public by saving or creating jobs, providing essential child care services as people return to work, and ensuring that child care providers can modify operations as necessary to comply with public health guidance.

C. Of the funding appropriated to the Human Services Department's Addressing Homelessness (BO-HS -H3000) Budget Summary Level in the 2020 Adopted Budget, \$~~((32.64))~~ 31.43 million of the funds shall be used to address housing insecurity by funding housing programs and services that support low-income households and people experiencing homelessness and may be used for no other purpose. Furthermore, none of the money so appropriated may be spent by the Department on congregate shelter. Up to ~~((five))~~ 1.3 percent of these funds may be used for expenditures incurred by the department to administer the investments. The Council intends that the City will partner with CBOs that have a history of trust and success in reaching low-income communities and people experiencing homelessness, including experience reaching those who are traditionally marginalized or typically face barriers to enrolling in assistance programs, such as, but not limited to, language barriers, and other historically marginalized communities, to distribute the funds as follows:

1. \$~~((19.5))~~ 29.17 million for existing homelessness prevention programs, rental assistance programs, rapid rehousing programs, and diversion programs, that serve individuals and families such as the United Way of King County's Home Base program and other programs to provide rental assistance; and
2. ~~((10.8 million for shelter de-intensification activities and housing or shelter options for unsheltered homeless individuals and families in non-congregate settings, including costs for new tiny homes, acquiring or leasing hotels or motels or other buildings, or extending leases on such facilities. At least \$3.6 million of this funding shall be used to establish four or five new or expanded tiny home village; and~~
3. ~~2.35))~~ 2.26 million to support the ongoing service and operation costs of shelter providers. Eligible service and operating costs can include, but are not limited to: personal protective equipment, overtime or premium pay for staff, food service, or cleaning supplies.

- D. Of the funding appropriated to the Office of Housing’s Homeownership & Sustainability (BO-HU-2000) Budget Summary Level in the 2020 Adopted Budget, \$((~~1.1~~)) 1.04 million of the funds shall be used for mortgage counseling and foreclosure prevention programs, including costs for housing counselors, legal aid, service coordination, and direct financial assistance. The Council intends that the City will partner with CBOs that have a history of trust and success in reaching low-income communities, including experience reaching those who are traditionally marginalized or typically face barriers to enrolling in assistance programs, such as, but not limited to, language barriers, and other historically marginalized communities. Up to ((~~five~~)) 1.3 percent of these funds may be used for expenditures incurred by the department to administer the investments.
- E. Of the funding appropriated to the Office of Housing’s Multifamily Housing (BO-HU-3000) Budget Summary Level in the 2020 Adopted Budget, \$((~~2.35~~)) 2.26 million of the funds shall be used for programs that support the ongoing service and operation costs of nonprofit affordable housing providers. Eligible service and operating costs can include, but are not limited to: personal protective equipment, overtime or premium pay for staff, food service, or cleaning supplies. Up to ((~~five~~)) 1.3 percent of these funds may be used for expenditures incurred by the department to administer the investments.
- F. Of the funding appropriated to the Office of Immigrant and Refugee Affairs’ (BO-IA-X1N00) Budget Summary Level in the 2020 Adopted Budget, \$((~~17.05~~)) 16.42 million shall be for (1) direct financial assistance to Seattle’s low-income immigrant and refugee workers and households who have experienced the economic impacts caused by the COVID-19 crisis, and (2) to advise potential recipients of this temporary financial assistance to ensure it will not impact the recipients eligibility for, or result in loss of, any other income-tested benefits; and may be used for no other purpose. Furthermore, \$((~~1.05~~)) 1.01 million shall be for programs and services that provide language access support for low-income people who need help accessing and understanding federal, state and local assistance programs and may be spent for no other purpose. Up to ((~~11~~)) 7.3 percent of these funds may be used for expenditures incurred by the department to administer the investments. The Council intends the following:
1. Prior to the expenditure of any funds for direct financial assistance, the Executive will partner with CBOs who have a history of trust and success in reaching immigrant and refugee communities to provide such assistance, such as the organizations who worked with the City to distribute emergency grocery vouchers.
  2. Assistance should include direct cash assistance, including pre-paid debit or credit cards, or other services to assist with basic living expenses. The maximum amount of financial assistance provided per individual will not exceed \$1,000.
  3. CBOs will determine the eligibility, including criteria to confirm income eligibility, prioritizing those who experience structural or institutional barriers to accessing support from the government (e.g. language barriers, risk of deportation), are ineligible for other federal or state emergency assistance, or are receiving such assistance in a limited or delayed manner that does not meet their needs, or those who have had or whose families have had adverse health impacts from COVID. Requests for documentation of eligibility should comply with Seattle Municipal Code Section 4.18.015, should not impose an unnecessary burden on those applying for assistance, and should not unnecessarily delay the approval and distribution process.

G. Of the funding appropriated to the Office of Sustainability and Environment’s Office of

Sustainability and Environment (BO-SE-X1000) Budget Summary Level in the 2020 Adopted Budget, \$((13.6)) 13.25 million shall be used to continue and expand the Emergency Grocery Voucher program to allow more people participating in existing City programs to be served by this program and may be used for no other purpose. Existing City programs include, but are not limited to: Fresh Bucks, Utility Discount Program, Early Childhood Education and Assistance Program, Child Care Assistance Program, and the portion of the Seattle Preschool Program and the Pathway to Seattle Preschool Program that provide services to households that qualify for free tuition. Up to ((five))1.3 percent of these funds may be used for expenditures incurred by the department or the CBOs to administer the investments.

The Council intends that vouchers will be made available for use at grocery stores participating in the existing Emergency Grocery Voucher program and expanded to include other community grocers and farmers markets. The Council intends that the Executive will work with CBOs that currently enroll people in the Fresh Bucks program to expand the use of vouchers by identifying culturally appropriate neighborhood grocers to participate in the voucher program.

H. Of the funding appropriated to the Department of Finance and Administrative Services (FAS) City Finance (BO-FA-CITYFINAN) Budget Summary Level in the 2020 Adopted Budget, \$200,000 shall be used to implement and administer the payroll tax authorized in Ordinance 126108. This will ensure that proceeds from the payroll tax are collected and available to extend funding in 2021 for the COVID relief programs and services described in this ordinance and to replenish the Emergency Fund and Revenue Stabilization Fund as described in the ordinance introduced as Council Bill 119812.

Section 3. 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\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
Legislative	Aly Pennucci 206-485-8613	

\* 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 amending Ordinance 126000, which adopted the 2020 Budget; and amending the ordinance introduced as Council Bill 119812, relating to appropriations from the Emergency Fund for public assistance during the COVID-19 civil emergency; and making appropriations from the Revenue Stabilization Fund for public assistance during the civil emergency; all by a 3/4 vote of the City Council.

**Summary and background of the Legislation:** This legislation amends CB 119812 to reduce the appropriations for administrations by \$3 million dollars and to add an appropriation for \$200,000 to FAS to begin work necessary to implement the Jump Start tax authorized by CB 119810.

**2. CAPITAL IMPROVEMENT PROGRAM**

**Does this legislation create, fund, or amend a CIP Project?** \_\_\_ Yes \_\_\_  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 \_\_\_  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
Emergency Fund			\$66.9 million	
Revenue Stabilization Fund			\$16.1 million	
<b>Total</b>			<b>\$83 million</b>	
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? N/A**

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?** Small businesses, low income individuals and families and immigrant and refugees' households are suffering significant impacts from the COVID-19 crisis. Funding provide to date by the state and federal governments is inadequate to meet the immediate needs of these businesses and households. Therefore, additional resources are needed to meet identified needs.

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.**

If this box is checked, please complete this section. If this box is not checked, please proceed to Revenues/Reimbursements.

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
2.1	Executive (Office of Economic Development)	Emergency Fund (10102)	Business Services (BO-ED-X1D00)	\$13,915,965
2.2	Department of Education and Early Learning	Revenue Stabilization Fund (00166)	Early Learning (BO-EE-IL100)	\$3,477,600
2.3	Human Services Department	Emergency Fund (10102)	Addressing Homelessness (BO-HS-H3000)	\$31,429,147
2.4	Executive (Office of Housing)	Emergency Fund (10102)	Homeownership & Sustainability (BO-HU-2000)	\$1,041,740
2.5	Executive (Office of Housing)	Emergency Fund (10102)	Multifamily Housing (BO-HU-3000)	\$2,260,440
2.6	Executive (Office of Immigrant and Refugee Affairs)	Emergency Fund (10102)	Office of Immigrant and Refugee Affairs (BO-IA-X1N00)	\$17,427,109
2.7	Executive (Office of Sustainability & Environment)	Emergency Fund (10102)	Office of Sustainability and Environment (BO-SE-X1000)	\$825,600

2.8	Executive (Office of Sustainability & Environment)	Revenue Stabilization Fund (00166)	Office of Sustainability and Environment (BO-SE-X1000)	\$12,422,400
2.9	Finance and Administrative Services	Revenue Stabilization Fund (00166)	Finance and Administrative Services (City Finance (BO-FA-CITYFINAN))	\$200,000
<b>Grand Total</b>				<b>\$83,000,000</b>

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

Please explain any complicated scenarios – e.g. three-year funding agreement but not permanent ongoing.

**Appropriations Notes:**

**3.b. Revenues/Reimbursements**

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

If this box is checked, please complete this section. If this box is not checked, please proceed to Positions.

This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below. Do the revenue sources have match requirements? If so, what are they?

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

Please explain any complicated scenarios – e.g. three-year funding agreement but not permanent ongoing.

**Revenue/Reimbursement Notes:**

Emergency Fund and Revenue Stabilization Fund will be repaid with revenues generated The new payroll taxes. These revenues are anticipated in 2021.

**3.c. Positions**

**This legislation adds, changes, or deletes positions.**

If this box is checked, please complete this section. If this box is not checked, please proceed to Other Implications.

**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:**

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/FT	2020 Positions	2020 FTE	Does it sunset? (If yes, explain below in Position Notes)
<b>TOTAL</b>							

\* List each position separately

This table should only reflect the actual number of positions created by this legislation. In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below.

**Position Notes:**

**4. OTHER IMPLICATIONS**

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

If so, please list the affected department(s) and the nature of the impact (financial, operational, etc.). **Yes.** 1.3 percent for the appropriations for each department are included to support the cost to implement and administer.

**b. Is a public hearing required for this legislation? No**

If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned/required in the future?

**c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant? No**

If yes, please describe the measures taken to comply with RCW 64.06.080.

**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 legislation will provide funding to assist low income households (disproportionately represented by people of color), immigrant and refugee households, and small businesses significantly impacted by the COVID-19 pandemic. The loss of employment, health impacts, etc. related to the COVID-19 pandemic are having significant impacts for these households and businesses. State and Federal assistance is inadequate to meet the immediate needs and therefore the City must step in to provide resources to assist.

**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). See Attachment 1 to CB 119812 for summary of outcomes to be achieved with funding.**

**List attachments/exhibits below:**



Legislation Text

File #: CB 119862, Version: 1

CITY OF SEATTLE

ORDINANCE \_\_\_\_\_

COUNCIL BILL \_\_\_\_\_

AN ORDINANCE amending Ordinance 126000, which adopted the 2020 Budget; changing appropriations to the Legislative Department; appropriating funds from the Revenue Stabilization Fund; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. Appropriations for the following items in the 2020 Budget are adjusted as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
1.1	Legislative Department (LEG)	Revenue Stabilization Fund (00166)	Legislative Department (LEG -BO-LG-G1000)	\$3,000,000

Section 2. The Council intends that the appropriation described in Section 1 of this ordinance will be used to enter into contracts with community-based organizations to research processes that will promote public safety informed by community needs. Deliverables could include:

- A. Staffing, training, administrative and technical support, and materials to begin process;
- B. Preliminary work plan and initial needs assessment, including language access needs;
- C. Community participatory budget process, data collection, and analysis;
- D. Data reporting and presentations; and
- E. Develop and share roadmap for future equitable participatory budget processes related to public

safety.

Section 3. Any act consistent with the authority of this ordinance taken after its passage and prior to its

effective date is 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 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\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
Legislative	Aly Pennucci 206-485-8613	

\* 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 amending Ordinance 126000, which adopted the 2020 Budget; changing appropriations to the Legislative Department; and appropriating funds from the Revenue Stabilization Fund; all by a 3/4 vote of the City Council.

**Summary and background of the Legislation:** This legislation appropriates \$3,000,000 to the Legislative Department to enter into contracts with community-based organizations to research processes that will promote public safety informed by community needs. Deliverables could include:

1. Staffing, training, administrative and technical support, and materials to begin process;
2. Preliminary work plan and initial needs assessment, including language access needs;
3. Community participatory budget process, data collection, and analysis;
4. Data reporting and presentations; and
5. Develop and share roadmap for future equitable participatory budget processes related to public safety.

**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?**   x   Yes \_\_\_ 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
Revenue Stabilization Fund			\$3 million	-
<b>Total</b>			<b>\$3 million</b>	<b>-</b>
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? N/A**  
 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?**

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.**

If this box is checked, please complete this section. If this box is not checked, please proceed to Revenues/Reimbursements.

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
1.1	Legislative Department (LEG)	Revenue Stabilization Fund (00166)	Legislative Department (LEG - BO-LG-G1000)	\$3,000,000

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

Please explain any complicated scenarios – e.g. three-year funding agreement but not permanent ongoing.

**Appropriations Notes:**

**3.b. Revenues/Reimbursements**

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

If this box is checked, please complete this section. If this box is not checked, please proceed to Positions.

This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below. Do the revenue sources have match requirements? If so, what are they?

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

Please explain any complicated scenarios – e.g. three-year funding agreement but not permanent ongoing.

**Revenue/Reimbursement Notes:**

Emergency Fund and Revenue Stabilization Fund will be repaid with revenues generated The new payroll taxes. These revenues are anticipated in 2021.

**3.c. Positions**

**This legislation adds, changes, or deletes positions.**

If this box is checked, please complete this section. If this box is not checked, please proceed to Other Implications.



**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:**

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/FT	2020 Positions	2020 FTE	Does it sunset? (If yes, explain below in Position Notes)
<b>TOTAL</b>							

\* List each position separately

This table should only reflect the actual number of positions created by this legislation. In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below.

**Position Notes:**

**4. OTHER IMPLICATIONS**

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

If so, please list the affected department(s) and the nature of the impact (financial, operational, etc.). **NO**

**b. Is a public hearing required for this legislation? No**

If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned/required in the future?

**c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant? No**

If yes, please describe the measures taken to comply with RCW 64.06.080.

**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 legislation is responding to both recent events and the efforts of decades of organizing related to the nation’s and Seattle’s history of racism and the current impact of institutional racism and structural racism that have resulted in over-policing and underinvestment in communities of color and especially in Black communities. Anti-racist organizations coalesced around the following demands made to the City by Decriminalize Seattle and King County Equity Now: 1. Replace current 911 operations with civilian-controlled system; 2. Scale up community-led solutions; 3. Invest in housing for all; and 4. Fund a community-led process to create a roadmap to life without policing. This legislation will providing funding for a community-led process.

- 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). No**

**List attachments/exhibits below:**



Legislation Text

File #: CB 119861, Version: 1

CITY OF SEATTLE

ORDINANCE \_\_\_\_\_

COUNCIL BILL \_\_\_\_\_

AN ORDINANCE amending Ordinance 126000, which adopted the 2020 Budget; creating new budget summary levels to disaggregate Seattle Police Department precincts from the Patrol Operations Budget Summary Level.

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. New budget summary levels are created in the Seattle Police Department, as follows:

Department	Fund	Budget Summary Level/ BCL Code	Purpose
Seattle Police Department	General Fund (00100)	West Precinct Patrol (BO-SP-P6100)	The purpose of the West Precinct Patrol Budget Summary Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the West Precinct, to promote safety in their homes, schools, businesses, and the community at large.
Seattle Police Department	General Fund (00100)	North Precinct Patrol (BO-SP-P6200)	The purpose of the North Precinct Patrol Budget Summary Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the North Precinct, to promote safety in their homes, schools, businesses, and the community at large.

Seattle Police Department	General Fund (00100)	South Precinct Patrol (BO-SP-P6500)	The purpose of the South Precinct Patrol Budget Summary Level is to provide the full range of public safety and order maintenance services with the goal of keeping residents of, and visitors to, the South Precinct, safe in their homes, schools, businesses, and the community at large.
Seattle Police Department	General Fund (00100)	East Precinct Patrol (BO-SP-P6600)	The purpose of the East Precinct Budget Summary Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the East Precinct, to promote safety in their homes, schools, businesses, and the community at large.
Seattle Police Department	General Fund (00100)	Southwest Precinct Patrol (BO-SP-P6700)	The purpose of the Southwest Precinct Patrol Budget Summary Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the Southwest Precinct, to promote safety in their homes, schools, businesses, and the community at large.

Section 2. Appropriations for the following items in the 2020 Budget are adjusted as follows:

Item	Department	Fund	Budget Summary Level/ BCL Code	2020 Budget Appropriation
2.1	Seattle Police Department	General Fund (00100)	Patrol Operations (BO-SP-P1800)	(\$136,889,051)
2.2	Seattle Police Department	General Fund (00100)	West Precinct Patrol (BO-SP-P6100)	\$31,577,797
2.3	Seattle Police Department	General Fund (00100)	North Precinct Patrol (BO-SP-P6200)	\$36,378,872
2.4	Seattle Police Department	General Fund (00100)	South Precinct Patrol (BO-SP-P6500)	\$23,730,239
2.5	Seattle Police Department	General Fund (00100)	East Precinct Patrol (BO-SP-P6600)	\$25,378,458
2.6	Seattle Police Department	General Fund (00100)	Southwest Precinct Patrol (BO-SP-P6700)	\$19,823,685

Total	\$0
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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 \_\_\_\_\_ 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\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
Legislative	Aly Pennucci/206-485-8613	N/A

*\* 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 amending Ordinance 126000, which adopted the 2020 Budget; creating new budget summary levels to disaggregate Seattle Police Department precincts from the Patrol Operations Budget Summary Level.

**Summary and background of the Legislation:** This amendment would disaggregate Seattle Police Department’s (SPD) Patrol Operations BSL so that the appropriations for each SPD Patrol Precinct has a separate BSL. This allows better oversight of the appropriations for each SPD precinct.

**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

	<b>General Fund \$</b>		<b>Other \$</b>	
<b>Appropriation change (\$):</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>
	\$0	\$0	N/A	N/A
	<b>Revenue to General Fund</b>		<b>Revenue to Other Funds</b>	
<b>Estimated revenue change (\$):</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>
	N/A	N/A	N/A	N/A
	<b>No. of Positions</b>		<b>Total FTE Change</b>	
<b>Positions affected:</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>
	0	0	0	0

**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?**

This bill disaggregates appropriations for each SPD precinct but is budget neutral because it does not reduce appropriations for the SPD budget as a whole.

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

None identified.

**3.a. Appropriations**

**This legislation adds, changes, or deletes appropriations.**

<b>Fund Name and number</b>	<b>Dept</b>	<b>Budget Control Level Name/#*</b>	<b>2020 Appropriation Change</b>	<b>2021 Estimated Appropriation Change</b>
Seattle Police Department	General Fund (00100)	Patrol Operations (BO-SP-P1800)	(\$136,889,051)	TBD
Seattle Police Department	General Fund (00100)	West Precinct Patrol (BO-SP-P6100)	\$31,577,797	TBD
Seattle Police Department	General Fund (00100)	North Precinct Patrol (BO-SP-P6200)	\$36,378,872	TBD
Seattle Police Department	General Fund (00100)	South Precinct Patrol (BO-SP-P6500)	\$23,730,239	TBD
Seattle Police Department	General Fund (00100)	East Precinct Patrol (BO-SP-P6600)	\$25,378,458	TBD
Seattle Police Department	General Fund (00100)	Southwest Precinct Patrol (BO-SP-P6700)	\$19,823,685	TBD
<b>TOTAL</b>			<b>\$0</b>	<b>TBD</b>

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

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

This is an ongoing change to disaggregate appropriations for each SPD precinct.

**Appropriations Notes:**

**3.b. Revenues/Reimbursements**

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

**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 legislation affects the Seattle Police Department.

- 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?**

- 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).**

Not applicable

**List attachments/exhibits below:**

None





Legislation Text

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**File #:** CB 119863, **Version:** 1

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**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

AN ORDINANCE authorizing the loan of funds from the Construction and Inspections Fund to the General Fund.

WHEREAS, on November 2, 2015, the Mayor proclaimed a 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, the City imposed a new payroll expense tax through Council Bill 119810 on the largest businesses that will provide new revenues to allow the City to make immediate cash assistance available to those households most impacted by the COVID-19 civil emergency; and

WHEREAS, the City intends to make \$14 million of community and research investments through Amendments 33 and 34 to Council Bill 119825; and

WHEREAS, the City is contemplating a series of cuts and provisos are intended to require the City to lay off 100 sworn officers in 2020; and

WHEREAS, the City intends to maintain a hiring freeze in 2021 and beyond, leading to significant budget savings in 2021 and beyond; and

WHEREAS, the City anticipates repaying the interfund loan principal and interest using 2021 General Fund

revenues that are expected to be available from a reduction to the Seattle Police Department's (SPD) budget attributable to laying off 100 sworn officers in 2020 and then continuing a hiring freeze through at least the end of 2021; and

WHEREAS, in the unlikely event that there are not sufficient 2021 savings from SPD's budget, the City intends to allocate an additional amount from the 2021 City Payroll Tax revenues to fully repay the interfund loan principal and interest; and

WHEREAS, regarding use of the proceeds of these interfund loans for an emergency response to the COVID-19 civil emergency, the City Council has determined that there is no viable alternative available for advancing a core City objective during a time of civil emergency; and

WHEREAS, there is sufficient cash in the Construction and Inspections Fund to support a loan of up to \$13,114,000 through the end of 2021; and

WHEREAS, the City's 2020 Adopted Budget fully appropriates all available municipal revenues to address the many and varied needs of the community; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The City Council finds and declares that there is no viable alternative to meet a core City objective. The extraordinary circumstances discussed in this section call for an exception to the Debt Management Policies approved by Resolution 31553 as contemplated by the Introduction to the Policies, and therefore the Director of Finance is authorized to make loans as provided for in this ordinance.

Section 2. The City Council finds that there is no viable alternative to meet a core City objective, and therefore the Director of Finance is authorized to make a loan of not more than \$13,114,000 of principal and interest outstanding at any one time from the Construction and Inspections Fund (48100) to the General Fund

(00100) from which funds may be drawn to pay for the immediate needs resulting from the investments that are authorized by Council Bill 119825. This loan is to be repaid no later than December 31, 2021, with interest on the loan at the rate of return of the City's Consolidated (Residual) Cash Pool.

Section 3. The entire principal and interest amount of the loan authorized in Section 2 of this ordinance, and owed by the General Fund to the Construction and Inspections Fund, is intended to be repaid no later than December 31, 2021 from the savings in the Seattle Police Department as outlined in Resolution [REDACTED] and (only if for any reason such anticipated savings are not sufficient) from revenue generated from the tax on corporate payroll in Seattle Municipal Code Chapter 5.38.

Section 4. The Director of Finance may effectuate the loans authorized in this ordinance by transferring cash to the General Fund until no later than December 31, 2020. The Director of Finance is further authorized to establish, and modify if necessary from time to time, a repayment plan and schedule.

Section 5. 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.

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Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

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Monica Martinez Simmons, City Clerk

(Seal)

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
Legislative Department	Dan Eder x4-8147	N/A

*\* 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 authorizing the loan of funds from the Construction and Inspections Fund to the General Fund.

**Summary and background of the Legislation:** This legislation authorizes the General Fund to borrow \$13.1 million from the Construction and Inspections Fund. The proceeds of the loan are assumed in CB 119825, as amended by Council, and would pay for all of a \$4M investment in community-led organizations such as Seattle’s Community Safety Initiative (as described in Amendment 33) plus \$9.114 million of the total \$10 million investment in community-led organizations (as described more fully in Amendment 34).

**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?**

None anticipated. Based on information from the City Budget Office, the Construction and Inspections Fund is expected to have a \$118 million ending fund balance as of December 31, 2020. Of this amount, the Executive is proposing a \$50 million interfund loan to pay for costs related to replacing or repairing the West Seattle Bridge. Assuming Council approves transmitted legislation to authorize that separate interfund loan, there would still be \$68 million of remaining year-end fund balance in the Construction and Inspections Fund as of December 31, 2020.

The legislation indicates that the City intends to repay the \$13.1 million interfund loan no later than December 31, 2021. The legislation indicates that the source for repaying the principal plus interest is budget savings flowing from anticipated cuts to the Seattle Police Department’s 2021 budget. If for any reason such anticipated savings are not sufficient, the legislation indicates that the principal and interest would be repaid using revenue generated from the tax on corporate payroll imposed in Seattle Municipal Code Chapter 5.38.

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

No.

### **3.a. Appropriations**

**\_\_\_\_\_ This legislation adds, changes, or deletes appropriations.**

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

One-time.

### **3.b. Revenues/Reimbursements**

**\_\_\_\_\_ This legislation adds, changes, or deletes revenues or reimbursements.**

### **3.c. Positions**

**\_\_\_\_\_ This legislation adds, changes, or deletes positions.**

## **4. OTHER IMPLICATIONS**

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

None anticipated.

**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 legislation would authorize an interfund loan that would support investments in community-led organizations who would in turn assist the City in formulating public safety alternatives to the current policing paradigm.

- 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).**

No.

**List attachments/exhibits below:**