



SEATTLE CITY COUNCIL

Select Budget Committee

Agenda

Wednesday, October 13, 2021

9:30 AM

Session I at 9:30 a.m. & Session II at 2 p.m.

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

Teresa Mosqueda, Chair
Lisa Herbold, Vice-Chair
M. Lorena González, Member
Debora Juarez, Member
Andrew J. Lewis, Member
Tammy J. Morales, Member
Alex Pedersen, Member
Kshama Sawant, Member
Dan Strauss, Member

Chair Info: 206-684-8808; Teresa.Mosqueda@seattle.gov

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SEATTLE CITY COUNCIL

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October 13, 2021 - 9:30 AM

Session I at 9:30 a.m. & Session II at 2 p.m.

Meeting Location:

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

Committee Website:

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

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Pursuant to Washington State Governor's Proclamation No. 20-28.15 and Senate Concurrent Resolution 8402, this public meeting will be held remotely. Meeting participation is limited to access by the telephone number provided on the meeting agenda, and the meeting is accessible via telephone and Seattle Channel online.

Register online to speak during the Public Comment period at the 9:30 a.m. Select Budget Committee meeting at

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

Online registration to speak at the Select Budget Committee meeting will begin two hours before the 9:30 a.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 Councilmembers at

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>

Listen to the meeting by calling the Council Chamber Listen Line at 253-215-8782 Meeting ID: 586 416 9164

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Please Note: Times listed are estimated

Issue Identification

Council Central Staff will present an overview of key changes to City Department operating and capital budgets, and identify issues for possible further examination in the 2022 Proposed Budget.

Session I - 9:30 a.m.

A. Call To Order

B. Approval of the Agenda

C. Public Comment

D. Items of Business

1. Introduction and Issue Identification Overview

Supporting Documents: [Presentation](#)

Briefing and Discussion

Presenters: Esther Handy, Director, and Aly Pennucci, Council Central Staff

2. Overview of the 2022 Proposed Budget

Supporting Documents: [Presentation](#)
[Central Staff Memo](#)

Briefing and Discussion

Presenter: Aly Pennucci, Council Central Staff

3. **General Fund Balancing Analysis**

Supporting Documents:

[Presentation](#)

[Central Staff Memo](#)

Briefing and Discussion

Presenters: Tom Mikesell and Aly Pennucci, Council Central Staff

Session II - 2:00 p.m.

E. Items of Business

4. **Department of Education and Early Learning (DEEL)**

Supporting Documents:

[Presentation](#)

[Central Staff Memo](#)

Briefing and Discussion

Presenters: Brian Goodnight and Aly Pennucci, Council Central Staff

5. **Office of Economic Development (OED)**

Supporting Documents:

[Presentation](#)

[Central Staff Memo](#)

Briefing and Discussion

Presenters: Yolanda Ho and Aly Pennucci, Council Central Staff

F. Adjournment



Legislation Text

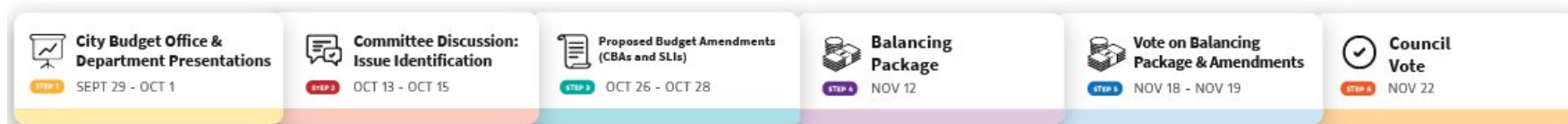
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Introduction and Issue Identification Overview

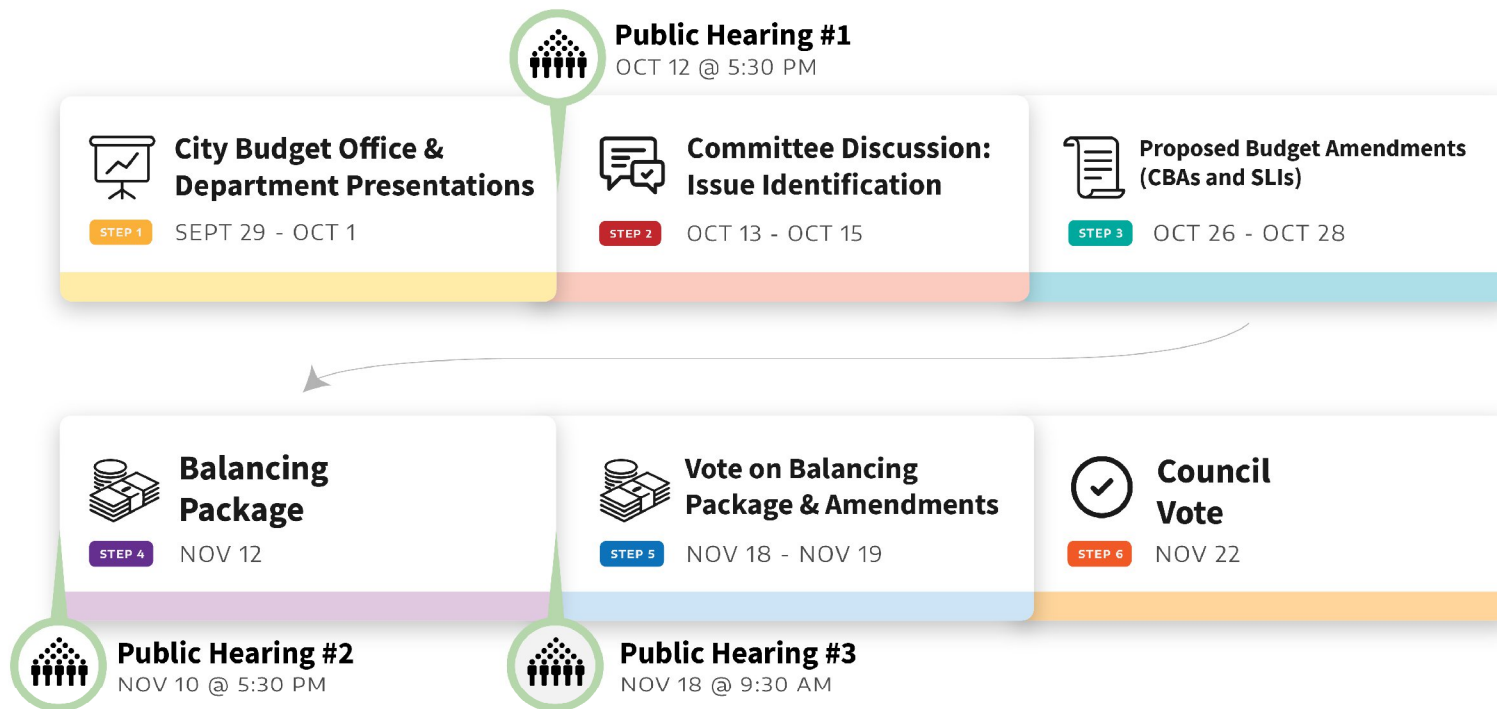
Seattle City Council 2021 Budget Process

Select Budget Committee | October 13, 2021

Aly Pennucci, Policy & Budget Manager



Budget Timeline | FALL 2021





Committee Discussion: Issue Identification

STEP 2

OCT 13 - OCT 15

Central Staff identifies potential budget issues & policy options associated with the Proposed Budget, an opportunity for councilmembers to review, discuss, and ask questions about the proposed budget, and provide direction on issues and amendments they are considering. Councilmembers may also share amendment ideas they are considering with their colleagues during these discussions.

	Wed Oct-13	Thu Oct-14	Fri Oct-15
	Public Comment (30 min)	Public Comment (30 min)	Public Comment (30 min)
9:30 am – 1:00 pm	<ul style="list-style-type: none"> Central Staff Introduction Overview of the 2022 Proposed Budget General Fund Balancing Analysis 	<ul style="list-style-type: none"> Office of Planning and Community Development (OPCD) Human Services Department (HSD) and Community-Led Investments 	<ul style="list-style-type: none"> Seattle Department of Transportation (SDOT) Alternatives to Police Response & the Criminal Legal System
1:00 – 2:00 pm	Break	Break	Break
2:00 – 5:00 pm	<ul style="list-style-type: none"> Department of Education & Early Learning (DEEL) Office of Economic Development (OED) 	<ul style="list-style-type: none"> Homelessness Response 	<ul style="list-style-type: none"> Seattle Police Department (SPD)



**Proposed Budget Amendments
(CBAs and SLIs)**

STEP 3

OCT 26 - OCT 28

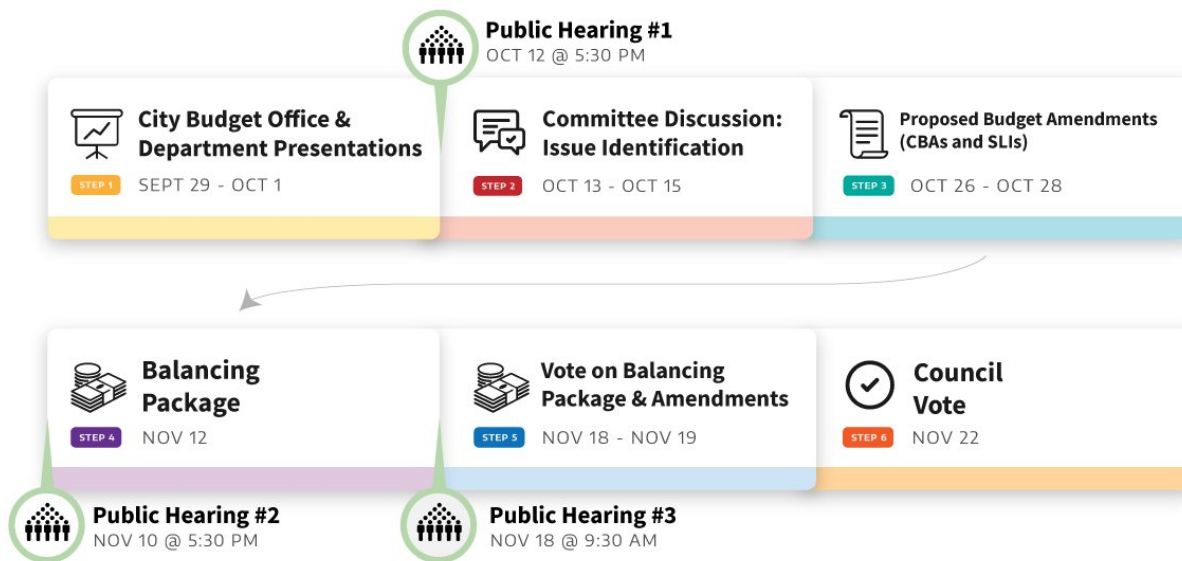
Up Next: Proposed Budget Amendments

Councilmembers will discuss their proposed budget amendments to the 2022 Proposed Budget in advance of the development of the Balancing Package.

Central Staff will summarize each proposed amendment and the member sponsoring the proposal will have the opportunity to speak to their proposal. Councilmembers may choose to indicate support for a budget amendment during these discussions.

Questions?

Budget Timeline | FALL 2021





Legislation Text

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Overview of the 2022 Proposed Budget

Issue Identification Overview of 2022 Proposed Budget

Select Budget Committee | October 13, 2021

Aly Pennucci, Policy and Budget Manager

Central Staff Analysts



Outline of Paper

I. Abbreviations

Lists abbreviations (acronyms and initialisms) used throughout the paper.

II. Budget Summary by Department

Summary of the 2022 Proposed Budget organized by budget book categories and then by department or office.

III. Budget Legislation

Description of the 24 pieces of legislation transmitted with the Mayor's 2022 Proposed Budget.

IV. Attachments



II. Budget Summary by Department (1/4)

High-level summary of the 2022 Proposed Budget, following the same organizations as found in the departmental budget pages, arranged by six main categories and then alphabetically by department):

1. Arts, Culture, & Recreation
2. Education, Health & Human Services
3. Livable and Inclusive Communities
4. Public Safety
5. Utilities, Transportation & Environment
6. Administration



II. Budget Summary by Department (2/4)

- **Summary Tables**
Changes to total appropriations and total FTEs in each department's 2022 Proposed Budget compared to the 2021 Adopted Budget.

EXAMPLE: Department with operating budget only

	2021 Adopted	2022 Proposed	% Change
Office of Arts and Culture (ARTS) (Analyst: Asha Venkataraman)			
Appropriations - Operating	\$14,415	\$20,416	41.6%
Total Appropriations	\$14,415	\$20,416	41.6%
Total FTEs	39.1	40.3	3.2%

II. Budget Summary by Department (3/4)

- **Summary Tables**
Changes to total appropriations and total FTEs in each department's 2022 Proposed Budget compared to the 2021 Adopted Budget.

*EXAMPLE: Department with
Capital and Operating*

	2021 Adopted	2022 Proposed	% Change
Seattle Public Utilities (SPU) (Analyst: Brian Goodnight)			
Appropriations - Operating	\$978,977	\$994,001	1.5%
Appropriations - Capital	\$420,467	\$322,748	(23.2%)
Total Appropriations	\$1,399,444	\$1,316,749	(5.9%)
Total FTEs	1,440.3	1,477.3	2.6%

II. Budget Summary by Department (4/4)

Notable Changes: Highlights changes of note in the proposed budget.

Example:

Seattle Public Utilities Notable changes:

- \$500,000 to increase the size of the current apprentice class in the Drainage and Wastewater line of business from seven to 12;
- \$250,000 to continue work originally requested by a Council Statement of Legislative Intent in 2021 to evaluate and analyze the King County regional wastewater treatment system; and
- \$600,000 to support a new “Seeds of Resilience” initiative from SPU’s 2021–2026 Strategic Business Plan (SBP), which was adopted by the Council in May, that aims to foster community-centered entrepreneurship through grants supporting projects that build water resiliency or reduce waste.



III. Budget Legislation

- Provides a brief description of the 24 pieces of legislation transmitted with the Mayor's Proposed Budget

Legislation:

- Amending, Adopting, or Endorsing the Budget
- Levying the 2021 Property Tax
- Modifying Fees and Charges for City Services
- Proposing New, or Amending Existing, Policies & Regulations For Taxes & Use of Funds
- Authorizing or Issuance of Bonds and related legislation
- Legislation Authorizing Interfund Loans
- Other Legislation with a Nexus to Budget



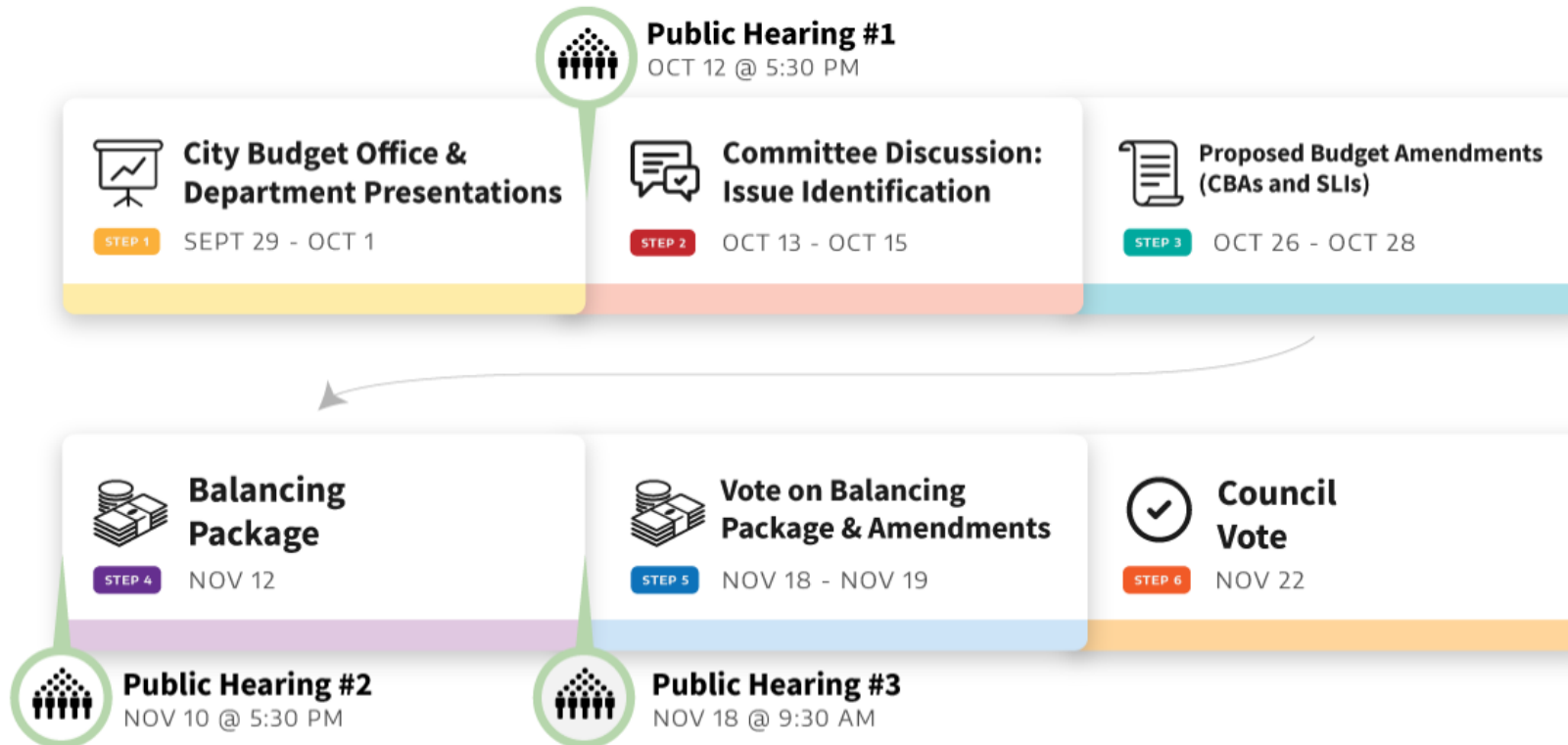
IV. Attachments

1. New Office of Housing Resources by Program Area and Fund Source
2. 2022 Green New Deal Investment Strategy
3. 2022 DVP Investment Summary
4. Summary of Appropriation Changes by Department



Questions?

Budget Timeline | FALL 2021



Overview of 2022 Proposed Budget

The paper includes the following sections:

I. Abbreviations

A list of abbreviations (acronyms and initialisms) used throughout the paper.

II. Budget Summary by Department

A brief summary of the 2022 Proposed Budget by department or office.

III. Budget Legislation

Provides a brief description of the 24 pieces of legislation transmitted with the Mayor’s Proposed Budget.

IV. Attachments

1. New Office of Housing Resources by Program Area and Fund Source
2. Summary of Green New Deal Investments in the 2022 Proposed Budget
3. Summary of Duwamish Valley Program Investments in the 2022 Proposed Budget
4. Summary of 2022 Proposed Appropriation Changes by Department

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I. Abbreviations*

*Please see the Table of Contents for department abbreviations used throughout the paper.

CB = Council Bill

CLFR = Coronavirus Local Fiscal Recovery funds

ECI = Equitable Communities Initiative

EDI = Equitable Development Initiative

GF = General Fund

GND = Green New Deal

ORD = Ordinance

PET = Payroll Expense Tax

REET = Real Estate Excise Tax

RES = Resolution

SBT = Sweetened Beverage Tax

II. Budget Summary by Department

This section provides a high-level summary of the 2022 Proposed Budget, following the same organization as found in the departmental pages of the [2022 Proposed Budget book](#) (arranged by six main categories and then alphabetically by department). This overview is meant to be a resource for the Council and the public to quickly review notable changes in the proposed budget, offering a concise summary compared to the thorough descriptions of each department's proposed budget that is included on pages 89-588 of the 768-page [2022 Proposed Budget book](#).

Each department summary includes a table showing the changes to appropriations and total FTEs for that department's 2022 Proposed Budget compared to the 2021 Adopted Budget. For departments, offices, or cross-cutting issue areas that are the subject of a Central Staff standalone issue identification paper, the summary may simply direct the reader to those papers.

Arts, Culture, & Recreation

	2021 Adopted	2022 Proposed	% Change
Office of Arts and Culture (ARTS) (Analyst: Asha Venkataraman)			
Appropriations - Operating	\$14,415	\$20,416	41.6%
Total Appropriations	\$14,415	\$20,416	41.6%
Total FTEs	39.1	40.3	3.2%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for ARTS would increase by 41.6 percent. The ARTS budget would increase by \$2.5 million in Admissions Tax and 1% for Arts funds and by \$3.5 million in GF, reflecting the appropriation of CLFR funds. Of the \$3.5 million in CLFR funds, \$1.5 million supports individual artist relief and workforce development and \$2 million supports equity and cultural education efforts.

The 2022 Proposed Budget would provide \$1.7 million in 1% for Arts funds to install artworks on the waterfront and support a portion of the replacement cost of the Tsutekawa Gate in the Washington Park Arboretum. It also restores funding for the City Artists and the Arts in Parks programs. In addition, the 2022 Proposed Budget would add funding and support for 0.75 FTE custodial position and for a 0.5 FTE for a Creative Economy position.

	2021 Adopted	2022 Proposed	% Change
Seattle Parks and Recreation (SPR) (Analyst: Traci Ratzliff)			
Appropriations - Operating	\$175,846	\$187,645	7%
Appropriations - Capital	\$52,970	\$95,831	81%
Total Appropriations	\$228,816	\$283,476	24%
Total FTEs	938.7	958.6	2.2%

Notable Changes in the 2022 Proposed Budget

SPR’s 2022 Proposed Operating Budget would increase by seven percent (\$11.8 million) compared to the 2021 Adopted Budget. The major changes proposed to the operating budget include:

- \$7.7 million restoration of ongoing GF operational support that was cut in the 2021 Adopted Budget. This cut was backfilled in 2021 with Park District (PD) revenues redirected from capital projects;
- \$2.8 million in one-time CLFR funds to continue the Clean City Initiative through August 2022;*
- \$900,000 in ongoing GF to support response to unsanctioned encampments;*
- \$1 million in ongoing PD funds to formalize and expand SPR’s work in addressing structural racism through organizational change. Funding supports an increase in human resources staff commensurate with other large departments and the creation of a dedicated, centralized team to work with staff across divisions to establish unified goals and educational curriculums centered around equity;
- \$963,000 in ongoing GF to support SPR’s capacity to address issues related to cleanliness and safety at parks and beaches, including security for Late Night programs and beach closures at Alki and Golden Gardens beaches;

- \$660,000 in ongoing PD and other parks funds to establish two permanent teams and a third temporary team for the Rec 'N The Streets Program. This new program, piloted during the pandemic, would deliver community-centered recreation programming using neighborhood-based data and equity maps. Funding would be reallocated from discontinuation of the Outdoor Opportunities Program and the operational savings resulting from the conversion of Laurelhurst Community Center to a rental facility;
- \$300,000 to support two new positions that will work with communities and community groups to develop program granting guidelines, public processes, and internal review processes for a new Equity Development Fund that will be proposed in the next six-year (2023-2029) PD spending plan expected to be submitted to Council for approval in the summer of 2022; and
- \$200,000 in one-time GF for the Rise Above education and outreach program serving American Indian youth and families.

SPR's 2022 Proposed Capital Budget would increase by 81 percent (\$42 million) compared to the 2021 Adopted Budget. The major changes proposed to the capital budget include:

- \$23 million REET funds to, in part, restore the \$19 million in REET that was cut from SPR's ongoing capital projects in the 2021 Adopted Budget and to provide additional funding to the following projects: South Park Campus and Community Center Improvements; Green Lake Small Craft Center; Boat Moorage Restoration at Leschi; Carkeek Park Pedestrian Bridge Replacement; Outdoors for All; and Pier 58 Replacement;
- \$4.5 million in fund balance to restore funding to several capital programs cut in the 2021 Adopted Budget, including Land Banked Site Development and Park Land Acquisition;
- \$3 million in CRS-U and \$1.5 million in State Grant funds for demolition of Pier 63; and
- \$2 million in CRS-U to support site restoration of parks that have been damaged due to use during the pandemic.*

The 2022 Proposed Budget also increases total FTEs by 20 positions:

- 6.5 FTEs supporting the response to unsanctioned encampments;*
- 7.25 FTEs supporting SPR's work in addressing structural racism through organizational change (described above);
- 2 FTEs supporting work to develop a new Equity Development Fund Program (described above);
- 3 FTEs in the Planning and Development Division proposed to be converted from temporary to permanent positions to retain capacity needed to implement existing and new capital projects (fully funded by the capital budget);
- 0.5 FTE supporting the security and cleanliness in parks and parks facilities (described above); and
- 1 FTE temporary position proposed to be converted to a permanent position that supports partnerships with DEEL, the Associated Recreation Council, and third-party preschool providers who provide pre-school program in parks facilities;

*Please see the Homelessness Response Issue Identification Paper that will be presented to the Select Budget Committee on October 14, 2021, for further analysis of these proposals.

	2021 Adopted	2022 Proposed	% Change
Seattle Center (CEN) (Analyst: Brian Goodnight)			
Appropriations - Operating	\$35,418	\$39,427	11.3%
Appropriations – Capital	\$7,381	\$12,651	71.4%
Total Appropriations	\$42,800	\$52,078	21.7%
Total FTEs	216.4	215.4	(0.5%)

Notable Changes in the 2022 Proposed Budget

Seattle Center’s 2022 Proposed Budget would increase almost 22 percent relative to the 2021 Adopted Budget in recognition of the resumption of events on campus and a larger allocation of REET proceeds for capital projects. Seattle Center anticipates a gradual return to normal operations beginning in 2022 and will benefit from the opening of Climate Pledge Arena and the demand for ancillary activities, such as parking and concessions, that events at that facility will generate. Even with the assumed resumption of events, however, Seattle Center’s proposed budget still relies upon \$1.2 million of GF support. In 2021, the department’s budget relied upon \$2.6 million of GF support and also borrowed from an \$18 million interfund loan which must be repaid by 2033. The GF support in the proposed budget should allow the department to stay on schedule for repaying the interfund loan and avoid reductions that would impact its revenue-generating programming.

The proposed budget’s most significant increase is an additional \$5.3 million for capital projects. These additional resources are the result of improved REET revenue forecasts for 2021 and 2022. Projects proposed to receive additional funding in 2022 include: renovating the first floor Armory restrooms, replacing the roofs of Fisher Pavilion and the Seattle Children’s Theater, improvements to the Thomas Street pedestrian walkway, and new lighting for the International Fountain.

Lastly, Seattle Center’s proposed budget has a net decrease of 1.0 FTE relative to the 2021 Adopted Budget. The proposed budget would abrogate two vacant positions that were defunded in the 2021 budget in anticipation of pending retirements and add one position that would be transferred from OPCD. The position is a Strategic Advisor 3 that has been on loan from OPCD to Seattle Center for the last several years to assist with planning and redevelopment projects.

	2021 Adopted	2022 Proposed	% Change
Seattle Public Library (SPL) (Analyst: Asha Venkataraman)			
Appropriations - Operating	\$77,675	\$85,317	9.8%
Appropriations - Capital	\$9,237	\$9,502	2.9%
Total Appropriations	\$86,912	\$94,819	9.1%
Total FTEs	NA	NA	NA

Notable Changes in the 2022 Proposed Budget

SPL’s budget for 2022 would increase operating appropriations by \$5.8 million and increase capital appropriations by \$787,000. The budget would restore \$5.1 million in GF support and use \$700,000 in fund balance to restore funds cut in the 2021 Adopted Budget, allowing levy funds to return to their originally intended uses. The capital budget would increase by \$362,000 in REET funds to support seismic retrofit projects at the Greenlake, Columbia, and University branch libraries. It would also increase by \$425,000 for energy efficiency projects at the Greenlake and Broadview branches.

Education, Health & Human Services

	2021 Adopted	2022 Proposed	% Change
Department of Education and Early Learning (DEEL) (Analyst: Brian Goodnight)			
Appropriations – Operating	\$104,463	\$123,264	18.0%
Total Appropriations	\$104,463	\$123,264	18.0%
Total FTEs	110.5	117.5	6.3%

Notable Changes in the 2022 Proposed Budget

Please see the DEEL Issue Identification Paper that will be presented to the Select Budget Committee on October 13, 2021, for an analysis of the department’s 2022 Proposed Budget.

	2021 Adopted	2022 Proposed	% Change
Human Services Department (HSD) (Analyst: Amy Gore)			
Appropriations – Operating	\$301,475	\$286,826	(4.9%)
Total Appropriations	\$301,475	\$286,826	(4.9%)
Total FTEs	398.8	389.3	(2.4%)

Notable Changes in the 2022 Proposed Budget

Please see the Human Services and Community-Led Investments Issue Identification Paper and the Homelessness Issue Identification Paper, both of which will be presented to the Select Budget Committee on October 14, 2021 for an analysis of the department’s 2022 Proposed Budget.

Livable and Inclusive Communities

	2021 Adopted	2022 Proposed	% Change
Office for Civil Rights (OCR) (Analyst: Asha Venkataraman)			
Appropriations - Operating	\$6,998	\$7,414	5.9%
Total Appropriations	\$6,998	\$7,414	5.9%
Total FTEs	35.5	38.5	8.5%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for OCR would increase by 5.9 percent. The substantive increase consists of \$168,000 in restored funding for a Deputy Director position and \$66,000 in ongoing support to the Disability Commission. In addition, the 2022 Proposed Budget reflects the addition of 3.0 FTEs added in [ORD 126360](#) for the Participatory Budgeting process.

Please see the Human Services Department and Community-Led Investments Issue Identification Paper that will be presented to the Select Budget Committee on October 14, 2021, for an analysis of the department’s 2022 Proposed Budget.

	2021 Adopted	2022 Proposed	% Change
Seattle Department of Construction and Inspections (SDCI) (Analyst: Ketil Freeman)			
Appropriations - Operating	\$99,106	\$109,982	11%
Total Appropriations	\$99,106	\$109,982	11%
Total FTEs	430.5	464.5	7.9%

Notable Changes in the 2022 Proposed Budget

SDCI’s 2022 Proposed Budget would increase by approximately 11 percent relative to the 2021 Adopted Budget. SDCI is an operating fund department and most department activities are funded through fees for regulatory services, which are deposited into the Construction and Inspections Fund. A small portion of SDCI’s activities, less than 10 percent, are supported by the General Fund. The 2022 Proposed Budget would increase GF support to SDCI by \$307,734 for a total of approximately \$9 million, which would be approximately 8.2 percent of SDCI’s total budget.

Most of the proposed increase is associated with new personnel to provide regulatory services, such as reviewing permit applications, providing inspections, or responding to complaints. Eleven new positions are proposed and continued funding is proposed for 23 positions added by the 2021 Mid-Year Supplemental ORD ([ORD 126429](#)). The large proposed increase in position authority is due to increases that were deferred because of uncertainty about how the pandemic would impact industries regulated by SDCI.

Three of the 11 new proposed positions are intended to address new endeavors in public safety and economic revitalization. These positions include a small business permit facilitator, an emergency response coordinator, and a program lead for a forthcoming program to require seismic retrofits of unreinforced masonry structures.

The proposed budget does not reflect all potential costs associated with two new recent tenant protection regulations, which SDCI will administer. Those are the City’s right-to-counsel law, [ORD 126301](#), and [CB 120173](#), which creates an Economic Displacement Relocation Assistance Program. Implementing those programs may require additional appropriation authority.

Additionally, proposed appropriations for code development work at SDCI may not be sufficient to cover the regulatory and policy issues in which Councilmembers are interested, such as modifications to how the City manages trees, potential changes to the City’s Design Review Program, and support for State Environmental Policy Act review of Council-generated initiatives.

Please see Section III of this memo for a description of SDCI’s proposed legislation.

	2021 Adopted	2022 Proposed	% Change
Office of Economic Development (OED) (Analyst: Yolanda Ho)			
Appropriations - Operating	\$14,617	\$29,365	100.9%
Total Appropriations	\$14,617	\$29,365	100.9%
Total FTEs	36.0	40.0	11.1%

Notable Changes in the 2022 Proposed Budget

Please see the OED Issue Identification Paper that will be presented to the Select Budget Committee on October 13 for an analysis of the office's 2022 Proposed Budget.

	2021 Adopted	2022 Proposed	% Change
Office of Hearing Examiner (HXM) (Analyst: Amy Gore)			
Appropriations - Operating	\$1,062	\$1,078	1.6%
Total Appropriations	\$1,062	\$1,078	1.6%
Total FTEs	5.0	5.0	0%

Notable Changes in the 2022 Proposed Budget

In the 2022 Proposed Budget, funding for the Office of Hearing Examiner would increase 1.6 percent, from \$1,061,517 in 2021 to \$1,078,071 in 2022. The increase reflects citywide adjustments for standard cost changes.

	2021 Adopted	2022 Proposed	% Change
Office of Housing (OH) (Analyst: Traci Ratzliff)			
Appropriations - Operating	\$84,536	\$198,795	136%
Total Appropriations	\$84,536	\$198,795	136%
Total FTEs	46.0	51.0	10%

Notable Changes in the 2022 Proposed Budget

OH's 2022 Proposed Budget would increase by 136 percent compared to the 2021 Adopted Budget. The budget reflects additional revenues of approximately \$113 million – the majority of which are supported by \$50.4 million in CLFR funds and \$40.2 million in PET funds. Attachment 1 to this paper provides a breakdown of the proposed uses of these funds by program and fund source. See further discussion regarding the use of PET funds and other fund source uses in the GF Balancing Analysis Issue Identification Paper that will be presented to the Select Budget Committee on October 13, 2021.

The proposed budget also would increase funding from Housing Levy and the Local Option Sales Tax revenues for the Operations and Maintenance (O&M) costs associated with the opening of new housing units produced with capital funding from the Rental Production and Preservation Program.

In addition, the proposed budget would add 5 FTEs to the OH:

- Makes ongoing 1 FTE in the Homeownership Program approved in the Mid-year Supplemental Budget ordinance (ORD) ;
- 2 FTEs in the Year-End Supplemental ORD that would provide additional staff capacity for the Mandatory Housing Affordability (MHA) Program, the Multifamily Tax Exemption (MFTE) Program and the Multifamily Rental Production and Preservation Program. This reflects need for additional staffing due to increases in program participation and funding; and

- 2 FTEs to implement the new Single Family Heat Conversion Program and to provide additional intake and application support for the Weatherization Program.

The positions approved in the Mid-Year Supplemental Budget ORD ([ORD 126429](#)) and proposed in the Year-End Supplemental Budget legislation are funded by administration funds generated from the Housing Levy, MHA, and MFTE programs. The two new positions in the 2022 Proposed Budget would be funded by PET (Single Family Heat Conversion Program position) and funding from the Weatherization Program (Intake and Application Support position).

	2021 Adopted	2022 Proposed	% Change
Office of Immigrant and Refugee Affairs (OIRA) (Analyst: Amy Gore)			
Appropriations - Operating	\$3,865	\$4,349	12.5%
Total Appropriations	\$3,865	\$4,349	12.5%
Total FTEs	9.5	11.0	15.8%

Notable Changes in the 2022 Proposed Budget

In the 2022 Proposed Budget, funding for OIRA would increase 12.5 percent, from \$3.9 million in 2021 to \$4.3 million in 2022. The 2022 Proposed Budget would increase staff from 9.5 FTE to 11 FTE. The new positions are a full-time Language Access Specialist to support the department’s Language Access Program and a half-time Grants and Contracts Specialist. These positions are supported by \$221,655 of ongoing GF.

The 2022 Proposed Budget would remove the \$190,000 one-time increase to the Legal Defense Program that was included in the 2021 Adopted Budget. This would reduce City funding for the program to \$827,350 in 2022.

	2021 Adopted	2022 Proposed	% Change
Office of Labor Standards (OLS) (Analyst: Karina Bull)			
Appropriations – Operating	\$7,276	\$12,131	67%
Total Appropriations	\$7,276	\$12,131	67%
Total FTEs	30.0	3.0	13.3%

Notable Changes in the 2022 Proposed Budget

OLS’s 2022 Proposed Budget would increase by 67 percent compared to the 2021 Adopted Budget. The increase is primarily due to additional on-going appropriations of \$3.5 million to operate the Transportation Network Company (TNC) Driver Resolution Center; on-going appropriations of \$600,000 to add three FTEs (Deputy Director and two positions to implement the Independent Contractor Protections Ordinance); and one-time appropriations of \$500,000 to implement Domestic Worker Standards Board recommendations for development of a portable benefits policy and new outreach initiatives. The proposed budget would also add a permanent Outreach Manager, a position that was approved on an emergency basis for 2021.

	2021 Adopted	2022 Proposed	% Change
Department of Neighborhoods (DON) (Analyst: Lish Whitson)			
Appropriations - Operating	\$16,419	\$21,199	29%
Total Appropriations	\$16,419	\$21,199	29%
Total FTEs	64.0	75.5	18%

Notable Changes in the 2022 Proposed Budget

DON works to ensure that all communities have equitable access to government and provides opportunities to build community. DON’s 2022 Proposed Budget would increase 29 percent relative to the 2021 Adopted Budget, incorporating new and expanded programs consistent with previous Council actions. GF changes include \$151,701 and a new Strategic Advisor position to work with the Chinatown/International District community on public projects in the area.

Community-based public safety programs funded by DON would be continued in the proposed budget, including continuing funding for Chinatown/International District public safety coordination. Funds for South Park public safety coordination would be made permanent in the 2022 Proposed Budget at \$110,000 GF as would be funding to continue support for Rainier Beach: A Safe Place for Youth, including a \$22,500 GF inflationary increase.

The proposed DON budget also includes \$275,000 GF to support the Redistricting Commission’s work in 2022. The first four Commissioners have been appointed, and they will shortly be appointing their fifth member. As the Commission starts their work to redraw City Council district boundaries they may identify additional resource needs. The City Charter requires that the Council fully fund the work of the Commission.

DON’s proposed budget includes \$1.5 million SBT for the Food Equity Fund, which provides grants for community programs to increase equitable access to healthy, affordable, and culturally relevant foods. An additional \$750,000 GF was allocated to this program through the ECI process. Five FTEs are added to support this work. PET funds would be used for a new position to support the Payroll Tax Oversight Committee, as called for in Ordinance 126019. ECI investments in wealth education would be continued into 2022, including \$1.8 million GF and 2.5 FTEs to coordinate that work.

	2021 Adopted	2022 Proposed	% Change
Office of Planning and Community Development (OPCD) (Analyst: Lish Whitson)			
Appropriations - Operating	\$13,833	\$31,432	127%
Total Appropriations	\$13,833	\$31,432	127%
Total FTEs	42.0	46.5	11%

Notable Changes in the 2022 Proposed Budget

Please see the OPCD Issue Identification Paper that will be presented to the Select Budget Committee on October 14, 2021, for an analysis of the office’s 2022 Proposed Budget.

Public Safety

	2021 Adopted	2022 Proposed	% Change
Community Police Commission (CPC) (Analyst: Greg Doss)			
Appropriations - Operating	\$1,713	\$1,871	9%
Total Appropriations	\$1,713	\$1,871	9%
Total FTEs	9.0	9.0.0	0%

Notable Changes in the 2022 Proposed Budget

The CPC’s 2022 Proposed Budget would increase by nine percent compared to the 2021 Adopted Budget. The budget reflects an increase of \$126,000 for citywide technical adjustments and baseline personnel costs. New policy-related additions include \$32,000 in funding for a Young Leader Internship and Fellowship Program; and \$50,000 in continued funding in LAW for legal fees for the CPC to retain independent counsel on accountability matters.

	2021 Adopted	2022 Proposed	% Change
Communications Safety and Communications Center (CSCC) (Analyst: Lise Kaye)			
Appropriations – Operating	\$17,887	\$20,882	16.7%
Total Appropriations	\$17,887	\$20,882	16.7%
Total FTEs	1.0	146.0	99.3%

Notable Changes in the 2022 Proposed Budget

Please see the Alternatives to Police Response and the Criminal Legal System paper, which will be presented to the Select Budget Committee on October 15, 2021, for an analysis of the department’s 2022 Proposed Budget.

	2021 Adopted	2022 Proposed	% Change
Office of Emergency Management (OEM) (Analyst: Lise Kaye)			
Appropriations – Operating	\$2,484	\$3,081	24%
Total Appropriations	\$2,484	\$3,081	24%
Total FTEs	15.0	15.0	0%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for OEM would be 24% percent greater than the 2021 Adopted Budget. The 2022 Proposed Budget would add about \$67,000 to fully fund a Finance and Grants Management Position added in 2021 when OEM became an independent department. It would also add about \$269,000 CLFR funds for three temporary staff hired to support the ongoing FEMA public assistance projects. The 2022 Proposed Budget would also restore the 2021 annual wage increase for non-represented Executives, Managers and Strategic Advisors, which was not provided due to financial constraints in 2021.

	2021 Adopted	2022 Proposed	% Change
Seattle Fire Department (SFD) (Analyst: Ann Gorman)			
Appropriations - Operating	\$249,339	\$266,664	7%
Total Appropriations	\$249,339	\$266,664	7%
Total FTEs	1,173.4	1,176.4	0.3%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for SFD reflects an increase of seven percent (\$17.3 million) based on the 2021 Adopted Budget. The largest individual component of this increase is a \$7.9 million technical adjustment to account for cost changes for internal services, retirement, and industrial insurance. The Executive has proposed the creation of a new response program (“Triage One”) within SFD that would respond directly to non-medical, non-criminal calls identified by the 9-1-1 dispatch center at the CSCC, with a 2022 funding allocation of \$2.2 million. Please see the Alternatives to Police Response and the Criminal Legal System Issue Identification Paper that will be presented to the Select Budget Committee on October 15, 2021, for a discussion of this response program.

SFD’s proposed budget also includes a total of \$3.1 million for salary-cost increases. In 2020, the Coalition of City Unions agreed to forgo a 2021 cost of living increase for its members, which include firefighters represented by the International Association of Firefighters, Local 27. That increase (\$1.9 million) is included as a retroactive adjustment in the 2022 Proposed Budget, as is an increase of \$122,000 for non-represented SFD staff who likewise did not receive a 2021 annual wage increase. In addition, the 2022 proposed budget reflects the costs (\$1.1 million) of implementing [CB 120107](#), which authorized the execution of a collective bargaining agreement (CBA) between the City and the Seattle Fire Chiefs Association, Local 2898. The term of that CBA is from 2019 through 2021. Another personnel-related cost in SFD’s 2022 Proposed Budget is \$2 million for the backfill costs of staff’s parental and family care leave. Based on the Executive’s several years of experience forecasting departments’ use of this leave category, the funding has been added to the 2022 base budget with the goal of obviating any additional funding requests during supplemental budget processes.

SFD’s proposed budget would fund the costs of two information technology investments, the replacement of its 22-year-old safety and training system (\$318,000) and its 18-year-old Fire Incident Reporting system (\$499,000). These figures include annual ongoing costs that total \$175,000. The proposed budget also backs out one-time costs in the 2021 budget that funded the replacement of equipment for firefighters (\$383,000) and the purchase of an additional vehicle for the Health One program (\$104,000). It restores funding for revenue-backed reductions that were made based on the effects of the pandemic: \$282,000 in the Fire Prevention division for its construction-related workload and \$1.1 million across the Fire Prevention and Operations divisions for event-services overtime. It transfers to HSD the amount (\$349,000) budgeted for HSD staff who support SFD’s Health One program. Three positions (3.0 FTEs) would be added in the 2022 Proposed Budget for a total funding increment of \$371,000. A Firefighter/Dispatcher Training Coordinator is intended to improve SFD’s compliance with various annual training standards. A human resources position (Strategic Advisor 2) that was abrogated in 2021 would be restored to bring focus to SFD’s recruitment of a more diverse workforce and development of a more equitable work culture. An Administrative Specialist III would transfer to SFD from HSD to support the Health One Program, correcting a previous error.

The SFD base budget includes funding for 60 additional recruit slots. Staffing levels are a concern for SFD; a higher than usual number of separations from service in 2021 has dictated occasional “brownouts” – i.e., the removal from service of an individual response unit or units due to the non-availability of

sufficient staff. To date, SFD has been able to mitigate the service-level impacts of these brownouts. However, if separations continue at their current level and/or if the City’s vaccination requirement results in a significant number of separations, there may be a risk to the future service level that SFD is able to provide.

	2021 Adopted	2022 Proposed	% Change
Firefighter’s Pension (Analyst: Ann Gorman)			
Appropriations – Operating	\$21,020	\$21,922	4%
Total Appropriations	\$21,020	\$21,922	4%
Total FTEs	4.0	4.0	-

Notable Changes in the 2022 Proposed Budget

The Firefighter’s Pension’s 2022 Proposed Budget does not have notable changes from the 2021 Adopted Budget.

	2021 Adopted	2022 Proposed	% Change
Office of Inspector General for Public Safety (OIG) (Analyst: Greg Doss)			
Appropriations - Operating	\$2,979	\$3,637	22%
Total Appropriations	\$2,979	\$3,637	22%
Total FTEs	15.0	17.0	13%

Notable Changes in the 2022 Proposed Budget

OIG’s 2022 Proposed Budget is increased by 22 percent compared to the 2021 Adopted Budget. The budget reflects an increase of \$98,000 for Citywide technical adjustments and baseline personnel costs. Another \$15,000 would be added to fund position reclassification adds. New policy additions include:

- \$162,000 in funding and a 1.0 FTE Investigator position for OPA oversight requirements and auditing;
- \$184,000 in funding and a 1.0 FTE Auditor position for staffing surveillance ordinance requirements; and
- \$200,000 in consultant funding for surveillance audit requirements.

	2021 Adopted	2022 Proposed	% Change
Law Department (LAW) (Analyst: Asha Venkataraman)			
Appropriations - Operating	\$35,445	\$38,393	8.3%
Total Appropriations	\$35,445	\$38,393	8.3%
Total FTEs	201.6	207.3	2.8%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for the City Attorney’s Office’s (LAW) would increase by 8.3 percent, or about \$2.9 million. The budget reflects the addition of \$905,000 and 3.0 FTEs to support adding five attorneys to the civil division and \$287,000 and 2.0 FTEs to support electronic discovery staffing. The work represented by these positions is currently done by outside counsel, and the move of this work in-house will be supported by the Judgment and Claims fund. The 2022 Proposed Budget would also fund 1.5 FTE to fully staff the existing pre-filing diversion program; provides support for licensing and maintenance of the criminal case management system; supports agreed upon funds for the firearm surrender program under a Memorandum of Agreement with King County; funds human resources positions; and provides ongoing funding for legal counsel for the Community Police Commission.

Please see the Alternatives to Police Response and the Criminal Legal System Issue Identification Paper that will be presented to the Select Budget Committee on October 15, 2021, for an analysis of the department’s 2022 Proposed Budget related to the criminal division.

	2021 Adopted	2022 Proposed	% Change
Seattle Municipal Court (SMC) (Analyst: Asha Venkataraman)			
Appropriations - Operating	\$38,377	\$40,001	4.2%
Total Appropriations	\$38,377	\$40,001	4.2%
Total FTEs	205.9	206.4	0.2%

Notable Changes in the 2022 Proposed Budget

The proposed budget for the SMC would increase by \$1.6 million in 2022. The budget reflects added funding for subsidizing electronic home monitoring, a community-based provider contract for the Court Resource Center, and use of Trial Court Improvement Account funds for Race and Social Justice training and leadership development.

Please see the Alternatives to Police Response and the Criminal Legal System Issue Identification Paper that will be presented to the Select Budget Committee on October 15, 2021, for a discussion of the court’s 2022 Proposed Budget.

	2021 Adopted	2022 Proposed	% Change
Seattle Police Department (SPD) (Analyst: Greg Doss)			
Appropriations – Operating	\$362,979	\$365,448	1%
Total Appropriations	\$362,979	\$365,448	1%
Total FTEs	2,131.0	2,135.0	0%

Notable Changes in the 2022 Proposed Budget

Please see the SPD Issue Identification Paper that will be presented to the Select Budget Committee on October 15, 2021, for an analysis of the department’s 2022 Proposed Budget.

	2021 Adopted	2022 Proposed	% Change
Police Relief and Pension (Analyst: Tom Mikesell)			
Appropriations – Operating	\$26,652	\$26,680	0.1%
Total Appropriations	\$26,652	\$26,680	0.1%
Total FTEs	3.0	3.0	-

Notable Changes in the 2022 Proposed Budget

The Police Relief and Pension’s 2022 Proposed Budget does not have notable changes from the 2021 Adopted Budget.

Utilities, Transportation & Environment

	2021 Adopted	2022 Proposed	% Change
Seattle City Light (SCL) (Analyst: Eric McConaghy)			
Appropriations – Operating	\$995,942	\$1,007,834	1.2%
Appropriations – Capital	\$361,815	\$457,696	26.5%
Total Appropriations	\$1,357,757	\$1,465,529	7.9%
Total FTEs	1,792.8	1,800.8	0.5%

Notable Changes in the 2022 Proposed Budget

SCL’s 2022 Proposed Budget would increase by nearly eight percent overall, with an increase of just over one percent in operating appropriations and an increase of 26.5 percent in capital appropriations. The Council and the Mayor approved City Light retail rates for 2021 and 2022 via Ordinance 126302 in 2021. The proposed 2022 Budget and 2022-2027 Capital Improvement Program (CIP) for SCL rely on the approved retail rates for 2022. As proposed, portions of SCL’s operating and capital appropriations would also be reorganized among existing and new Budget Summary Levels as part of the 2022 Proposed Budget.

On the operating side, the Proposed Budget for SCL would redeploy \$19.5 million made available in reductions in spending on consulting and services; lower Federal Energy Regulatory Commission (FERC) fees; shifting lease costs to the capital budget; cutting historically underspent portions of the budget; and increasing the job vacancy rate from six percent to eight percent.

SCL’s vacancy rate over the last decade has averaged about six percent. For the 2021 Adopted Budget, SCL achieved savings by using a vacancy rate of 12 percent. The 2022 proposal would save \$2.5 million in appropriations with the eight percent vacancy rate.

The proposal would include moving existing FTEs among SCL’s divisions rather than adding positions. The additional 8 FTEs are technical positions that would transfer from Seattle IT where they have been dedicated to SCL functions along with \$2.1 million also from the Seattle IT budget to support the positions and the non-labor costs for the functions. Specifically, the positions include 7.0 Information Technology Professional Bs and 1.0 IT Programmer Analyst to operate the outage management system, the asset management system and execute department-specific geographic information systems (GIS) tasks.

Major proposed additions to operating appropriations include:

- \$675,000 for customer service improvements related to billing and credit and collections activities;
- \$1.3 million in technology and process improvements to improve meter reading and customer connections;
- \$2.8 million to support the operational aspects of building electrification, grid modernization and cybersecurity; and
- \$2.5 million to support workforce development and race and social justice work.

The 2022 SCL capital spending planned for in the 2021–2026 Adopted CIP was \$400.9 million, an increase of 11 percent from the 2021 capital appropriations. The step from the 2022 planned capital appropriations to the proposed 2022 capital appropriations is 14 percent. Taken together, the 11 percent increase on top of the 14 percent increase compounds to the 26.5 percent change reported in the table above.

Here are the notable proposals for new capital appropriations:

- \$2 million for electrification of boilers at the CenTrio steam franchise utility;
- \$1.7 million for modernization of SCL’s electric grid;
- \$1 million for matching funds for future federal, state, and other grants expected in response to the COVID-19 pandemic;
- \$300,000 for maritime transportation electrification;
- \$14.8 million to support the process of relicensing SCL’s three dams on the Skagit River with FERC; and
- \$8.2 million to improve use of floor space, upgrade equipment, improve workspace health and ergonomics and address related office workspace deficits.

The proposal would also increase SCL’s CIP by the transfer from the operating budget of approximately \$43 million in deferred operations and maintenance (O&M) appropriations to a new CIP BSL. Deferred O&M refers to SCL’s spending on conservation incentives and other energy efficiency over time as a kind of capital investment that helps reduce the need for SCL to invest in new generation, transmission and distribution to meet increased customer demand for energy.

Please see Section III for a description of SCL’s budget legislation.

	2021 Adopted	2022 Proposed	% Change
Seattle Public Utilities (SPU) (Analyst: Brian Goodnight)			
Appropriations - Operating	\$978,977	\$994,001	1.5%
Appropriations - Capital	\$420,467	\$322,748	(23.2%)
Total Appropriations	\$1,399,444	\$1,316,749	(5.9%)
Total FTEs	1,440.3	1,477.3	2.6%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for SPU would decrease approximately six percent relative to the 2021 Adopted Budget, primarily due to decreased spending on capital projects. Some of this decrease is attributable to the amount of spending that was planned for 2022 in the 2021–2026 Adopted Capital Improvement Program, which was approximately \$23.8 million lower than the 2021 amount. The proposed budget makes further reductions to the amount of capital spending expected in 2022. The Drainage and Wastewater Fund accounts for a majority of the reductions, about \$44.8 million, which includes shifting the timing of some construction projects, such as the South Operations Center, the Taylor Creek Restoration, and Natural Drainage System projects, from 2022 to 2023. The Solid Waste Fund and Water Fund capital programs are also proposed to be reduced, by approximately \$17.8 million and \$11.2 million respectively, to account for project adjustments and shifting project schedules.

A few notable increases to SPU’s proposed budget include:

- \$500,000 to increase the size of the current apprentice class in the Drainage and Wastewater line of business from seven to 12;
- \$250,000 to continue work originally requested by a Council Statement of Legislative Intent in 2021 to evaluate and analyze the King County regional wastewater treatment system; and
- \$600,000 to support a new “Seeds of Resilience” initiative from SPU’s 2021–2026 Strategic Business Plan (SBP), which was adopted by the Council in May, that aims to foster community-centered entrepreneurship through grants supporting projects that build water resiliency or reduce waste.

The proposed budget would also increase SPU staffing by 37.0 FTE, or approximately 2.6 percent relative to the 2021 Adopted Budget. Some of the proposed positions stem from the priorities identified in SPU’s updated SBP, and 13 of the positions are proposed to convert temporary staffing resources into permanent positions. Four of the positions are transfers from Seattle IT due to the positions’ support of operational software and business processes that are solely used by SPU, and the proposed budget also reflects the addition of 5.5 FTE that were added in the 2021 Mid-Year Supplemental Budget Ordinance ([ORD 126429](#)).

Changes in SPU’s proposed budget related to homelessness, public hygiene, and the Clean City Initiative are described in the Homelessness Response Issue Identification Paper that will be presented to the Select Budget Committee on October 14, 2021.

Please see Section III of this memo for a description of SPU’s proposed legislation.

	2021 Adopted	2022 Proposed	% Change
Seattle Department of Transportation (SDOT) (Analyst: Calvin Chow)			
Appropriations - Operating	\$276,656	\$317,723	14.8%
Appropriations - Capital	\$359,972	\$400,568	11.3%
Total Appropriations	\$636,630	\$718,291	12.8%
Total FTEs	959.0	1,116.5	16.4%

Notable Changes in the 2022 Proposed Budget

Please see the SDOT Issue Identification Paper that will be presented to the Select Budget Committee on October 15, 2021, for an analysis of the department’s 2022 Proposed Budget.

Office of the Waterfront (Analyst: Eric McConaghy)

This summary of the Office of the Waterfront and Civics Projects (OWCP) is reported under the SDOT heading because OWCP is an organizational unit of SDOT. OWCP will continue to lead the City's Central Waterfront improvement efforts in 2022. OWCP manages four Central Waterfront projects that are components of the Proposed 2022-2027 Capital Improvement Program (CIP) for SDOT and for SPR:

- Alaskan Way Main Corridor – SDOT;
- Overlook Walk and East/West Connections – SDOT;
- Parks Central Waterfront Piers Rehabilitation – SPR; and
- Aquarium Expansion – SPR.

The last year of planned spending in the proposed CIP is 2024 for all projects, except the Aquarium Expansion with the last year of 2023. Funding for the Waterfront projects comes from multiple sources including REET, LTGO bond proceeds, WSDOT, philanthropy and the Waterfront Local Improvement District #6751 (LID). As described in the FAS section of this summary paper, FAS would continue to administer Waterfront Local Improvement District in 2022.

Notable in the Proposed CIP is the funding shift of \$15 million in REET, LTGO bond proceeds, philanthropy, and LID from Alaskan Way Main Corridor project to the Overlook Walk and East West Connections project in the planned 2023 budget year. The Executive proposes the shift in funding to pay for increased costs of the Overlook Walk project.

Also, the proposed CIP would add \$9 million of reimbursable budget authority to the Alaskan Way Main Corridor project for increased costs due to delayed completion of the SR 99 Bored Tunnel. WSDOT and the City have jointly requested that the State legislature allow repayment of these costs from settlement funds for the delay from the tunnel contractor. This increase is shown in the proposed CIP as to be determined funding planned for in 2023.

The SPR section of this paper describes proposed CIP funding changes that would affect Pier 58 and Pier 63, components of the Piers Central Waterfront Piers Rehabilitation project. SPU and SCL have capital projects for utility relocations in support of the Waterfront and Arts and Culture receives 1% for Arts funding from Central Waterfront projects.

	2021 Adopted	2022 Proposed	% Change
Office of Sustainability and Environment (OSE) (Analyst: Yolanda Ho)			
Appropriations - Operating	\$16,315	\$17,615	8.0%
Total Appropriations	\$16,315	\$17,615	8.0%
Total FTEs	31.5	31.5	0%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget would increase the OSE’s budget by about \$1.3 million (eight percent), as compared to the 2021 Adopted Budget. Responding to the priorities identified in [RES 31895](#), establishing a Green New Deal for Seattle, the 2022 Proposed Budget would allocate a total of \$14.4 million across multiple departments (see Attachment 2 for a complete list of proposed investments). OSE would receive \$3.7 million of this funding, not including the \$6.5 million PET (one-time) in unallocated funds in Finance General pending the recommendation of the GND Oversight Board (Board), which is staffed by OSE. In addition, OSE would add \$15,000 GF (ongoing) to support work planning, coordination meetings, retreats and workshops, facilities rentals, and materials for the Board.

About \$4 million of the GND investments overlap with the proposed \$8.6 million increase in support across multiple departments for implementation of the [Duwamish Valley Program \(DVP\)](#), which is co-led by OSE and OPCD. Attachment 3 is a complete list of proposed Duwamish Valley investments. Two OSE-related DVP investments for not also included with the GND funding proposal are \$300,000 GF (one-time) to support efforts to green industrial properties in the Duwamish Valley; and \$275,000 GF to support small and industrial businesses in South Park and Georgetown.

One other notable proposed addition is \$155,000 GF to fund a Transportation Electrification (TE) Coordinator (1.0 FTE Senior Planning and Development Specialist) to support project management, interdepartmental coordination, and research. This new position would use an existing position initially intended to support the Municipal Energy Efficiency Program (MEEP); the MEEP position is no longer necessary due to program budget reductions and changes to implementation strategy.

Administration

	2021 Adopted	2022 Proposed	% Change
Office of the City Auditor (AUD) (Analyst: Lise Kaye)			
General Fund	\$2,520	\$2,142	(15%)
Total Appropriations	\$2,520	\$2,142	(15%)
Total FTEs	10.0	10.0	0%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for AUD would be 15 percent less than the 2021 Adopted Budget, primarily due to discontinuation of funding for annual SBT evaluations. [ORD 125324](#) required dedication of \$500,000 per year for at least the first five years of the SBT for an annual evaluation of the effects of the tax, and AUD received its fifth year of funding in 2021. The evaluation team, led by Public Health – Seattle and King County, will issue reports in 2021 and 2022.

The 2022 Proposed Budget also restores \$100,000 GF cut from AUD in 2021 due to citywide declining revenue associated with the COVID-19 pandemic; excluding the removal of SBT funding, AUD’s General Fund revenue in the 2022 Proposed Budget would be 5.7 percent above the 2021 Adopted Budget. AUD has 10 FTEs; one position is currently vacant due to retirement. OCA’s 2022 work program, as of October 2021, is shown below. In response to questions during his reappointment process, the City Auditor identified the emerging challenge of balancing the Office’s workload with additional reviews required by the Surveillance Ordinance. With existing resources, AUD plans to initiate two new performance audits in the first half of 2022.

Project	Source	Est. Completion Date
SDOT Sidewalk Maintenance	City Council	1 st Quarter 2022
COVID-19 Emergency Funding	City Council	1 st Quarter 2022
SPD Fleet Management	City Council	1 st Quarter 2022
Secure Scheduling Final Evaluation	ORD 125135	1 st Quarter 2022
Annual Recommendation Report (Audit Follow-up)	City Auditor	1 st Quarter 2022
Community Safety Initiative	City Council	2 nd Quarter 2022
SCL Diversion Surveillance Technologies	ORD 125376	3 rd Quarter 2022
SFD Computer-Aided Dispatch Surveillance Technology	ORD 125376	3 rd Quarter 2022
Annual surveillance usage review – SDOT CCTV Cameras	ORD 125376	3 rd Quarter 2022
Annual surveillance usage review – SFD Hazardous Materials Cameras	ORD 125376	3 rd Quarter 2022
Annual surveillance usage review – SFD Emergency Scene Cameras	ORD 125376	3 rd Quarter 2022
Sweetened Beverage Tax Evaluation Reports	ORD 125324	2022
Evaluation of National Institute of Justice Grant: Rainier Beach Campus Positive Behavioral Interventions and Supports	City Council	2022

	2021 Adopted	2022 Proposed	% Change
City Budget Office (CBO) (Analyst: Lise Kaye)			
Appropriations - Operating	\$7,145	\$11,436	60.1%
Total Appropriations	\$7,145	\$11,436	60.1%
Total FTEs	36.0	43.0	16.3%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for AUD would increase by 60.1 compared to the 2021 Adopted Budget. Notable changes include adding 7.0 FTEs that would be funded with federal CLFR funds: four to manage federal funding implementation related to the Seattle Rescue Plan (SRP), including budgeting and reporting, and three to conduct impact analysis of the SRP and support implementation of the Affordable Seattle unified application tool. In addition, CBO would replace one position transferred to the Office of Economic and Revenue Forecasts with a new budget and policy analyst in a currently unfunded position. The new CBO analyst would support revenue work not transferred to the new office and otherwise help meet CBO’s increased workload. In addition, the 2022 Proposed Budget would restore the 2021 annual wage increase for non-represented Executives, Managers, and Strategic Advisors, which was not provided due to financial constraints.

Please see Section III of this memo for a description of CBO’s proposed legislation.

	2021 Adopted	2022 Proposed	% Change
Civil Service Commission (Analyst: Aly Pennucci)			
Appropriations - Operating	\$523	\$602	15.1%
Total Appropriations	\$523	\$602	15.1%
Total FTEs	2.0	2.0	2.0

Notable Changes in the 2022 Proposed Budget

The Civil Service Commission’s 2022 Proposed Budget would increase by 15.1 percent compared to the 2021 Adopted Budget. The budget reflects an increase of \$38,826 for citywide technical adjustments and baseline personnel costs; \$30,000 to cover an increase in personnel costs due to reclassifications, and \$10,000 for ongoing subscriptions and services necessary for the Commission to perform their work.

	2021 Adopted	2022 Proposed	% Change
Office of Economic and Revenue Forecasts (OERF) (Analyst: Aly Pennucci)			
Appropriations – Operating	-	\$635	100%
Total Appropriations	-	\$635	100%
Total FTEs	-	3.0	100%

Notable Changes in the 2022 Proposed Budget

Established by the Council in July 2021 via [ORD 120124](#), the OERF is responsible for: (1) staffing the Forecast Council; (2) performing economic and revenue forecasts; (3) conducting special studies at the request of the Forecast Council; and (4) providing ad hoc analytical support on economic and revenue estimation for legislative and executive staff consistent with the work program. The 2021 Adopted Budget included initial funding to hire a Director in 2021; that hiring process is currently underway.

The 2022 Proposed Budget provides the funding and FTEs to fully establish the OERF in 2022; this is consistent with the resources that the Council estimated would be necessary to support the new office when ORD 120124 was passed. The proposed budget includes 3.0 FTEs; in total, 1.0 FTE would be transferred from CBO to the OERF, and two new FTEs would be created for the new OERF. In addition, 0.5 FTE that currently supports CBO’s work but is paid for by FAS will now support the OERF. No budget actions are necessary to implement that change.

	2021 Adopted	2022 Proposed	% Change
Office of the Employee Ombud (OEO) (Analyst: Karina Bull)			
Appropriations - Operating	\$733	\$1,092	49%
Total Appropriations	\$733	\$1,092	49%
Total FTEs	4.0	6.0	50%

Notable Changes in the 2022 Proposed Budget

The OEO’s 2022 Proposed Budget would increase by 49 percent compared to the 2021 Adopted Budget. The proposed budget reflects additional appropriations to create two positions (2.0 FTEs) to increase capacity for anti-hate crimes training and administrative support; address baseline cost adjustments; and cover space sublease costs.

	2021 Adopted	2022 Proposed	% Change
Employees' Retirement System (SCERS) (Analyst: Tom Mikesell)			
Appropriations - Operating	\$8,646	\$8,437	(2.4%)
Total Appropriations	\$8,646	\$8,437	(2.4%)
Total FTEs	28.0	27.0	(3.6%)

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed SCERS Budget does not have notable changes from the 2021 Adopted Budget. Please see Section III for a description of SCERS budget legislation.

	2021 Adopted	2022 Proposed	% Change
Ethics and Elections Commission (Analyst: Lish Whitson)			
Appropriations - Operating	\$9,468	\$2,166	(77%)
Total Appropriations	\$9,468	\$2,166	(77%)
Total FTEs	7.4	9.4	27%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for the Ethics and Elections Commission would reduce Democracy Voucher expenditures by \$7.7 million from 2021 levels. Democracy Voucher funds come from a dedicated levy. Program expenditures experience significant annual fluctuations depending on the election cycle, and a reduction of this level is expected in an off-year. A one-time add of \$75,000 would be used to identify strategies that improve efforts to provide Democracy Vouchers to Seattle residents who are not registered voters, as allowed under the program.

Two permanent positions would be added to the Commission’s staff. A Strategic Advisor I position is added to help the Commission enforce lobbying, ethics, and campaign finance regulations. A temporary position supporting the Democracy Voucher program permanent in recognition of ongoing work.

	2021 Adopted	2022 Proposed	% Change
Department of Finance and Administrative Services (FAS) (Analyst: Eric McConaghy)			
Appropriations – Operating	\$321,386	\$319,166	(0.7%)
Appropriations – Capital	\$38,198	\$56,655	48.3%
Total Appropriations	\$359,585	\$375,820	4.5%
Total FTEs	632.0	626.0	0.5%

Notable Changes in the 2022 Proposed Budget

Overall, FAS’s 2022 Proposed Budget increases modestly compared to 2021 Adopted Budget. The proposed operating appropriations essentially hold steady while the capital appropriations increase by nearly half from the 2021 Adopted Budget to the 2022 Proposed Budget.

Highlights of changes to operating appropriations and staffing in FAS’s 2022 Proposed Budget include:

- Addition of \$1 million for Workforce Equity and Women- and Minority Owned Business (WMBE) support as recommend by the ECI Task Force;
- Addition of \$500,000 CLFR funds for Priority Hire expansion;
- Addition for \$1.8 million loan to Historic Seattle Public Development Authority (PDA) for seismic retrofit of the Good Shepherd Center, backed by 2022 Limited Tax General Obligation (LTGO) bond sale;
- Addition for \$6 million loan to Pike Place Market PDA for capital expenditures in the Market and for low-income housing, backed by 2022 LTGO bond sale;
- Reduction of \$1.1 million in administrative costs for implementing the Central Waterfront Local Improvement District (LID) after the City sells LID bonds in 2022;
- Removal of two positions added in the 2021 Adopted Budget to provide administrative support for the Fare Share program funded by Transportation Network Company (TNC) tax;

- Reduction of \$1.1 million in License and Tax Administration Services related to timing of Heating Oil tax implementation, auditing for the Payroll Tax, and eliminating Fare Share positions (above);
- Addition of \$1.4 million to provide three years of funding to support three new FTEs through 2024 to manage federal funds for COVID-19 recovery as part of CLFR-funded activities; and
- Addition of \$2.7 million to the Judgement and Claims funds for settlements and judgements in tort cases and to pay outside legal counsel.

The 2022 FAS capital spending planned for in the 2021–2026 Adopted Capital Improvement Program was \$49.1 million, an increase of 29 percent from the 2021 capital appropriations. The step from the 2022 planned capital appropriations to the proposed 2022 capital appropriations is about 15 percent. Taken together, the 15 percent increase on top of the 29 percent increase compounds to the 48 percent change reported in the table above.

On the capital side of the FAS 2022 Proposed Budget, these changes are noteworthy:

- Addition of \$500,000 for Animal Shelter improvements, including a new emergency generator;
- Addition of \$350,000 for public safety facilities seismic retrofit assessment;
- Addition of \$1.6 million for tenant improvement of FAS-occupied space in the Seattle Municipal Tower;
- Addition of \$1.35 million REET I for asset preservation;
- Addition of \$500,000 of unrestricted cumulative reserve funds to for tenant improvements to separate Parking Enforcement Officer (PEO) vehicles from SPD Equipment at the City’s Park 95 location;
- Addition of \$4.3 million for initial funding for replacement of Seattle Licensing and Information System (SLIM); and
- Transfer of \$905,000 of Municipal Energy Efficiency Project (MEEP) funds to Seattle Parks and Recreation, Seattle Center, and Seattle Public Library.

The proposal would increase the total FTE count for FAS by three. There would be three new FTEs to manage federal COVID emergency funds and 2 new FTEs to support work with Seattle Public Schools. As described above, the proposal would cut 2 FTEs from TNC tax administrative support.

Please see Section III for the description of FAS budget legislation.

	2021 Adopted	2022 Proposed	% Change
Finance General (FG) (Analyst: Tom Mikesell)			
Appropriations – Operating	\$415,635	\$439,720	5.8%
Total Appropriations	\$415,635	\$439,720	5.8%
Total FTEs	-	-	-

Notable Changes in the 2022 Proposed Budget

Finance General is unique in the construction of the budget book as it is not a department but rather a central repository for certain ongoing City costs and a place to hold appropriations temporarily until the City determines the implementation plan for certain activities (e.g., this is the location where the Council has funds held to support future recommendations from the participatory budget process). FG is controlled by CBO.

The most significant changes to FG in the 2022 Proposed Budget include:

- \$30 million GF for the Participatory Budgeting Reserve. This would be in addition to the approximately \$27 million of funds that are still held in FG reserves included the 2021 Adopted Budget and will be carried forward into 2022;
- \$25 million GF representing the proposed contribution to the City’s fiscal reserves in 2022; and
- \$6.5 million GF for a GND Reserve. The funding set aside here awaits recommendations from the GND Oversight Board on how these funds should be invested to realize the goals of the GND for Seattle ([RES 31895](#)).

Please see the GF Balancing Analysis Issue Identification Paper that will be presented to the Select Budget Committee on October 13, 2021, for some additional analysis of the FG 2022 Proposed Budget.

	2021 Adopted	2022 Proposed	% Change
Seattle Department of Human Resources (SDHR) (Analyst: Karina Bull)			
Appropriations – Operating	\$335,621	\$370,809	11%
Total Appropriations	\$335,621	\$370,809	11%
Total FTEs	111.5	115.0	3.1%

Notable Changes in the 2022 Proposed Budget

SDHR’s 2022 Proposed Budget would increase by 11 percent compared to the 2021 Adopted Budget. The proposed budget reflects additional appropriations for Personnel Compensation Trust Funds, baseline cost adjustments, and four positions (3.5 FTEs). The four positions would support the (1) use of community service preference points for police position applicants, (2) administration of the City’s emergency response plan, (3) management of the City’s Health Advocacy and Well-Being program, and (4) coordination of a reinstated City Leadership Academy. Other changes would include on-going appropriations to restore the Career Quest Scholarship program; and one-time appropriations to implement an employee vaccine verification system and pilot an Executive Recruitment business unit staffed with an existing Executive Recruitment Advisor and two temporary positions.

	2021 Adopted	2022 Proposed	% Change
Seattle Information Technology Department (Seattle IT) (Analyst: Lise Kaye)			
Appropriations – Operating	\$239,121	254,826	6.6%
Appropriations – Capital	\$37,438	\$27,985	(25.2%)
Total Appropriations	\$276,559	\$282,811	2.3%
Total FTEs	673.1	657.5	(2.3%)

Notable Changes in the 2022 Proposed Budget

Seattle IT’s total 2022 Proposed Budget would increase by 2.3 percent, or about \$6.2 million, relative to the 2021 Adopted Budget. Seattle IT provides services to other City departments that in turn pay Seattle IT for those services they purchase. As an internal services department, Seattle IT receives revenue from most of the major fund sources within the City. Seattle IT also administers the City’s cable television franchise agreements and operates the Seattle Channel.

Operating Budget. The 2022 Proposed Budget from the Information Technology Fund would increase by 6.6 percent, relative to the 2021 Adopted Budget. Approximately \$5.9 million of the increase would come from CLFR funds; \$4 million of these one-time funds would support IT infrastructure programs such as support for a hybrid work model, cybersecurity, and department initiatives for online services. The 2022 Proposed Budget would continue supporting 23 FTEs in positions added as part of the 2021 Mid-Year Supplemental ORD ([ORD 126429](#)). Twenty of these new employees would staff critical lines of business including the solution desk and cybersecurity, and three would continue supporting implementation of the Affordable Seattle portal. Seattle IT’s 2022 Proposed Budget would abrogate 42 positions corresponding to 39.6 FTE, driven by retirement-related attrition (savings from these positions were realized in the 2021 Adopted Budget). The 2022 Proposed Budget would also set Seattle IT’s assumed vacancy rate at four percent, down from the six percent assumed in the 2021 Adopted Budget.

Capital Budget. The 2022 Proposed Budget would decrease the capital appropriation to Seattle IT by about 25 percent, or about \$9.5 million, compared to the 2021 Adopted Budget. This decrease reflects schedule adjustments and project completions, but the overall increase to the 2022-2027 capital program reflects a \$46 million increase. About \$33 million of that increase is to support anticipated replacements for end-of-life hardware supporting the City’s digital infrastructure and to invest in newer, more secure technologies within the ongoing Computing Systems Architecture program. Criminal Justice Information System Projects would constitute almost half of the approximately \$28 million capital appropriation for 2022. Other larger projects for 2022 would include continued work on the Unified Communication System (citywide data and telephone infrastructure) and fiber-optic communication installation and maintenance. The CIP would add \$1.1 million in 2022 to the Computing Services Architecture program to support IT infrastructure lifecycle replacements and invest in newer, more secure technology. The CIP would also add \$1.5 million to restart and complete implementation of SPD’s Work Schedule and Timekeeping project.

Cable Television Franchise Fund. In addition to managing the City’s information technology resources, Seattle IT also administers the City’s cable television franchise agreements and operates the Seattle Channel. The Cable Television Franchise Fund contains fees that cable providers pay to the City as compensation for using the public right-of-way to provide cable television services. Cable Fund revenue has been dropping as more users turn to non-cable viewing options. Cable Franchise Fees continue to fund the City’s Digital Equity work; the 2022 Proposed Budget would provide \$400,000 GF to backfill decreasing Cable Fund revenues to continue funding this work.

	2021 Adopted	2022 Proposed	% Change
Office of Intergovernmental Relations (OIR) (Analyst: Asha Venkataraman)			
Appropriations - Operating	\$2,811	\$3,059	8.8%
Total Appropriations	\$2,811	\$3,059	8.8%
Total FTEs	9.0	10.0	10%

Notable Changes in the 2022 Proposed Budget

OIR's 2022 Proposed Budget would increase by \$248,000, primarily through restoration of funding cut in the 2021 Adopted Budget. The budget would restore funding for state lobbying contracts, membership funds for the Association of Washington Cities, and the travel and conference budget. A position would also be added to support a Strategic Advisor II position for a state lobbyist.

	2021 Adopted	2022 Proposed	% Change
Legislative Department (LEG) (Analyst: Esther Handy)			
Appropriations - Operating	\$18,442	\$19,060	3.4%
Total Appropriations	\$18,442	\$19,060	3.4%
Total FTEs	100.5	100.5	0%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for LEG would be increase by 3.4 percent compared to the 2021 Adopted Budget. The 2022 Proposed Budget would cut \$210,000 in one-time funding (\$150,000 to fund a Transportation Impact Fee Study and \$60,000 no longer needed to supplement funding for a King County survey on human service wage inequities). The 2022 Proposed Budget would also restore \$500,000 GF cut from LEG in 2021 due to citywide declining revenue associated with the COVID-19 pandemic.

	2021 Adopted	2022 Proposed	% Change
Office of the Mayor (MO) (Analyst: Lise Kaye)			
Appropriations – Operating	\$7,440	\$7,638	2.7%
Total Appropriations	\$7,440	\$7,638	2.7%
Total FTEs	39.5	39.5	0%

Notable Changes in the 2022 Proposed Budget

The 2022 Proposed Budget for the Mayor's Office would be 2.7 percent greater than the 2021 Adopted Budget. The 2022 Proposed Budget would restore the 2021 annual wage increase for non-represented Executives, Managers, and Strategic Advisors, which was not provided due to financial constraints.

III. Budget Legislation

This section provides a description of the legislation transmitted with the 2022 Proposed Budget. This legislation will be introduced at the City Council meeting on October 18, 2021, except the 2022 Budget Adoption Bill (#4) which will be introduced at a City Council meeting in early November.

Proposed Legislation	Purpose																																																						
Legislation to Amend, Adopt, or Endorse the Budget																																																							
1. CBO 2021 Year-End Grant Acceptance ORD	This legislation would accept funding from non-City sources in 2021. Please see the GF Balancing Analysis Issue Identification Paper that will be presented to the Select Budget Committee on October 13, 2021, for further details.																																																						
2. CBO 2021 Year-End Supplemental Budget ORD	This legislation would amend the 2021 budget to increase, decrease and transfer appropriation authority, amend the Capital Improvement Program, create new positions and transfer positions. Please see the GF Balancing Analysis Issue Identification Paper that will be presented to the Select Budget Committee on October 13, 2021, for further details.																																																						
3. CBO 2022 Recurring Grant Acceptance ORD	<p>This legislation would authorize Department directors to accept approximately \$156.6 million in grants and enter into revenue-backed service contracts that support appropriations in the 2022 Proposed Budget. As shown in the table below, 18 grants to HSD, totaling approximately \$45.7 million, and 16 grants to OH totaling \$58.6 million, comprise most of these recurring grants. The 2022 Proposed Budget assumes acceptance of these grants to support associated appropriations in the proposed budget.</p> <p>This proposed legislation differs from mid-year and year-end grant acceptance ordinances which generally accept unanticipated and/or nonrecurring grants for the current year.</p> <table border="1"> <thead> <tr> <th>Department</th> <th># of Grants</th> <th>Total Grant Acceptance</th> </tr> </thead> <tbody> <tr><td>CBO</td><td>1</td><td>\$3,823,019</td></tr> <tr><td>DEEL</td><td>4</td><td>\$14,636,944</td></tr> <tr><td>FAS</td><td>1</td><td>\$1,411,000</td></tr> <tr><td>Finance General</td><td>1</td><td>\$6,500,000</td></tr> <tr><td>HSD</td><td>18</td><td>\$45,669,673</td></tr> <tr><td>OED</td><td>2</td><td>\$9,963,675</td></tr> <tr><td>OEM</td><td>1</td><td>\$268,592</td></tr> <tr><td>OH</td><td>16</td><td>\$58,566,965</td></tr> <tr><td>OIRA</td><td>1</td><td>\$650,200</td></tr> <tr><td>OPCD</td><td>1</td><td>\$430,000</td></tr> <tr><td>CEN</td><td>1</td><td>\$1,255,000</td></tr> <tr><td>SDHR</td><td>1</td><td>\$450,000</td></tr> <tr><td>SDOT</td><td>1</td><td>\$2,800,000</td></tr> <tr><td>SIT</td><td>1</td><td>\$5,942,832</td></tr> <tr><td>SPR</td><td>2</td><td>\$3,608,000</td></tr> <tr><td>SPU</td><td>1</td><td>\$637,216</td></tr> <tr> <td>TOTAL</td> <td>53</td> <td>\$156,613,116</td> </tr> </tbody> </table>	Department	# of Grants	Total Grant Acceptance	CBO	1	\$3,823,019	DEEL	4	\$14,636,944	FAS	1	\$1,411,000	Finance General	1	\$6,500,000	HSD	18	\$45,669,673	OED	2	\$9,963,675	OEM	1	\$268,592	OH	16	\$58,566,965	OIRA	1	\$650,200	OPCD	1	\$430,000	CEN	1	\$1,255,000	SDHR	1	\$450,000	SDOT	1	\$2,800,000	SIT	1	\$5,942,832	SPR	2	\$3,608,000	SPU	1	\$637,216	TOTAL	53	\$156,613,116
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Proposed Legislation	Purpose
4. CBO 2022 Budget Adoption ORD	This legislation would adopt the 2022 Budget.
Legislation Levying the 2021 Property Tax	
5. CBO Short Property Tax 2022 ORD	This legislation would reflect changes in the regular property taxes in terms of dollars and percentages. This does not include “refund fund levy,” or additional taxes resulting from new construction, construction of wind turbine facilities classified as personal property, improvements to property, or an increase in the value of state-assessed property. It is a companion to the ordinance authorizing Seattle’s property tax levies, commonly known as the “Long Property Tax Ordinance.”
6. CBO Long Property Tax 2022 ORD	This legislation would adopt the City’s 2022 Property Tax levy. The legislation assumes 1% growth plus new construction. The forecast for the 2022 Proposed Budget’s General Fund (General Purpose) portion of the City’s property tax is \$302.3 million. Additionally, the City is levying approximately \$271.4 million for 5 voter-approved lid lifts in 2022. There are no new lid lifts added in 2022 and none expire in 2021. All levy lid lift proceeds are accounted for in other funds than the City’s General Fund. Finally, the City is levying \$16.3 million in 2022 to pay debt service on voter-approved bond measures
Legislation Modifying Fees and Charges for City Services	
7. SDCI 2022 Fee ORD	This legislation would reduce fees charged for permits for the installation of certain mechanical, refrigeration, and electrical equipment. The Seattle Department of Construction and Inspections is primarily an operating fund department. Revenue from fees are scaled to recover the cost of providing regulatory services and are not fungible. The proposed reduction would result in a reduction of approximately \$866,000 in fee revenue to the Construction and Inspections Fund in 2022.
8. SDOT 2022 Car Share Fee Schedule ORD	This legislation would authorize program changes and revise the fee schedule for permitting car share operations in Seattle. See the Seattle Department of Transportation Issue Identification paper that will be presented to the Select Budget Committee on October 15, 2021, for further details.
9. SDOT 2022 Street Use Fee Schedule ORD	This legislation would update the fee schedule for SDOT Street Use Permits. See the Seattle Department of Transportation Issue Identification paper that will be presented to the Select Budget Committee on October 15, 2021, for further details.

Proposed Legislation	Purpose
10. SPR 2022 Fees and Charges ORD	<p>This legislation would adopt the SPR Fees and Charges Schedule for 2022. Fees and charges are necessary to provide financial support to SPR for the operation and maintenance of programs, facilities, and park grounds. The fee schedule transmitted by this legislation does not include any increases in fees compared to 2021. The legislation includes administrative changes only to certain sections of the fee schedule summarized below:</p> <ul style="list-style-type: none"> • Removes reference to 2021 fees in all applicable sections and changes dates to 2022; • Streamlines tables and chairs rental fees at Magnuson Park; • Updates language for artist studios to memorialize current rental policy; • Removes outdated language on view tree pruning permits; and • Updates Appendix C to reflect current field inventory.
Legislation Proposing New, or Amending Existing, Policies and Regulations For Taxes and Use of Funds	
11. CBO Payroll Expense Tax Fund Amend ORD	<p>This legislation would amend the JumpStart Fund policies.</p> <p>Please see the GF Balancing Analysis Issue Identification Paper that will be presented to the Select Budget Committee on October 13, 2021, for further details.</p>
12. CBO Emergency Fund Policies RES	<p>This legislation would revise the Emergency Fund (EMF) Policies, including making technical changes to align the policy with the City’s fund accounting system, revising the reference to the regional inflationary index used for the balance calculation, and provide for a longer replenishment term compared to the requirement in RES 31717. Specifically, after significant drawdowns in the EMF from severe or prolonged emergencies, the proposed change would provide for a maximum five-year replenishment schedule for the EMF, with allowances for a swifter replenishment if possible.</p> <p>Please see the GF Balancing Analysis Issue Identification Paper that will be presented to the Select Budget Committee on October 13, 2021, for further details.</p>
13. OH Fund 16421 Creation ORD	<p>This legislation would create a new fund (16421) for accounting purposes to manage the portion of the Local Option Sales Tax revenue reserved for operating and maintenance (O&M) subsidies for affordable housing projects. This fund has been determined to be a necessary addition by CBO, LAW, and the PeopleSoft Chartfield Governance Team.</p>
14. SPR Amendment to Ordinance 115859 (Beach Maintenance Trust Fund) ORD	<p>This legislation would make administrative changes to the Beach Maintenance Trust Fund to make it consistent with the status of this fund.</p>

Proposed Legislation	Purpose
<p>15. SPR CFT Interlocal 2020-2021 ORD</p>	<p>The legislation would authorize the Mayor to enter into a new Interlocal Cooperation Agreement (ICA) between the City of Seattle and King County to allow for the acceptance of Conservation Futures Levy funds. King County Conservation Futures funding is used to match City funding for the acquisition of parks and open space. It is funded by a county-wide property tax collected by King County for the acquisition of open space, agricultural or timber lands. Changes in the new ICA include:</p> <p>Use of bond proceeds:</p> <ul style="list-style-type: none"> a. Adds language that funds are for capital costs; b. Adds Indemnification language specific to use of bond proceeds; and c. Includes the City’s requirements under the federal Tax Code for bond-financed projects. <p>Changes for consistency with the King County Code:</p> <ul style="list-style-type: none"> a. Adds new match waiver language related to projects in opportunity areas; b. Makes technical name changes adopted in code; c. Adds clarification of requirements for conversions in use of property; d. Adds clarification of acceptable forms of land match; and e. Adds description of appraiser qualifications for land match. <p>The legislation also authorizes the acceptance of up to \$3,225,000 in 2020 Conservation Futures Levy proceeds and up to \$2,937,700 in 2021 Conservation Futures Levy proceeds all of which are designated for specific projects referenced in the legislation. These funds were appropriated in the 2021 Adopted Budget.</p>
<p>Legislation Authorizing or Issuance of Bonds and related legislation</p>	
<p>16. FAS LTGO Bonds 2022 ORD</p>	<p>This legislation would authorize FAS to issue up to \$127.3 million of Limited Tax General Obligation (LTGO) Bonds, as assumed in the 2022 Proposed Budget and the Proposed 2022-2027 Capital Improvement Program (CIP), including, \$1.8 million of financing to assist the Historic Seattle Public Development Authority (PDA) for a seismic retrofit improvement of the Good Shepherd Center and \$12 million for the Aquarium Expansion. This loan will not be dispersed until bonds are issued and the City and Historic Seattle finalize a lending agreement that will require authorization from the City Council.</p>

Proposed Legislation	Purpose
17. FAS SCL Bonds 2022 ORD	<p>This legislation would authorize the City to issue up to \$375 million of bonds in 2022 to fund \$225 million of SCL’s capital expenditures and to fund \$150 million for possible debt optimization.</p> <p>The bond sale is anticipated to occur in August 2022. The bond proceeds combined with internally generated funds will support SCL’s capital program for about one year. The bond proceeds will also be used to make a deposit to the bond reserve fund and to pay issuance costs. No debt service payments are expected in 2022. The debt optimization, or defeasance, was authorized via the SCL 2021 Omnibus Bond Defeasance Bill (ORD 126220).</p>
18. FAS SPU DWW Bonds 2022 ORD	<p>This legislation would authorize up to \$88 million of 30-year fixed-rate bonds to support the City’s drainage and wastewater system. SPU anticipates selling the bonds in the third quarter of 2022 and expects that this level of debt, along with other sources of funding, would support the drainage and wastewater capital program for approximately one year. SPU estimates the annual debt service to be about \$5.7 million starting in 2023.</p>
19. FAS SPU Water Bonds 2022 ORD	<p>This legislation would authorize up to \$88 million of 30-year fixed-rate bonds to support the City’s municipal water system. SPU anticipates selling the bonds in mid-2022 and expects that this level of debt, along with other sources of funding, would support the water capital program for approximately one year. SPU estimates the annual debt service to be about \$5.7 million starting in 2023.</p>
Legislation Authorizing Interfund Loans	
20. FAS 2022 FAS Fund Interfund Loan ORD	<p>This legislation would grant the Director of Finance, or his designee, the authority to transfer cash to the Finance and Administrative Services Fund from one or more of designated Lending Funds for the financing of Federal Emergency Management Agency (FEMA)-eligible COVID-19 response expenses. The designated Lending Funds are the Fleet Capital Fund (50321) and the Wheelchair Accessible Fund (12100). The legislation would limit this interfund loan to a total of \$8,000,000 from the Fleet Capital Fund and \$2,000,000 from the Wheelchair Accessible Fund. The legislation would require the City to repay the loan no later than December 31, 2023, with interest on the loan at the rate of return of the City’s Consolidated Cash Pool. The entire principal and interest amount of the loan drawn is intended to be repaid with FEMA reimbursements and other FEMA-eligible vaccine costs (Seattle-King County Public Health) funds.</p>
Other Legislation with a Nexus to Budget	
21. RET 2022 Credit Interest Rate RES	<p>This legislation would provide City Council approval of the 2022 interest rates on member contributions set by the SCERS Board of Administration.</p>

Proposed Legislation	Purpose
22. RET Valuation and ARC for 2022 RES	This legislation would adopt a resolution that the City will fully fund the actuarially required contribution (ARC) to the Employee's Retirement Fund in 2022. As determined by an independent actuary using a set of assumption about member demographics and investment earnings, the ARC is the annual contribution to the Retirement Fund that the City must make to meet the objective of a 100 percent funded retirement plan (sufficient funds to pay current and future benefits) by 2042.
23. FAS 2021 Fund Closure ORD	Periodically, FAS submits an ordinance to close funds, subfunds and accounts in the City Treasury that are no longer needed for the City's business and to abandon all associated, unexpended appropriation authority. This legislation would close 37 different City funds, subfunds and accounts and authorize FAS to transfer balances (and other assets and liabilities) of the funds, subfunds and accounts. It would also abandon appropriation authority from the same. The total amount in all affected funds, subfunds and accounts is about \$120,000.
24. MO 2022 SPD Hiring Incentives ORD	<p>This legislation would authorize SPD to provide one-time hiring bonuses to recruit hires in the amount of \$7,500 and lateral hires in the amount of \$15,000. Half of the bonuses would be given upon hire and the other half after the first year of service. The program would be ongoing unless the bill is amended or changed prior to introduction.</p> <p>Please see the Seattle Police Department Issue Identification Paper that will be presented to the Select Budget Committee on October 15, 2021, for further details.</p>

**Attachment 1 – Summary of Funding Included in Office of Housing's (OH) 2022 Proposed Budget
(above base OH budget) by Program Area and Fund Source**

Multi-Family (MF) Rental Production		
Description	Source	Amount
Acquisition and Development	Payroll Tax	\$17,000,000
	CLFR	\$50,400,000
	MHA increase	\$19,600,000
	TNC	\$1,300,000
	Subtotal	\$88,300,000
Acquisition and Development in Areas at Risk of Displacement	Payroll Tax	\$15,700,000
	MF Rental Production Total	\$104,000,000
Homeownership		
Description	Source	Amount
Homeownership Development In Areas at Risk of Displacement	Payroll Tax	\$4,875,000
Ownership Retention in Communities at Risk of Displacement	Payroll tax	\$875,000
Consultant Reserve (Equitable Communities Initiative)	Payroll Tax	\$250,000
Homeownership Development	MHA increase	\$1,101,332
Single Family Oil Heat Conversion (GND investment)	Payroll Tax	\$1,498,000
	Homeownership Total	\$8,650,000
Workforce Development Program for Human Services		
Description	Source	Amount
Housing provider workforce development program	CLFR	\$750,000
	Workforce Development Total	\$750,000
	Grand Total	\$113.4 million

Attachment 2 – Summary of Green New Deal Investments in the 2022 Proposed Budget

Dept	Description	Source	Amount (1,000s)
FG	Unallocated funding to be held pending recommendations from the Green New Deal Oversight Board (one-time)	Payroll Tax	\$6,500
OPCD	Community and neighborhood facility improvements in South Park and support for creating community facilities in Georgetown that provide space for community organizations, service providers, and contribute to climate resilience, in alignment with Green New Deal principles* (one-time)	Payroll Tax	\$2,300
OSE	Funding for organizations involved in youth leadership, workforce training, and capacity building in the Duwamish Valley*	Payroll Tax	\$500
OSE	Pilot rebate program for electric industrial and heavy-duty vehicles for operators in the Duwamish Valley* (one-time)	Payroll Tax	\$1,000
OSE	Rebates to convert from oil heat to electric heat pumps, program outreach, and temporary staff to support program implementation (one-time)	Payroll Tax	\$200
OH	Funding to fully cover costs of converting from oil heat to electric heat pump systems for low-income households (one-time)	Payroll Tax	\$1,498
OSE	Scholarships to cover application and enrollments costs, tools, personal protective equipment, and work gear for a clean energy pre-apprenticeship program that focuses on women and Black, Indigenous, and people of color (one-time)	Coronavirus Local Fiscal Recovery	\$1,000
OSE	Additional funding for the Environmental Justice Fund, bringing the total amount to \$800,000	Payroll Tax	\$550
OSE	Funding for consultant support and language access to develop a clean buildings accelerator pilot program that will provide technical assistance to under-resourced building owners to support compliance with the new Washington State Clean Buildings Standards	Payroll Tax	\$220
SDOT	Funding to update the Climate and Congestion Calculator and consultant services to support development of a Climate Implementation Plan (one-time)	Payroll Tax	\$300
Total			\$14,355

* Also included in Duwamish Valley Plan investment (see Attachment X for a complete list of related investments).

Note: unless otherwise indicated, all funding amounts are proposed to be ongoing.

Attachment 3 – Summary of Duwamish Valley Program Investments in the 2022 Proposed Budget

Dept	Description	Source	Amount (1,000s)
OPCD	Community and neighborhood facility improvements in South Park and support for creating community facilities in Georgetown that provide space for community organizations, service providers, and contribute to climate resilience, in alignment with Green New Deal principles* (one-time)	Payroll Tax	\$2,300
SPR	Additional funding for the South Park Campus Improvements Project and the Community Center Rehabilitation & Development project for the South Park Community Center Stabilization Project	Real Estate Excise Tax	\$2,000
SDOT	Funding for improvements to 8 th Ave S, including the street end park, pedestrian safety, and drainage	Street Vacation Revenue	\$1,750
OSE	Funding for outreach, engagement, and implementation of greening efforts in private industrial properties in the Duwamish Valley (one-time)	General Fund	\$300
OSE	Pilot rebate program for electric industrial and heavy-duty vehicles for operators in the Duwamish Valley*(one-time)	Payroll Tax	\$1,000
OSE	Funding for organizations involved in youth leadership, workforce training, and capacity building in the Duwamish Valley*	Payroll Tax	\$500
OSE	Funding for consultant support to provide small and industrial businesses in South Park and Georgetown with technical assistance, marketing support, and financial advice to assist with economic recovery efforts; includes \$75,000 GF (one-time) for a consultant to develop strategies to increase access to City procurement and contracting for Duwamish Valley businesses*	General Fund	\$275
OPCD	Additional staff capacity (Strategic Advisor 1, three-year sunset) to support implementation of the Duwamish Valley Plan	General Fund	\$163
OPCD	Funding to support inclusive, coordinated engagement	General Fund	\$30
TOTAL			\$8,593

* Also included in Green New Deal investments (see Attachment X for a complete list of related investments).

Note: unless otherwise indicated, all operating funding amounts are proposed to be ongoing.

Attachment 4 - Summary of 2022 Proposed Appropriation Changes by Department

	2021 Adopted			2022 Proposed			% Change		
	GF	Other Funds	Total	GF	Other Funds	Total	GF	Other Funds	Total
Arts, Culture & Recreation									
ARTS	\$0.00	\$14,415.00	\$14,415.00	\$3,500.00	\$16,916.00	\$20,416.00	100.0%	17.3%	41.6%
SPR	\$98,010.00	\$130,806.00	\$228,816.00	\$109,424.00	\$174,052.00	\$283,476.00	11.6%	33.1%	23.9%
CEN	\$16,829.00	\$25,971.00	\$42,800.00	\$15,991.00	\$36,087.00	\$52,078.00	(5.0%)	39.0%	21.7%
SPL	\$54,302.00	\$32,610.00	\$86,912.00	\$60,491.00	\$34,328.00	\$94,819.00	11.4%	5.3%	9.1%
<i>Subtotal</i>	<i>\$169,141.00</i>	<i>\$203,802.00</i>	<i>\$372,943.00</i>	<i>\$189,406.00</i>	<i>\$261,383.00</i>	<i>\$450,789.00</i>	<i>12.0%</i>	<i>28.3%</i>	<i>20.9%</i>
Education & Human Services									
DEEL	\$11,403.00	\$93,060.00	\$104,463.00	\$16,069.00	\$107,195.00	\$123,264.00	40.9%	15.2%	18.0%
HSD	\$174,951.00	\$126,524.00	\$301,475.00	\$171,269.00	\$115,557.00	\$286,826.00	(2.1%)	(8.7%)	(4.9%)
<i>Subtotal</i>	<i>\$186,354.00</i>	<i>\$219,584.00</i>	<i>\$405,938.00</i>	<i>\$187,338.00</i>	<i>\$222,752.00</i>	<i>\$410,090.00</i>	<i>0.5%</i>	<i>1.4%</i>	<i>1.0%</i>
Livable & Inclusive Communities									
OCR	\$6,998.00	\$0.00	\$6,998.00	\$7,414.00	\$0.00	\$7,414.00	5.9%	-	5.9%
SDCI	\$8,729.00	\$81,648.00	\$90,377.00	\$9,037.00	\$91,908.00	\$100,945.00	3.5%	12.6%	11.7%
OED	\$14,555.00	\$62.00	\$14,617.00	\$12,065.00	\$17,300.00	\$29,365.00	(17.1%)	27803.2%	100.9%
HXM	\$1,062.00	\$0.00	\$1,062.00	\$1,078.00	\$0.00	\$1,078.00	1.5%	-	1.5%
OH	\$2,700.00	\$81,836.00	\$84,536.00	\$2,124.00	\$196,671.00	\$198,795.00	(21.3%)	140.3%	135.2%
OIRA	\$3,865.00	\$0.00	\$3,865.00	\$4,349.00	\$0.00	\$4,349.00	12.5%	-	12.5%
OLS	\$6,276.00	\$1,000.00	\$7,276.00	\$10,678.00	\$1,453.00	\$12,131.00	70.1%	45.3%	66.7%
DON	\$14,947.00	\$1,473.00	\$16,420.00	\$18,054.00	\$3,124.00	\$21,178.00	20.8%	112.1%	29.0%
OPCD	\$12,955.00	\$878.00	\$13,833.00	\$9,178.00	\$22,254.00	\$31,432.00	(29.2%)	2434.6%	127.2%
<i>Subtotal</i>	<i>\$27,902.00</i>	<i>\$2,351.00</i>	<i>\$30,253.00</i>	<i>\$27,232.00</i>	<i>\$25,378.00</i>	<i>\$52,610.00</i>	<i>(2.4%)</i>	<i>979.5%</i>	<i>73.9%</i>
Public Safety									
CPC	\$1,713.00	\$0.00	\$1,713.00	\$1,871.00	\$0.00	\$1,871.00	9.2%	-	9.2%
CSCC	\$17,887.00	\$0.00	\$17,887.00	\$20,882.00	\$0.00	\$20,882.00	16.7%	-	16.7%
OEM	\$2,484.00	\$0.00	\$2,484.00	\$2,813.00	\$268.00	\$3,081.00	13.2%	10.8%	24.0%
SFD	\$249,339.00	\$0.00	\$249,339.00	\$266,664.00	\$0.00	\$266,664.00	6.9%	0.0%	6.9%
Firefighter's Pension	\$19,099.00	\$1,921.00	\$21,020.00	\$19,100.00	\$2,822.00	\$21,922.00	0.0%	46.9%	4.3%
OIG	\$2,979.00	\$0.00	\$2,979.00	\$3,637.00	\$0.00	\$3,637.00	22.1%	-	22.1%
LAW	\$35,445.00	\$0.00	\$35,445.00	\$38,393.00	\$0.00	\$38,393.00	8.3%	-	8.3%
SMC	\$38,377.00	\$0.00	\$38,377.00	\$40,001.00	\$0.00	\$40,001.00	4.2%	0.0%	4.2%
SPD	\$360,858.00	\$2,131.00	\$362,989.00	\$363,312.00	\$2,136.00	\$365,448.00	0.7%	0.2%	0.7%
Police Relief and Pension	\$25,859.00	\$793.00	\$26,652.00	\$22,500.00	\$4,180.00	\$26,680.00	(13.0%)	427.1%	0.1%
<i>Subtotal</i>	<i>\$754,041.00</i>	<i>\$4,844.00</i>	<i>\$758,885.00</i>	<i>\$779,173.00</i>	<i>\$9,406.00</i>	<i>\$788,579.00</i>	<i>3.3%</i>	<i>94.2%</i>	<i>3.9%</i>

	2021 Adopted			2022 Proposed			% Change		
	GF	Other Funds	Total	GF	Other Funds	Total	GF	Other Funds	Total
Utilities, Transportation & Environment									
SCL	-	\$1,357,757.00	\$1,357,757.00	-	\$1,465,530.00	\$1,465,530.00	100.0%	7.9%	7.9%
SPU	\$20,799.00	\$1,378,645.00	\$1,399,444.00	\$22,343.00	\$1,294,406.00	\$1,316,749.00	7.4%	(6.1%)	(5.9%)
SDOT	\$56,657.00	\$579,973.00	\$636,630.00	\$71,348.00	\$646,943.00	\$718,291.00	25.9%	11.5%	12.8%
OSE	\$10,385.00	\$5,930.00	\$16,315.00	\$8,923.00	\$8,692.00	\$17,615.00	(14.1%)	46.6%	8.0%
<i>Subtotal</i>	<i>\$87,841.00</i>	<i>\$3,322,306.00</i>	<i>\$3,410,147.00</i>	<i>\$102,614.00</i>	<i>\$3,415,571.00</i>	<i>\$3,518,185.00</i>	<i>16.8%</i>	<i>2.8%</i>	<i>3.2%</i>
Administration									
AUD	\$2,020.00	\$500.00	\$2,520.00	\$2,142.00	\$0.00	\$2,142.00	6.0%	(100.0%)	(15.0%)
CBO	\$7,145.00	-	\$7,145.00	\$7,613.00	\$3,823.00	\$11,436.00	6.6%	100.0%	60.1%
Civil Service Commissions	\$523.00	-	\$523.00	\$602.00	\$0.00	\$602.00	15.1%	100.0%	15.1%
OERF	-	-	-	\$635.00	\$0.00	\$635.00	100.0%	-	100.0%
OEO	\$733.00	-	\$733.00	\$1,092.00	-	\$1,092.00	49.0%	-	49.0%
Retirement System	-	\$8,646.00	\$8,646.00	-	\$8,437.00	\$8,437.00	-	(2.4%)	(2.4%)
SEEC	\$1,050.00	\$8,418.00	\$9,468.00	\$1,298.00	\$868.00	\$2,166.00	23.6%	(89.7%)	(77.1%)
FAS	\$66,642.00	\$292,943.00	\$359,585.00	\$64,696.00	\$311,124.00	\$375,820.00	(2.9%)	6.2%	4.5%
Finance General	\$208,208.00	\$207,427.00	\$415,635.00	\$123,673.00	\$316,047.00	\$439,720.00	(40.6%)	52.4%	5.8%
SDHR	\$22,610.00	\$313,011.00	\$335,621.00	\$23,434.00	\$347,375.00	\$370,809.00	3.6%	11.0%	10.5%
Seattle IT	-	\$276,560.00	\$276,560.00	-	\$282,811.00	\$282,811.00	-	2.3%	2.3%
OIR	\$2,811.00	-	\$2,811.00	\$3,059.00	-	\$3,059.00	8.8%	-	8.8%
Legislative Department	\$18,442.00	-	\$18,442.00	\$19,060.00	-	\$19,060.00	3.4%	-	3.4%
Office of the Mayor	\$7,440.00	-	\$7,440.00	\$7,638.00	-	\$7,638.00	2.7%	-	2.7%
<i>Subtotal</i>	<i>\$337,625.00</i>	<i>\$1,107,504.00</i>	<i>\$1,445,129.00</i>	<i>\$254,942.00</i>	<i>\$1,270,485.00</i>	<i>\$1,525,427.00</i>	<i>(24.5%)</i>	<i>14.7%</i>	<i>5.6%</i>
Total	\$1,607,088.00	\$5,033,668.00	\$6,640,756.00	\$1,587,450.00	\$5,521,344.00	\$7,108,794.00	(1.2%)	9.7%	7.0%



Legislation Text

File #: Inf 1899, **Version:** 1

General Fund Balancing Analysis

Issue Identification

General Fund Balancing Analysis

Select Budget Committee | October 13, 2021

Tom Mikesell, Analyst

Aly Pennucci, Policy and Budget Manager



Agenda

- Status of 2021 General Fund
- 2022 GF Balancing Analysis: Revenues and Expenditures in the Proposed Budget
- 2022 JumpStart Fund Spending Plan Analysis
- Issue Identification



2021 GF Balancing Status

Description	Sources	Uses	Total
2021 Adopted Budget	\$1,639,277,297	(\$1,607,088,216)	\$32,189,081
Technical and Supplemental	\$16,177,602	(\$86,244,975)	(\$70,067,373)
COVID Relief and Recovery and Other Measures	\$42,264,175	(\$57,619,337)	(\$15,355,162)
Revised Forecast /Other Adjustments	\$138,238,852	\$0	\$138,238,852
Proposed and Future Rebalancing Measures	\$3,959,314	(\$376,546)	\$3,582,768
2020 GF Balance	\$1,839,917,240	(\$1,751,329,074)	\$88,588,166



2021 GF Balancing Status

2021 Revised Budget is balanced

- Draft Year-End Supplemental/ Grants Legislation
 - Increase GF revenues by \$3.9 million
 - Cut GF expenditures by \$376,000
 - Further adjustments anticipated in early November, \$2 million held in reserves



2022 Proposed GF Balancing Analysis

1. Baseline GF Budget
2. Fiscal Reserves
3. JumpStart Fund Spending Plan Payroll Expense Tax Backfill
4. Equitable Communities Initiative
5. Additional New Spending in the 2022 Proposed Budget
6. JumpStart Fund Policy Change – Additional Transfer to Support GF



2022 Proposed General Fund (GF) Baseline

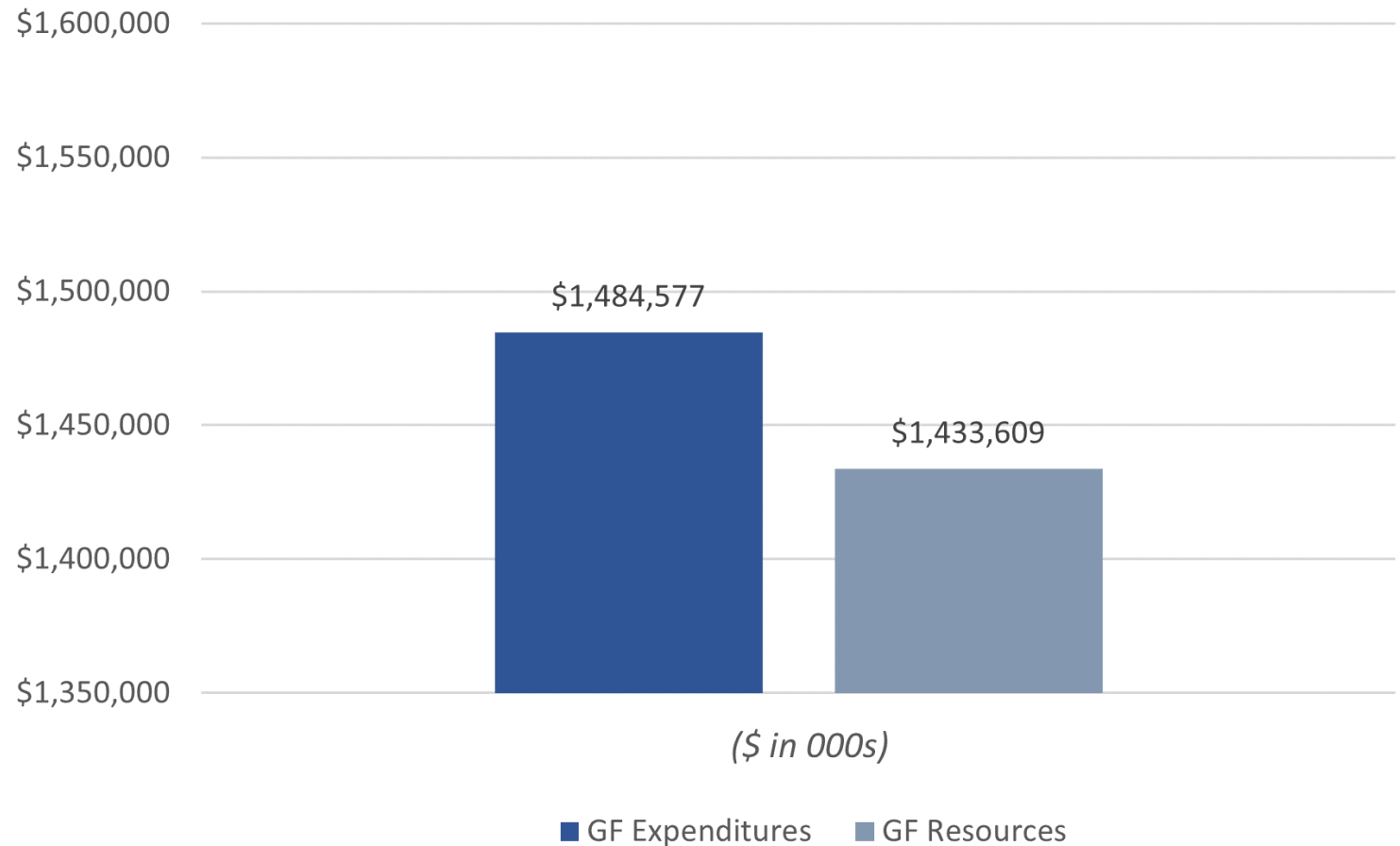
Resources: \$1,433,609
Expenditures: - \$1,484,578

Baseline Balance: (\$50,968)

(\$ in 000s)

2021 Adopted Budget Appropriations
+ Technical Adjustments
= 2022 GF Baseline Expenditures

2022 GF revenue forecast = 2022 GF Baseline
Resources



2022 Baseline: \$51M GF shortfall to maintain ongoing services



Fiscal Reserves

Resources: \$1,433,609
 Expenditures: - \$1,509,577

Baseline Balance: (\$75,968)

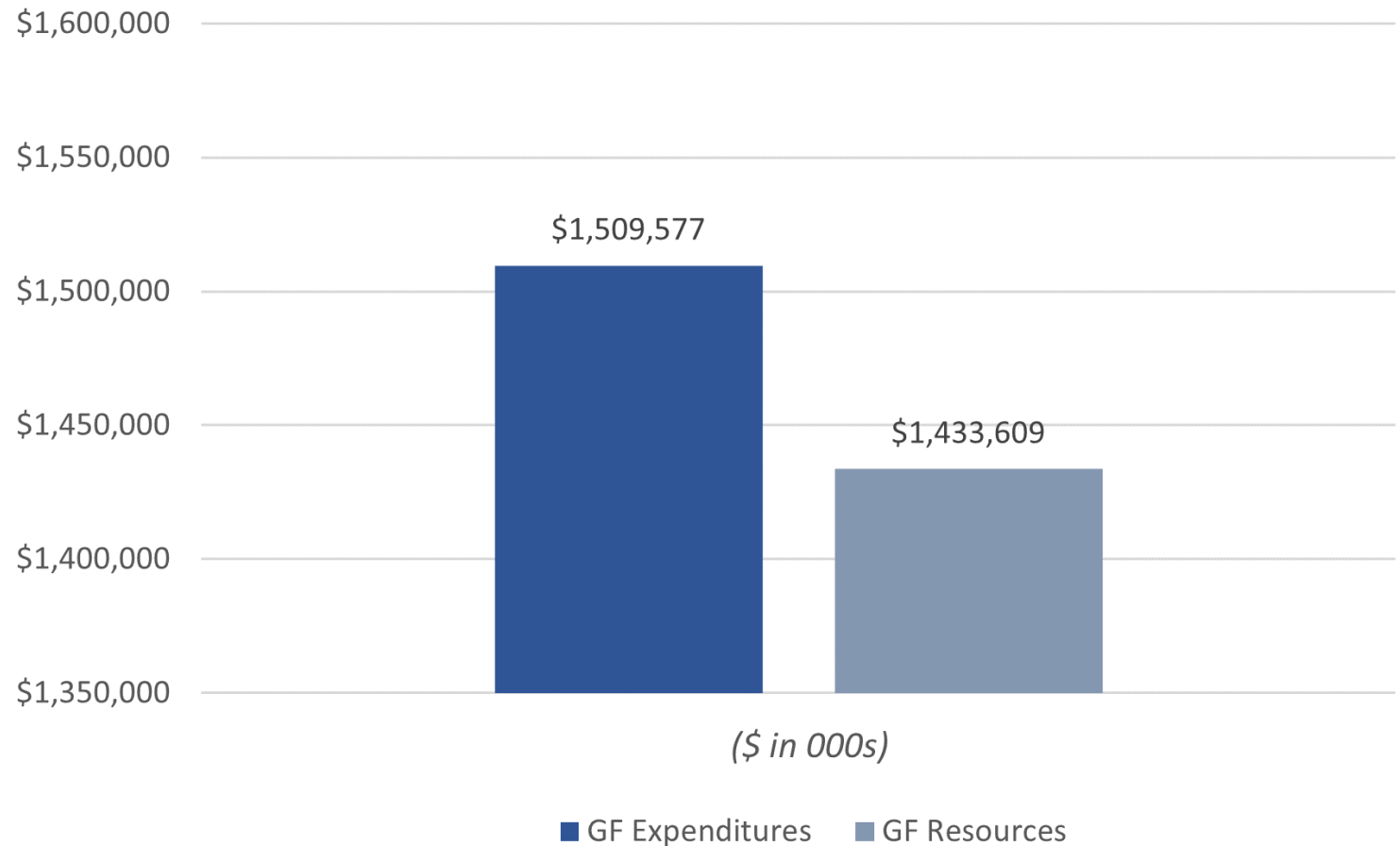
(\$ in 000s)

Proposed Deposits to Fiscal Reserves: \$25 million

- Emergency Fund: \$10 million
- Revenue Stabilization Fund: \$15 million

Current Policies: \$40.6 million

- Emergency Fund: \$37.5 million
- Revenue Stabilization Fund: \$3.1 million



2021 Baseline: \$76M GF shortfall after reserve deposits



Fiscal Reserves (\$ in 000's)

Description	Revenue Stabilization Fund	Emergency Fund	Total
2020 Beginning Balance	\$60,772	\$66,875	\$127,647
2020 Budget Revisions (ORD 126418)	(\$29,030)	-	(\$29,030)
2020 Revised JumpStart Appropriations (ORD 126211)	-	(\$19,852)	(\$19,852)
2021 Adopted Budget (ORD 126237)	(\$25,700)	(\$13,363)	(\$39,063)
2022 Proposed Budget	\$15,000	\$10,000	\$25,000
Proposed 2022 Ending Balances	\$21,042	\$43,659	\$64,701



JumpStart Fund and Spending Plan (\$ in 000's)

	Description	General Fund	JumpStart Fund
1)	Payroll Expense Tax 2022 Revenue Forecast		\$234,627
2)	GF Revenue, Pre-Covid Baseline	\$1,510,029	
	GF Revenue 2022 Forecast - Proposed Budget	\$1,424,674	
	Allowed GF Backfill Amount	\$85,355	(\$85,355)
3)	JumpStart Fund, Remainder for Spending Plan:		\$149,273
	Administration (5%) ^{1/}		\$373
	Housing (62%)		
	<i>Housing & Services (82%)</i>		\$79,685
	<i>Community Focused (13%)</i>		\$12,633
	<i>Permanently Affordable Homeownership (5%)</i>		\$4,859
	Equitable Development Initiative (9%)		\$14,106
	Economic Revitalization (15%)		\$23,510
	Seattle's Green New Deal -R 31895 (9%)		\$14,106

1/ The calculation of total allowed administrative costs is \$7.5 million. The proposed budget assumes the 5% administrative costs are embedded within each spending plan category, and this table is formatted in a similar fashion to allow comparisons.

JumpStart Fund Spending Plan Payroll Expense Tax Backfill

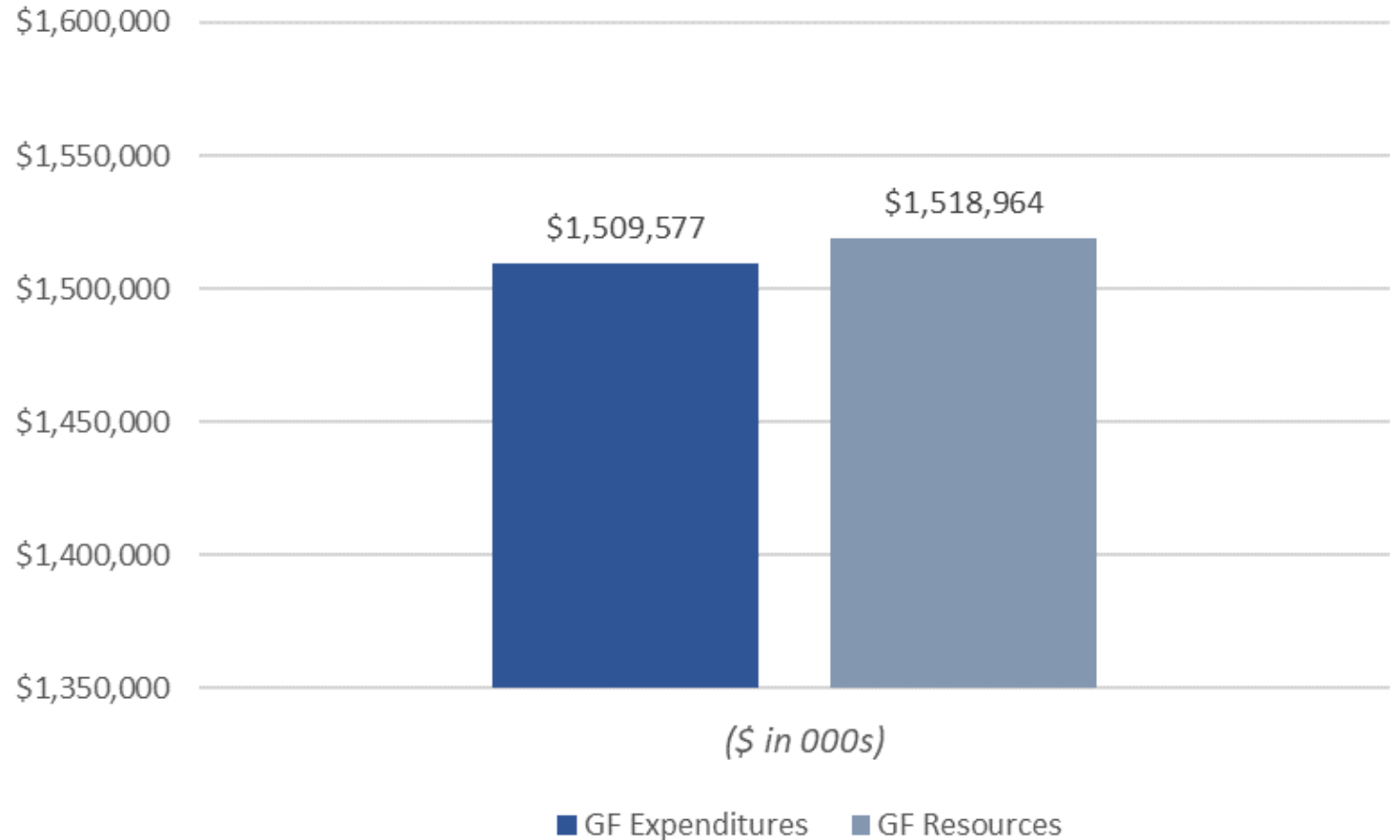
Resources: \$1,518,964
Expenditures: - \$1,509,577

Baseline Balance: \$9,386

(\$ in 000s)

ORD 126393 - JumpStart Fund

GF Revenue, Pre-COVID-19 : \$1,510,029
GF Revenue, 2022 Forecast: \$1,424,674
Allowed GF Backfill Amount: \$85,354



2022 Baseline: \$9M GF surplus after current JumpStart policy support



Equitable Communities Initiative

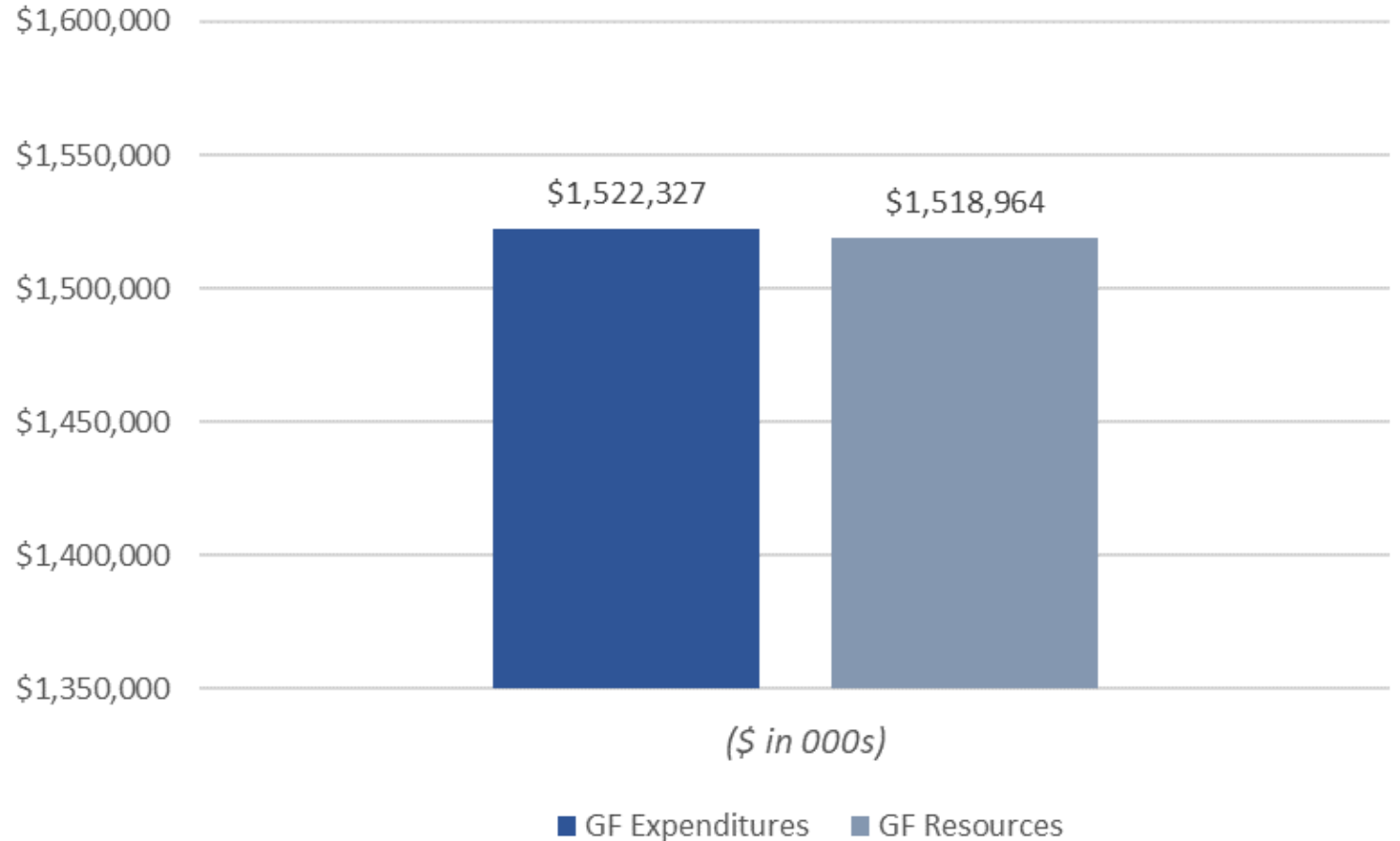
Resources: \$1,518,964
 Expenditures: - \$1,522,327

Baseline Balance: (\$3,363)

(\$ in 000s)

Equitable Communities Initiative

- 2021 Adopted: \$30 m GF (OT)
- 2022 Proposed: \$30 m (OG)
 - \$12.75 m GF (OG)
 - \$17.2 m JumpStart (OG)



2022 Proposed: \$3.4 M GF shortfall with ECI



Equitable Communities Initiative: General Fund

Fund/Department/Budget Item	2021 ORD 126401	2022 Proposed Budget		
	One-time 2021 Appropriations	Appropriations	FTE	Timing
General Fund				
Office of Arts and Culture				
Equity and Cultural Education	\$2,000,000	\$2,000,000		OG
Department of Education and Early Learning				
Equity and Cultural Education Fund (ECI)	\$4,000,000	\$4,000,000	1.00	OG
Department of Neighborhoods				
Investment in the Food Equity Fund (ECI)	\$750,000	\$750,000	1.00	OG
Provide Resources for Wealth Education (ECI)	\$1,800,000	\$1,800,000	2.50	OG
Human Services Department				
Reentry Programs for Formerly Incarcerated individuals (ECI)	\$1,500,000	\$1,500,000		OG
Culturally Responsive & Inclusive Direct Healthcare (ECI)	\$1,500,000	\$1,500,000		OG
Culturally Responsive & Inclusive Access to Healthcare (ECI)	\$1,000,000	\$1,000,000		OG
Farm to Table (ECI)	\$200,000	\$200,000		OG
Subtotal - General Fund	\$12,750,000	\$12,750,000	4.50	



Equitable Communities Initiative: JumpStart Fund

Fund/Department/Budget Item	2021 ORD 126401	2022 Proposed Budget		
	One-time 2021 GF Appropriations	Appropriations	FTE	Timing
JumpStart Fund				
Office of Economic Development				
Youth Healthcare Career Exploration (ECI)	\$480,621	\$480,621	1.0	OG
Healthcare Career Pipeline (ECI)	\$1,680,621	\$1,680,621	1.0	OG
Small Business Development Capital (ECI)	\$4,980,621	\$4,980,621	1.0	OG
Small Business Technical Assistance (ECI)	\$2,480,621	\$2,480,621	1.0	OG
Office of Housing				
Homeownership Development (ECI)	\$4,625,000	\$4,875,000		OG
Lease to Own	\$250,000			
Reserve Funding for Lease to Own Study Recommendations funded in 2021		\$250,000		OG
Ownership Retention Program (ECI)	\$875,000	\$875,000		OG
Office of Sustainability and the Environment				
Increase Environmental Justice Fund (ECI)	\$550,000	\$550,000		OG
Finance and Administrative Services				
Funding for Workforce Equity and WMBE Support (ECI)	\$1,000,000	\$1,000,000		OG
Subtotal - JumpStart Fund		\$17,172,484	4.0	



Equitable Communities Initiative Totals

Fund/Department/Budget Item	2021 ORD 126401	2022 Proposed Budget	
	One-time 2021 Appropriations	Appropriations	FTE
General Fund Total	\$29,672,484	\$12,750,000	4.50
JumpStart Fund Total		\$17,172,484	4.0
ECI Total		\$29,922,484	8.50



Additional New Spending in the 2022 Proposed Budget

Resources: \$1,525,077
Expenditures: - \$1,587,450

Baseline Balance: (\$62,372)

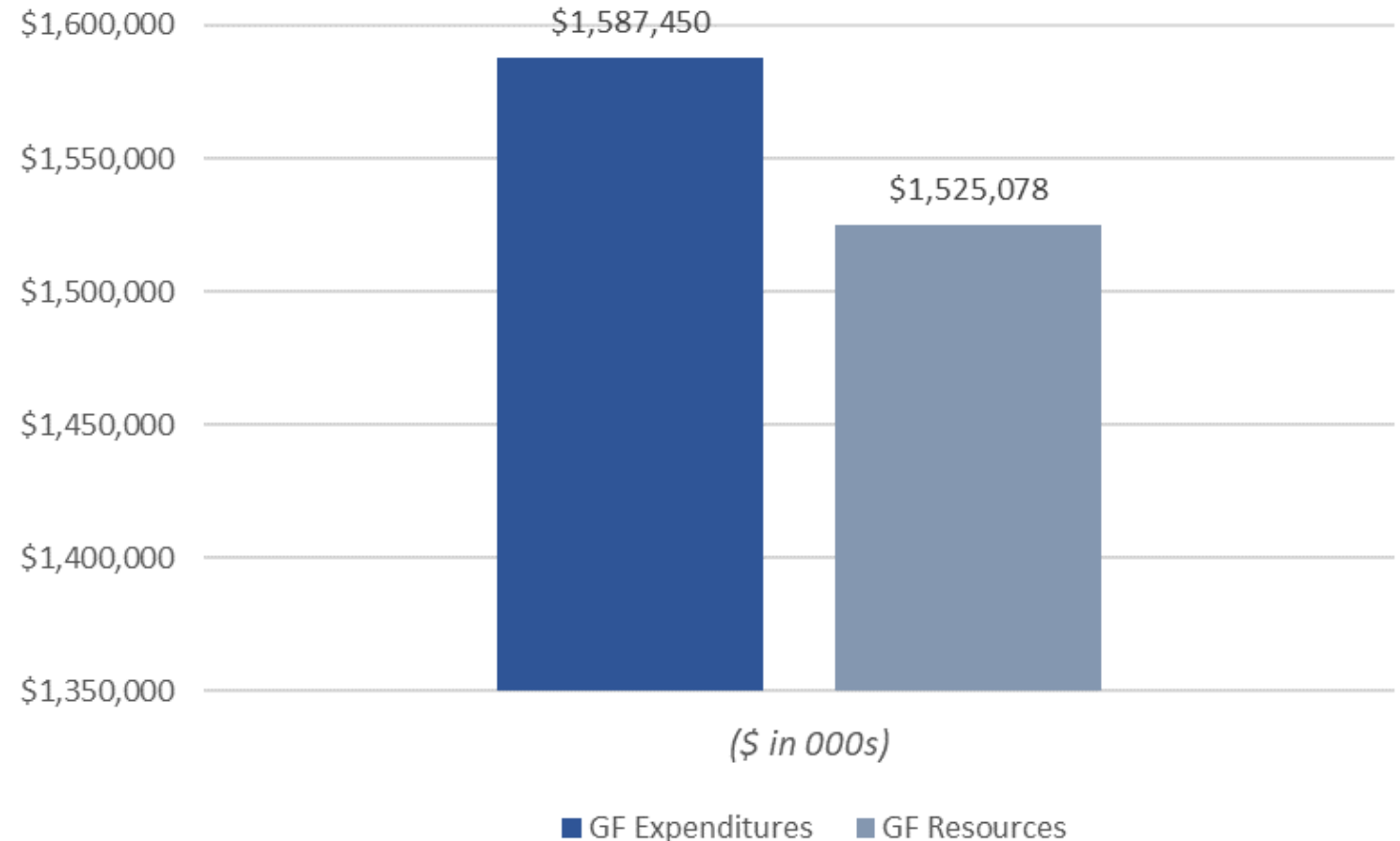
(\$ in 000s)

\$65 m of new spending, in addition to ECI and fiscal reserves:

- Participatory Budgeting: \$30m OG
- Community Safety Capacity Building: \$10 m OG

\$6.1 m of new revenues:

- \$4.5 m CLFR revenue replacement
- \$1.6 m related to proposed adds.



2022 Proposed: \$62.3M GF shortfall after all spending

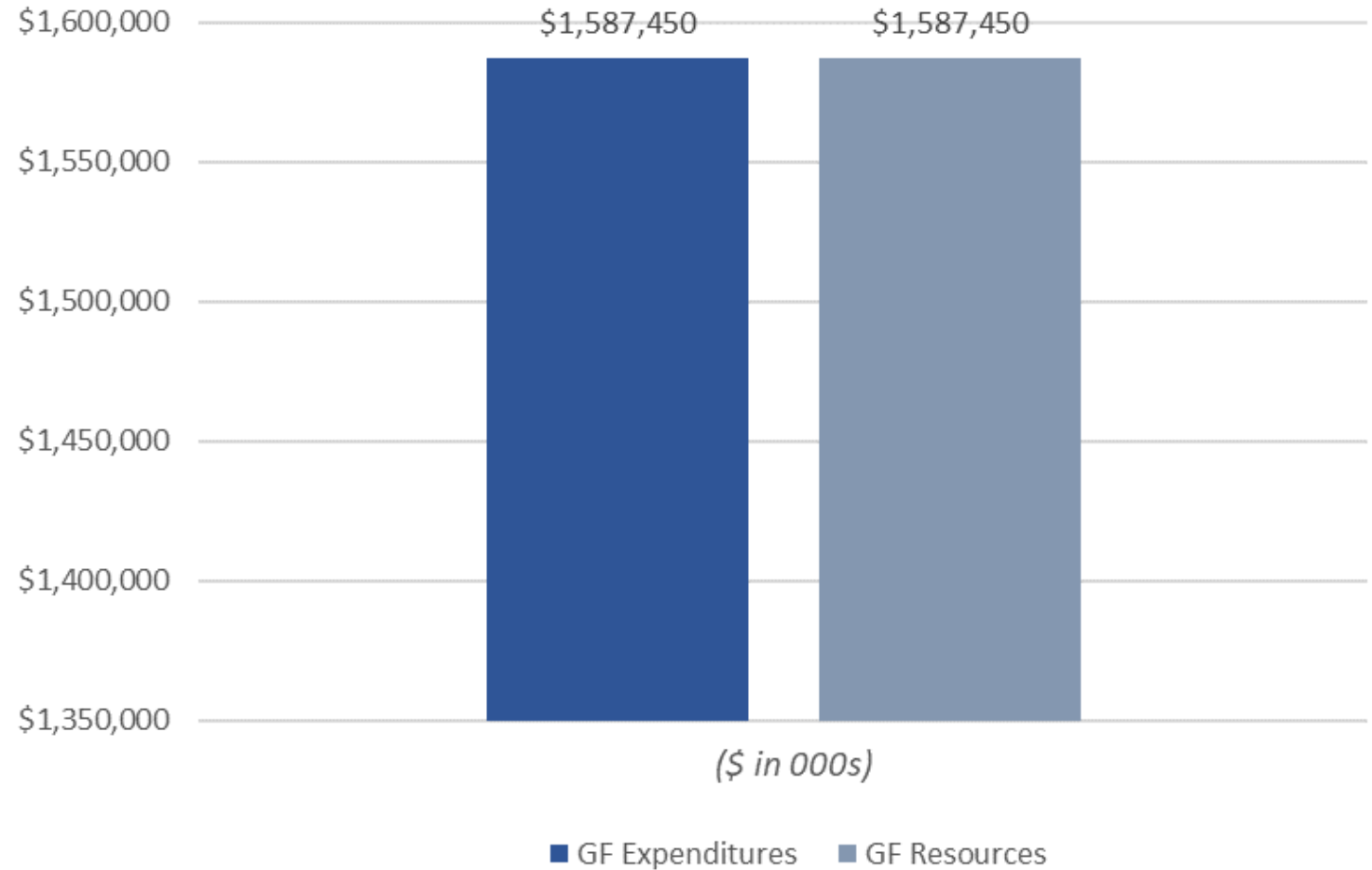


JumpStart Fund Policy Change - Additional Transfer to Support GF

Resources: \$1,587,450
 Expenditures: - \$1,587,450
Baseline Balance: \$0

(\$ in 000s)

- JumpStart Fund policy change in budget legislation = \$62.4 million higher transfer from JumpStart Fund
- Increased JumpStart Fund support makes GF adds possible.



2022 Proposed: Additional Jumpstart Fund transfer closes the gap.



Issue Identification (1/6)

1. Additional JumpStart Support to GF

Due to ongoing budget proposals in 2022, the proposed GF budget requires \$147.7 million of revenue from the JumpStart Fund to balance, which is \$62.3 million higher than the amount allowed per the current fund policy. This reduces the capacity of the JumpStart Fund to fund programs by a like amount in 2023 and beyond.



Issue Identification (1/6)

#1 Options:

- A. Reduce the new spending in the 2022 Proposed Budget and reduce the transfer from the JumpStart Fund by the same amount, reallocating the resources for JumpStart Fund purposes.
- B. Change some amount of GF budget adds programmed as ongoing to one-time in 2022, reducing the ongoing reliance on JumpStart Fund beyond 2022. Though it should be noted that proposed adds that are really ongoing in nature (e.g., investments that are establishing new programs, hiring new staff, etc.) may not be workable as one-time investments.



Issue Identification (1/6)

#1 Options:

- C. Identify a new revenue source to support some or all of the proposed new GF budget adds, and program a higher level of spending from the JumpStart Fund.
- D. No action.



Issue Identification (2/6)

2. Fiscal Reserves

The proposed fiscal reserves policy change would bring 2022 ending reserves to a combined level that is \$15.6 million lower than required by current policy and provide four additional years to replenish reserves to the amount defined in current policy.

Options:

- A. Reject the proposed fiscal policy change and identify an additional \$15 million from any combination of reductions and/or new revenues to add an additional \$15.6 million to reserves in 2022.
- B. Revise the policy to allow for a longer or shorter repayment period.
- C. No action.



Issue Identification (3/6)

3. Equitable Communities Initiative Support From New Revenue

The Mayor's Proposed Budget includes \$30 million for ongoing ECI investments but does not include a new progressive revenue source to support them.

Options:

- A. Change the appropriations to one-time and engage the ECI Task Force to identify an ongoing progressive revenue source.
- B. Reduce some or all of the proposed appropriations in 2022, recognizing that much of the 2021 appropriations for the ECI recommendations will carryforward into 2022, and engage the ECI Task Force to identify an ongoing progressive revenue source to support these investments ongoing in 2023 and beyond.
- C. No action.



2022 Proposed JumpStart Fund Spending Plan

Spending Category	Proposed Budget Compared to JS Fund Policies		
	JS Fund Polices (ORD 126393)	2022 Proposed Budget	<i>Difference</i>
General Fund	85,355	147,727	62,372
Admin	373	151	(222)
Housing	97,177	44,700	(52,446)
Equitable Development Initiative	14,106	14,300	194
Economic Revitalization	23,510	10,700	(12,810)
Green New Deal	14,106	13,335	(771)
<i>Subtotal: JS Spending Plan Categories</i>	149,241	83,186	(66,055)
Homeless Services (not authorized by JS Fund Policies)	-	3,714	3,714
Total	234,627	234,627	

2022 Proposed JumpStart Fund Spending Plan

2022 Proposed Budget & Proposed Spending to Fulfill JS Fund Spending Targets by Source of Funds [CS Analysis]			
Spending Category	Payroll Tax	CLFR	Total
Admin	151	-	151
Housing	44,700	50,498	95,198
Equitable Development Initiative	14,300	-	14,300
Economic Revitalization	10,700	13,500	24,200
Green New Deal	13,335	1,000	14,335
<i>Subtotal: JS Spending Plan Categories</i>	<i>83,186</i>	<i>64,998</i>	<i>148,184</i>
Homeless Services (not authorized by JS Fund Policies)	3,714		3,714
Total	86,900	64,998	151,898

Issue Identification (4/6)

4. JumpStart Fund Policy Change

Proposed budget legislation would change the spending allocations governing use of JumpStart Fund payroll expense tax revenues in 2022 and would eliminate the spending plan in future years.

Options:

- A. Do not pass budget legislation changing the JumpStart Fund policies and amend the Proposed Budget to align with existing policies.
- B. Amend the legislation to allow different uses for 2022 but retain the spending plan for future years.
- C. Amend the spending plan to change the uses in 2022 and continue them at a similar level in future years.
- D. No action.



Issue Identification (5/6)

5. JumpStart Fund Spending Plan Sustainability

Due to the use of one-time federal CLRF Fund monies to meet JumpStart Fund spending plan housing investments in 2022, coupled with an assumed higher level of JumpStart Fund support of the GF in 2022, in future years the JumpStart Fund will have \$65 million less for spending plan priorities in 2023 and beyond.



Issue Identification (5/6)

#5 Options:

- A. Use up to \$65 million of CLFR monies to support one-time 2022 GF proposals using revenue replacement provisions in the American Rescue plan Act, reducing the amount of JumpStart Funds deposited into the GF in 2022.

This would swap the \$65M of CLFR funds described as meeting the 'spirit' of the JumpStart priorities with JumpStart funds, which would bring 2022 JumpStart Fund appropriations closer to compliance with existing policy. This will reduce the amount of assumed GF available for general use in 2023 and beyond.



Issue Identification (5/6)

#5 Options:

- B. Cut up to \$65 million of ongoing GF proposals, reduce the GF transfer from the JumpStart Fund to the GF by a similar amount, and fund the same amount from the JumpStart Fund for housing and local economic recovery spending plan items, additive to the CLFR Fund allocations.
- C. No action.



Issue Identification (6/6)

6. Deviations from JumpStart Spending Plan

Approximately \$3.7 million of funding for services for people experiencing homelessness and mental health services is allocated from the JumpStart Fund.

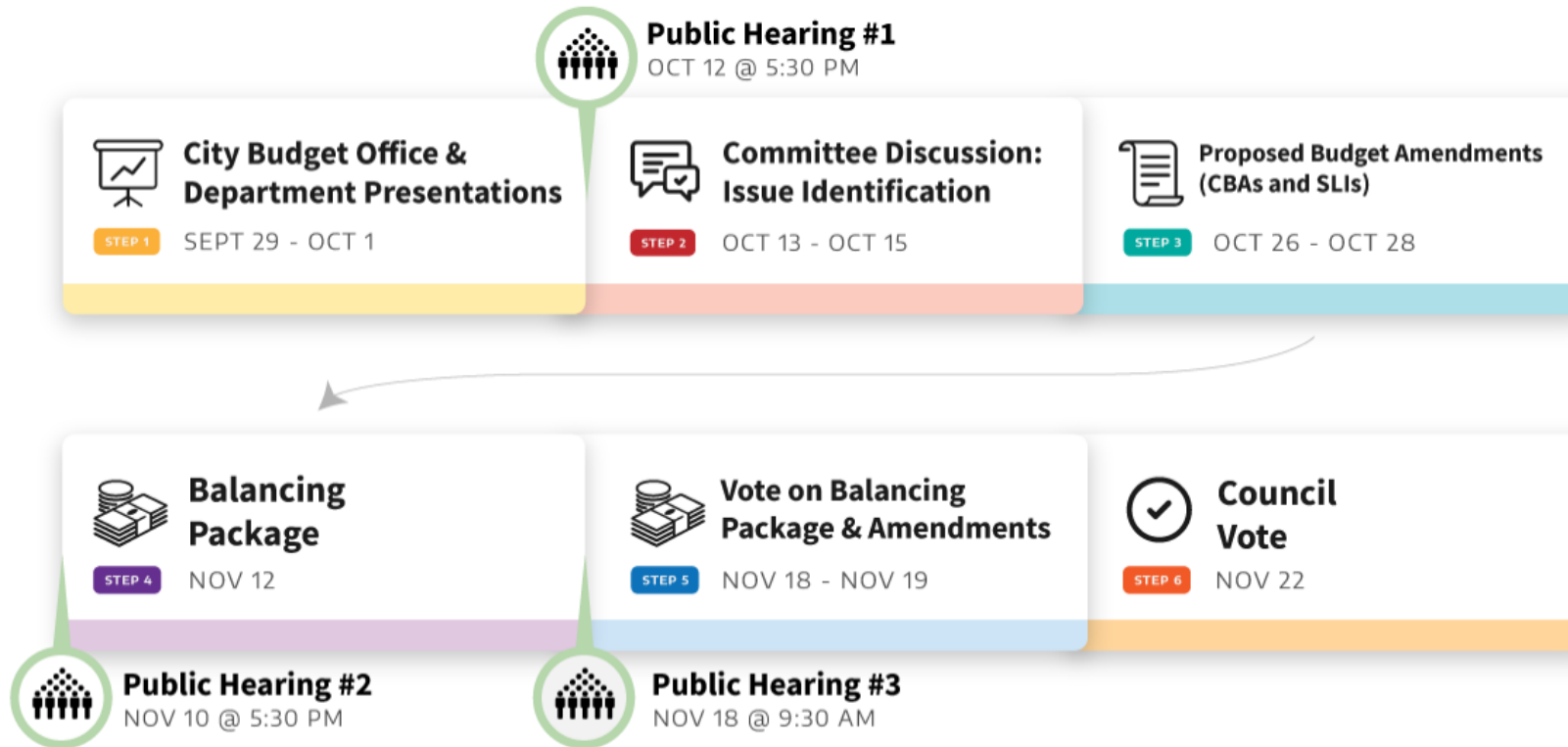
Options:

- A. Cut or reduce these items.
- B. Identify a new source of revenue for these items. Amend the spending plan to change the uses in 2022 and continue them at a similar level in future years.
- C. No action.



Questions?

Budget Timeline | FALL 2021



General Fund Balancing Analysis

Staff: Tom Mikesell, Analyst

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I. Background

[RCW 35.32A.030](#) requires that Seattle adopts a balanced budget, with each fund’s estimated revenues meeting or exceeding budgeted expenditures. However, State law requires only that the budget be balanced once per year upon adoption. It is not legally required that the annual budget be constantly updated to reflect changes in the City’s revenue projections throughout the year. If authorized spending exceeds available revenues, the binding constraint on the Executive is the amount of resources available to support authorized spending. If this occurs, the Executive is required to make administrative spending reductions (that is, the Executive must choose areas to stop spending).

With a specific focus on the City’s General Fund (GF) balance, Section II describes the budget measures, taken by the Council and Mayor to refine the 2021 budget because of unforeseen events. This section also describes additional proposals from the Mayor to bring the 2021 Budget into final balance, by way of proposed year-end supplemental appropriation and grants ordinances.

Section III of this paper continues this financial balancing focus with a high-level review of the Mayor’s 2022 Proposed Budget for the GF, in preparation for more detailed departmental or topic specific Issue Identification discussions on October 13, 14, and 15. This review itemizes major components of the Mayor’s 2022 Proposed GF Budget, which relies on a higher level of support from the new payroll expense tax revenue approved by Council on July 6, 2020, and budgeted in the newly created JumpStart Payroll Expense Tax Fund (JumpStart Fund). This section also covers the 2022 Proposed Budget’s transfers into the City’s fiscal reserves and compares the balances with current reserve policy levels.

Section IV of this paper reviews the Proposed Budget allocations toward items codified in the JumpStart Fund spending plan, and reviews sustainability of the plan given these proposals.

II. 2021 GF Balancing Review

1. Adopted Budget

Adopted on November 23, 2020, [ORD 126237](#) authorized a 2021 GF budget of \$1.61 billion. This budget relied on a 2021 revenue estimate of \$1.58 billion and an assumed beginning balance of \$58 million, as shown in the following table:

Description	Sources	Uses	Total
2021 Adopted Beginning Balance	\$58,327,730	-	\$58,327,730
2021 Adopted Revenues	\$1,580,949,729	-	\$1,580,949,729
2021 Adopted Expenditures	-	(\$1,607,088,216)	(\$1,607,088,216)
2021 Adopted Budget	\$1,639,277,459	(\$1,607,088,216)	\$32,189,243

After accounting for balances, assumed revenues and approved spending, the 2021 Adopted Budget’s GF Ending Balance was \$32,189,243, the total of which represents unappropriated reserves.

2. Technical and Comprehensive Supplemental Adjustments

Since adoption, the 2021 Adopted Budget has been adjusted by both non-legislated technical changes and legislative changes, such as accepting grants and other supplemental budget adjustments, including:

- **Adjust balances for 2020 actuals:** This represents better than expected revenues, or lower than expected expenditures, than were budgeted in 2020, and includes a technical adjustment to the 2021 beginning balance.
- **Automatic carryforward budgets:** These amounts represent revenues and expenses, often grant or capital in nature, adopted with an automatic carryforward provision where spending authority carries over from year to year. Carryforwards also include amounts which were obligated, but not spent in the prior year, representing a draw on this year’s carryforward resources.
- [ORD 126326 - 2021 Carryforward](#): These are 2020 budget appropriations the Council approved for carryforward into 2021.
- [ORD 126428 - Midyear Grant Acceptance](#): This represents the City’s formal acceptance of grants from non-City sources.
- [ORD 126429 - Midyear Supplemental](#): This represents policy and technical changes to the City budget, including the spending authority for grant resources accepted in ORD 126428.

The following table demonstrates the GF balance impact from these adjustments:

Description	Sources	Uses	Total
2020 Actual Results - Lower Balance	(\$4,933,203)	-	(\$4,933,203)
Automatic Carryforward	\$44,460,438	(\$68,676,597)	(\$24,216,159)
Legislated Carryforward (ORD 126326)	\$4,515,348	(\$38,527,430)	(\$34,012,082)
Midyear Supplemental/Grant (ORDs 126429/126428)	(\$27,864,980)	\$20,959,051	(\$6,905,929)
Technical and Supplemental	\$16,177,602	(\$86,244,975)	(\$70,067,373)

3. COVID-19 Relief and Recovery and Other Standalone Supplementals

In response to the public health emergency and the attending economic hardship caused by the COVID-19 pandemic, the Council and Mayor have approved several measures that flowed resources through the GF, supported by a mix of existing and new resources, as described below:

- [ORD 126298 - Hotel Shelter Supplemental Budget](#): Appropriated \$12 million from the General Fund (GF) to provide non-congregate shelter services in hotel rooms, tiny home villages, or enhanced shelters for individuals experiencing homelessness who are at increased risk for contracting or having severe outcomes from COVID-19.
- [ORD 126308 – AAPI Community Investments](#): Appropriated \$855,000 from the GF, and repurposed existing 2021 budget appropriations, to address an increase in hate crimes in Seattle, providing an overall commitment of \$1.2 million.
- [ORD 126320 – 2021 CRF Funds Appropriation](#): For COVID-19 relief purposes, appropriated \$17.2 million of federal Coronavirus Relief Fund monies to the GF.

- [ORD 126332 - Adopting 2021 AAP/Amending 2019 and 2020 AAPs](#): Adopted the 2021 Annual Action Plan (AAP) of the 2018-2022 Consolidated Plan and substantial amendments to The City of Seattle 2019 and 2020 AAPs and authorized their submittal to the US Department of Housing and Urban Development (HUD), resulting in a net GF appropriation increase of \$325.
- [ORD 126338 - 2021 NLCD Grant](#): Appropriated \$20,000 of grant funds accepted in the GF for the Department of Neighborhoods to support the creation and implementation of a Civic Engagement Digital Academy that is designed for cohorts of historically undercounted communities.
- [ORD 126372 - 2021 Direct Assistance](#): Appropriated \$25 million from the GF to the Office of Immigrant and Refugee Affairs to establish the Seattle Disaster Relief Fund and pay out cash assistance awards to immigrants and refugees who were not eligible for federal relief checks and unemployment insurance.
- [ORD 126382 – Local 2898 CBA](#): Appropriates \$2.5 million from the GF for 2021 budget impacts of the Collective Bargaining Agreement with Seattle Fire Chief’s Association, International Association of Fire Fighters, Local 2898.

The following table details the GF balance impact from these adjustments.

Description	Sources	Uses	Total
Hotel Shelter Supplemental Budget (ORD 126298)	-	(\$12,000,000)	(\$12,000,000)
AAP Community Investments (ORD 126308)	-	(\$855,000)	(\$855,000)
2021 CRF Funds Appropriation (ORD 126320)	\$17,244,175	(\$17,244,175)	-
Adopting 2021 AAP/Amending 2019 and 2020 AAPs (ORD 126332)	-	(\$325)	(\$325)
2021 NLCD Grant (ORD 119816)	\$20,000	(\$20,000)	-
2021 Direct Assistance (ORD 126372)	\$25,000,000	(\$25,000,000)	-
Local 2898 CBA (ORD 126382)	-	(\$2,499,837)	(\$2,499,837)
COVID-19 Relief and Recovery /Standalone Legislation	\$42,264,175	(\$57,619,337)	(\$15,355,162)

4. Revised City Budget Office Revenue Forecasts and Other Adjustments

Under current practice, the City Budget Office (CBO) updates its forecast of City revenues at least three times each year. Two updates have been provided in 2021, as follows:

- [Economic and Revenue Forecast, April 2021](#): At the April 20, 2021, Finance and Neighborhoods Committee meeting, CBO staff presented a forecast which, based on economic data showing continued economic recovery from the Covid-19 induced recession, projected a \$20.3 million increase to GF revenues in 2021.
- [Economic and Revenue Forecast, August 2021](#): At the August 17, 2021, Finance and Neighborhoods Committee meeting, CBO staff presented a forecast which, for the first time since the onset of the pandemic-based economic shocks, relied on a more favorable baseline view of the economy versus a pessimistic one. Data in this better economic

scenario showed continued economic and revenue improvement compared to the April forecast, supporting a \$51.5 million increase to expected GF revenue in 2021.

- **Mercer Megablock Land Sales Proceeds:** This represents the recognition of cash proceeds from the sale of the Mercer Megablock property, which were expected to be received in 2020 but were delayed to 2021.

The following table demonstrates the GF balance impact from these adjustments:

Description	Sources	Uses	Total
CBO April 2021 Economic and Revenue Forecast	\$20,264,000	-	\$20,264,000
CBO August 2021 Economic and Revenue Forecast	\$51,474,852	-	\$51,474,852
Mercer Megablock Land Sales Proceeds	\$66,500,000	-	\$66,500,000
2021 GF Forecast Revisions	\$138,238,852	-	\$138,238,852

Combined, these adjustments increase the forecast for GF revenues in 2021 by \$71.7 million, or 4.7 percent from the 2021 Adopted Budget, and increase total 2021 resources by \$138.2 million. However, it must be noted that the Mercer Megablock amount was anticipated, and if it had been received in 2020 as originally planned, would have increased the starting balance for 2021 by the same amount. In other words, this simply recognizes the shift of these cash resources, which are already fully programmed in the budget, between fiscal years.

5. Preview of Proposed 2021 GF Budget Legislation

The next subsection discusses the legislation and administrative measures for the remainder of 2021 that the Mayor has proposed with the 2022 Proposed Budget. In prior years, the proposed budget included a “3rd Quarter” comprehensive supplemental legislative package that modified current year appropriations and grant acceptances based on needs that were unforeseen at the time the budget was adopted (and during all prior supplemental budget adjustments during the year). These bills would be considered with the adoption of the budget for the next year. Then, after Council’s adoption of the next year’s budget in late November, the Executive would transmit a “4th Quarter” comprehensive supplemental legislative package, which would include additional appropriation modifications and grant acceptances for the year. These bills would be considered and passed in December, after the full budget process is complete.

With the intent of conducting a deliberative budget process for 2022 that includes the full range of financial choices affecting the current year, the Budget Chair requested that the Mayor submit all legislation modifying the City’s 2021 budget during the fall budget process. As such, the Executive has submitted year-end supplemental appropriations and grant acceptance ordinances, which will be modified pre-introduction by further changes which would have otherwise gone into 4th quarter supplemental bills.

- **Introduced Year End Supplemental Legislation:**

- Year-end Supplemental Package: Transmitted to the Council as part of a package of legislation necessary to implement the 2022 Proposed Budget, this bill would increase revenues to the GF by \$3.9 million and decrease expenditures by \$376,546 million, with a combined balancing impact of \$3.5 million. Notable GF changes in Finance General include:
 - Appropriation for interfund loan interest expenses: \$1.9 million increase
 - Abandon excess transit pass funding due to lower than projected usage during pandemic: \$1.5 million reduction
 - Abandon excess Department of Justice Reserve to align with actual spending: \$1.6 million reduction.
- Year-end Grant Acceptance: Transmitted as budget legislation, this represents the City’s formal acceptance of grants from non-City sources. Total GF grant revenue accepted by this bill would be \$51.4 million, of which \$1.2 million would go to the GF. Nearly half of the total amount would be from a \$23.3 million grant from the Washington State Department of Transportation and United State Department of Transportation for structural repairs to the West Seattle High-Rise Bridge. The full list of grant acceptances is included as Attachment A.

- **Planned Revision to Year End Supplemental:** As previously described, in place of a 4th quarter supplemental bill introduced after the budget process is complete, an amendment to the year-end supplemental will be transmitted by the Executive in early November. The scope and size of this amendment is unknown, pending Executive review and approval of department requests. To respond to any impacts for changes that were unforeseen at the time of preparing the year-end supplemental in September, the Budget Office is holding \$2 million in non-appropriated reserves as a potential funding source. Planned by the Executive as a pre-introduction revision to the year-end supplemental bill, this amendment would capture any adjustments to the 2021 budget that were unforeseen during all prior opportunities to adjust the budget. By way of including these financial choices in the budget process instead of after it, the Budget Committee should have a complete picture of the City’s finances while making financial planning decisions for 2022.

The following table demonstrates the GF balance impact of these adjustments:

Description	Sources	Uses	Total
Year-end Supplemental/Grants as Introduced	\$3,959,314	(\$376,546)	\$3,582,768
Proposed and Future Rebalancing Measures	\$3,959,314	(\$376,456)	\$3,582,768

6. 2021 GF Balancing Status

Bringing together the totals from each of the prior subsections, the 2021 Revised GF balance after all adjustments is \$88.6 million, as shown in the table below.

Description	Sources	Uses	Total
1. 2021 Adopted Budget	\$1,639,277,297	(\$1,607,088,216)	\$32,189,081
2. Technical and Supplemental	\$16,177,602	(\$86,244,975)	(\$70,067,373)
3. COVID Relief and Recovery and Other Measures	\$42,264,175	(\$57,619,337)	(\$15,355,162)
4. Revised Forecast /Other Adjustments	\$138,238,852	-	\$138,238,852
Year-end Supplemental/Grants as Introduced	\$3,959,314	(\$376,546)	\$3,582,768
Total After Approved Adjustments	\$1,839,917,240	(\$1,751,329,074)	\$88,588,166

Of the \$88.6 million, \$33.1 million is held in non-appropriated planning reserves. The remainder rolls into 2021 and is fully programmed in the 2022 Proposed budget for either new spending, or as below the line reserves.

III. 2022 Proposed GF Budget

This section includes an overview of the Mayor’s 2022 Proposed GF Budget, which totals \$1.6 billion, and represents a \$19 million, or 1.2 percent decrease, from the 2021 Adopted Budget. This decrease is due to technical and baseline reductions, such as the removal of one-time funding items, exceeding policy related increases. It must be noted, however, that the 2022 Proposed Budget does not include the impact of bargaining unit wage increases, as these amounts are retained in non-appropriated below-the-line reserves until contracts are settled.

Further, as will be covered in this paper, the GF proposal relies heavily on financial support from the JumpStart Fund, specifically at a level that is higher than the policy recently adopted in [ORD 126393](#), which established the JumpStart Fund and is described in the next section. As such, Section IV of this paper includes details on the JumpStart Fund spending plan, to identify policy choices embedded in the Mayor’s proposal that may align or contrast with the spending plan’s intent.

1. JumpStart Fund and Spending Plan

Adopted on July 6, 2020, [ORD 126108](#) authorized a new payroll expense tax for the City. Beginning in 2021, the payroll tax was estimated to generate about \$214 million annually, with increases in future years. Also passed by the Council on July 6, 2020, [ORD 126109](#) codified a high-level spending plan for these new tax revenues; [additional details](#) were adopted through [Resolution 31957](#) on July 20, 2020.

ORD 126109 requested that, by June 30, 2021, the Executive submit an implementation plan for the use of the payroll expense tax revenues in 2022 and beyond. Among several criteria, the implementation plan was to include specific spending proposals and a policy framework to evaluate the outcomes from programs funded by the new tax revenues. An implementation plan was not delivered by the Executive.

Lacking an implementation plan from the Executive, and to provide for the accountable and

transparent use of the new tax in accordance with the spending plan that accompanied it, on July 19, 2021, the City Council unanimously passed ORD 126393, which created the JumpStart Fund. As provided in ORD 126393, beginning in 2022 all revenues from the payroll expense tax are to be deposited into, and managed from, the new JumpStart Fund. Further, ORD 126393 codified the detailed spending plan from Resolution 31957 and provided for an amount of JumpStart Fund revenues to be deposited into the GF in years where revenues are below levels forecasted prior to the COVID-19 pandemic and to provide continuity of staffing and services that were in place prior to the pandemic.

The JumpStart Fund spending plan restricts the use of payroll expense tax revenues as described in the next table. Please see ORD 12693 for the JumpStart fund policies and [Resolution 31957](#) for a detailed description of the funding categories (Administration, Housing and Services, Equitable Development Initiative, Economic Revitalization, and the Green New Deal. One notable difference between the original spending plan described in RES 31957 and the JumpStart Fund polices is that the fund policies, recognizing that GF revenues have not fully recovered to pre-pandemic levels, allows for payroll tax revenues to be used to support GF programs and services in 2022 and beyond. In any year where total GF revenues, from sources approved as of January 1, 2020, are projected to be lower than \$1,510,029,000, an amount equal to difference between \$1,510,029,000 and the projected amount may be transferred to the GF to support GF programs and services.

The Mayor’s 2022 Proposed Budget includes \$234,627,311 of payroll expense tax revenues to the JumpStart Fund in 2022. Further, the budget includes \$1,424,674,349 of GF revenues from all other sources approved as of January 1, 2020. Using these figures, it is possible to derive the expected 2022 amounts for each spending category in the JumpStart fund spending plan, as shown in the following table.

Authorized JumpStart Fund Expenditures Per ORD 126393

	Description	General Fund	JumpStart Fund
1)	Payroll Expense Tax 2022 Revenue Forecast		\$234,627,311
2)	GF Revenue, Pre-Covid Baseline	\$1,510,029,000	
	GF Revenue 2022 Forecast - Proposed Budget	\$1,424,674,349	
	Allowed GF Backfill Amount	\$85,354,651	(\$85,354,651)
3)	JumpStart Fund, Remainder for Spending Plan:		\$149,272,660
	Administration (5%) ^{1/}		\$373,182
	Housing (62%)		
	Housing & Services (82%)		\$79,684,731
	Community Focused (13%)		\$12,632,945
	Permanently Affordable Homeownership (5%)		\$4,858,825
	Equitable Development Initiative (9%)		\$14,106,266
	Economic Revitalization (15%)		\$23,510,444
	Seattle’s Green New Deal -R 31895 (9%)		\$14,106,266

1/ The calculation of total allowed administrative costs is \$7.5 million. The proposed budget assumes the 5% administrative costs are embedded within each spending plan category, and this table is formatted in a similar fashion to allow comparisons.

The 2022 Proposed Budget package includes budget legislation that would change the JumpStart Fund policies, allowing for a higher use of payroll expense tax revenues in 2022 to support the GF, and revising the required amounts allocated to the spending plan categories for 2022 to match amounts included in the proposed budget. Further, the proposed budget legislation would completely rescind the spending plan in 2023 and beyond, allowing for ongoing use of payroll expense tax revenues to support the GF for uses that are inconsistent with the spending plan established when the payroll expense tax was authorized by the Council.

Subsections III.5 of this memorandum contrasts the Mayor’s proposed use of the payroll expense tax revenue to support the GF against the \$85.4 million backfill amount that is allowed by ORD 126393. Section IV of the memo provides an analysis of the spending proposals included in the proposed budget against the framework of the current law spending plan, as shown in the table above, in 2022 and beyond.

2. 2022 Proposed GF Budget – Baseline

At the start of each new budget year, CBO establishes the baseline from the prior year’s adopted budget, applying technical and inflationary adjustments, and removes prior year one-time spending. The following table shows the 2022 Baseline Budget, which represents the continuation of approved ongoing 2021 budget items into 2022. It is worth noting that these amounts include the impact of adding back GF financial support to Seattle Parks and Recreation and the Seattle Public Library, which total \$7.7 million and \$5.1 million, respectively.

The table also includes the 2022 proposed revenue forecast underlying the budget. To provide visibility on resourcing proposals in the 2022 Proposed Budget, the table includes columns tracking transfers in from the JumpStart Fund and the Coronavirus Local Fiscal Recovery Fund (CLFR Fund) into the GF to support spending in the budget proposal. Finally, the column at the table’s far right edge tracks the GF balancing status at stage of the analysis.

Description	Uses		Resources		Total
	GF Expenditures	GF Revenues	JumpStart Fund	CLFR Fund	
2022 Base Budget	(\$1,484,577,385)	\$1,433,609,321	-	-	(\$50,968,064)

As shown in the table, the 2022 baseline GF budget, after accounting for technical changes, inflation, removal of one-time funding, the restoration of GF support for Parks and the Library, and the use of \$10.5 million of fund balances that are included in the GF Revenue column, reflects a \$51 million deficit. Put another way, absent some external financial support, base GF revenues in 2022 would be \$51 million short of the amount necessary to support ongoing current services.

3. Fiscal Reserves

The City has two primary general government fiscal reserve funds: the Emergency Fund (EMF), for emergency needs, and the Revenue Stabilization Fund (RSF), to backfill economically-induced revenue losses. Uses of these reserves to support existing and new spending since the beginning of the COVID-19 pandemic have reduced the combined reserve balance from \$127.6 million in the 2020 Adopted Budget, to \$39,789,643 at the end of 2021.

GF revenues have consistently grown since the 2020 recession ended, and significant federal assistance has been made available for emergency COVID-9 relief, most recently through the American Rescue Plan Act. This reduced pressure on the budget allows the City to begin rebuilding the reserve balances to help weather future challenges. The City's current fiscal reserve policies, established for the RSF in [Seattle Municipal Code 5.80.020](#), and the EMF through [Resolution 31717](#), provide for the following reserve replenishments in 2022:

- RSF: 0.25 percent of the GF tax revenue forecast for 2022 = \$3,088,912
- EMF: \$60 million plus growth in the Seattle Urban Consumer Price Index since 2016 = \$37,539,262

These contributions would bring the combined reserve balance to \$80.4 million at the end of 2022, of which \$9.1 million would be held in the RSF and \$71.3 million would be held in the EMF.

Legislation submitted with the Proposed Budget would revise the EMF policy, including making technical changes to align the policy with the City's fund accounting system, revising the reference to the regional inflationary index used for the balance calculation, and most critically, providing for a longer replenishment term compared to the requirement in RES 31717. Specifically, after significant drawdowns in the EMF from severe or prolonged emergencies, the proposed change would provide for a maximum five-year replenishment schedule for the EMF, with allowances for a swifter replenishment if possible.

Relying on this prospective fiscal policy change to make a smaller deposit to the EMF than what would otherwise be required under existing policy, the 2022 Proposed Budget would make a total contribution of \$25 million to fiscal reserves in 2022, of which \$15 million would be deposited into the RSF and \$10 million would be deposited into the EMF. These additions would bring the combined balance to \$64.8 million at the end of 2022. It is worth noting that the proposed contribution to the RSF is approximately \$12.9 million higher than what is proscribed in current law. As such, with the proposed policy change, the combined reserve contributions could be reduced by \$12.9 million and still be consistent with policy. Alternately, the mix of deposits could be revised, placing more funds into the EMF in 2022 at a level somewhat closer to current policy.

The legislated uses of the fiscal reserves since 2020, and the contributions included in the 2022 Proposed Budget, are shown in the following table.

Description	Revenue Stabilization Fund	Emergency Fund	Total
2020 Beginning Balance	\$60,772,000	\$66,875,000	\$127,647,000
2020 Budget Revisions (ORD 126418)	(\$29,030,000)	-	(\$29,030,000)
2020 Revised JumpStart Appropriations (ORD 126211)	-	(\$19,852,567)	(\$19,852,567)
2021 Adopted Budget (ORD 126237)	(\$25,700,000)	(\$13,363,000)	(\$39,063,000)
2022 Proposed Budget	\$15,000,000	\$10,000,000	\$25,000,000
Proposed 2022 Ending Balances	\$21,042,000	\$43,659,433	\$64,701,433

As shown, the 2022 Proposed Budget would increase the combined fiscal reserve balances to \$64.7 million at the end of 2022. Adding the GF impact of the reserve contributions to the balancing table from the previous section brings the total deficit, after all previously described changes, to \$76 million, as shown in the table below.

Description	Uses	Resources			Total
	GF Expenditures	GF Revenues	JumpStart Fund	CLFR Fund	
2022 Base Budget	(\$1,484,577,385)	\$1,433,609,321	-	-	(\$50,968,064)
Fiscal Reserves	(\$25,000,000)	-	-	-	(\$25,000,000)
Subtotal	(\$1,509,577,385)	\$1,433,609,321	-	-	(\$75,968,064)

4. JumpStart Fund Spending Plan Payroll Expense Tax Backfill

As mentioned in subsection III.1, ORD 126393 provides for a limited amount of JumpStart Fund revenues to be used to backfill GF revenues if GF revenues have not fully recovered to pre-COVID-19 levels. As shown in the prior discussion of the JumpStart Fund, based on CBO forecast data, the allowed amount of revenue backfill from the JumpStart Fund to the GF is \$85.4 million. That amount is added to the table from subsection 4 to demonstrate the impact on the running deficit from this limited JumpStart Fund support.

Description	Uses	Resources			Total
	GF Expenditures	GF Revenues	JumpStart Fund	CLFR Fund	
2022 Base Budget	(\$1,484,577,385)	\$1,433,609,321	-	-	(\$50,968,064)
Fiscal Reserves	(\$25,000,000)	-	-	-	(\$25,000,000)
JumpStart Fund (ORD 126393)	-	-	\$85,354,651	-	\$85,354,651
Subtotal	(\$1,509,577,385)	\$1,433,609,321	\$85,354,651	-	\$9,386,587

As shown in the table, applying the JumpStart Fund backfill amount provided in ORD 126393 reverses the running deficit to a \$9.4 million surplus. In essence, the backfill provision in the JumpStart Fund ordinance serves its purpose of preventing GF service cuts while revenues continue to recover, while also providing resources to restore the contributions to Seattle Parks and the Seattle Public Library and begin to rebuild the fiscal reserves.

5. Equitable Communities Initiative

This section discusses the Equitable Communities Initiative (ECI), tracing its evolution from a new GF spending proposal included in the 2021 Proposed Budget to a set of new proposals, funded in both the GF and the JumpStart Fund, in the 2022 Proposed Budget.

The 2021 Proposed GF Budget included a new ongoing allocation of \$100 million titled the Equitable Communities Initiative. This proposed amount was to be held in the City’s Finance General Reserves budget, to await recommendations by a community task force for focused investments for Black, Indigenous, and People of Color (BIPOC) communities to address disparities. This item was proposed as new funding in an overall GF budget proposal that was supported by \$72 million of one-time use of fiscal reserves, a one-time reliance on backfill support from the new payroll expense tax, and a \$30 million cut to the 2020 budget allocation for a Strategic Investment Fund, which was funded with one-time cash from the sale of the Mercer Megablock property. As noted in CBO’s [presentation](#) of the 2021 Proposed Budget to the Select Budget Committee on September 30, 2020, the “Mayor ha(d) discussed proposing an Equity Levy or another new progressive revenue to sustain funding” for ECI commitments in future years”¹.

In the 2021 Adopted Budget, the City Council repurposed \$70.1 million of this \$100 million ongoing proposal into several one-time investments in equity, fiscal sustainability, and community safety, as follows:

- [Participatory Budgeting](#): \$18.02 million, which was paired with cuts in the Seattle Police Department Budget to create a \$28.3 million Finance General reserve for a community-led process for developing community safety strategies.
- [Strategic Investment Fund](#): \$30 million in a Finance General reserve for public investment in areas at high risk of displacement or low access to opportunity. This amount was originally funded in 2020 with one-time Mercer Megablock sales proceeds and was proposed to be cut in the 2021 Proposed Budget.
- [Community Safety Investments](#): \$10 million in the Human Services Department (HSD) for community-led safety investments.
- [Transfer to Emergency Fund](#): \$10.35 million, which was paired with other GF resources for a total \$33.7 million contribution to the City’s Emergency Fund.
- [OCR alternative](#): \$1.08 million in the Office for Civil Rights for funding to organizations pursuing alternatives to, or addressing harms caused by, the criminal legal system, that were awarded grant funding through the 2020 Collaborative Grantmaking process.
- [Restorative Justice Pilot](#): \$550,000 to the Department of Education and Early Learning for a pilot program at a limited number of Seattle schools.

¹ Slide 18 of “2021 Proposed Budget Overview” CBO presentation to Seattle City Council (9/30/2020).

The City Council changed the remaining [\\$29.9 million](#) appropriation for ECI from an ongoing expenditure, to a one-time allocation of funds in 2021. Changing the proposed ECI expenditures to one-time expenditures, along with the Council including the investments in equity, fiscal sustainability, and community safety as one time, was done in recognition of the lack of an ongoing revenue source to support these expenditures. Further, the Council placed two provisos on the \$29.9 million held in Finance General for ECI, one which restricted \$400,000 for a facilitation process, and a second which restricted the remaining funds until an ordinance was passed approving a spending plan for the funds.

On August 11, 2021, the City Council passed [ORD 126401 – Equitable Communities Initiative Proviso Lift](#), which lifted the restriction on the funds, and allocated them to City departments to implement the Task Force’s recommendations for the 2021 funds. ORD 126401 also applied a non-lapsing provision to these appropriations, allowing the 2021 allocations to continue into future years until fully spent.

While ORD 126401 does not formally create these allocations as recurring, ongoing investments in the City budget beyond the initial one-time \$29.9 million in 2021, the Task Force’s recommendations, which informed and accompanied the legislation, assumed that the investments would be recurring. As such, using a combination of GF funding and direct allocations of the payroll expense tax in the JumpStart Fund, the Mayor’s proposed budget includes \$29.9 million of ongoing ECI appropriations across several City Departments for programs informed by the Task Force’s recommendations, as shown in the following table. The 2022 Proposed spending mirrors the expenditures authorized in ORD 126401 with two exceptions; in the Office of Housing (OH), the funding for Homeownership Development Capital is about \$250k more than the amount allocated for that purpose in 2021; and continued funding for the Lease to Own study is held in a reserve pending completion of that study.

	2021 ORD 126401	2022 Proposed Budget		
Fund/Department/Budget Item	One-time 2021 Appropriations	Appropriations	FTE	Timing
General Fund				
Office of Arts and Culture				
Equity and Cultural Education	\$2,000,000	\$2,000,000		OG
Department of Education and Early Learning				
Equity and Cultural Education Fund (ECI)	\$4,000,000	\$4,000,000	1.00	OG
Department of Neighborhoods				
Investment in the Food Equity Fund (ECI)	\$750,000	\$750,000	1.00	OG
Provide Resources for Wealth Education (ECI)	\$1,800,000	\$1,800,000	2.50	OG
Human Services Department				
Reentry Programs for Formerly Incarcerated individuals (ECI)	\$1,500,000	\$1,500,000		OG
Culturally Responsive & Inclusive Direct Healthcare (ECI)	\$1,500,000	\$1,500,000		OG
Culturally Responsive & Inclusive Access to Healthcare (ECI)	\$1,000,000	\$1,000,000		OG
Farm to Table (ECI)	\$200,000	\$200,000		OG
Subtotal - General Fund	\$12,750,000	\$12,750,000	4.50	
JumpStart Fund				
Office of Economic Development				
Youth Healthcare Career Exploration (ECI)	\$480,621	\$480,621	1.0	OG
Healthcare Career Pipeline (ECI)	\$1,680,621	\$1,680,621	1.0	OG
Small Business Development Capital (ECI)	\$4,980,621	\$4,980,621	1.0	OG
Small Business Technical Assistance (ECI)	\$2,480,621	\$2,480,621	1.0	OG
Office of Housing				
Homeownership Development (ECI)	\$4,625,000	\$4,875,000		OG
Lease to Own	\$250,000			
Reserve Funding for Lease to Own Study Recommendations funded in 2021		\$250,000		OG
Ownership Retention Program (ECI)	\$875,000	\$875,000		OG
Office of Sustainability and the Environment				
Increase Environmental Justice Fund (ECI)	\$550,000	\$550,000		OG
Finance and Administrative Services				
Funding for Workforce Equity and WMBE Support (ECI) ^{1/}	\$1,000,000	\$1,000,000		OG
Subtotal - JumpStart Fund		\$17,172,484	4.0	
ECI Total		\$29,922,484	8.50	

As shown in the table, these additions reflect \$12.8 million of new ongoing GF appropriations, and 4.5 FTE positions in the GF, and \$17.2 million of new ongoing appropriations, and 4 FTE positions in the JumpStart Fund. It bears mentioning that, in contrast with the vision for ECI as originally proposed by the Mayor, a new source of progressive revenue has not been identified by the Mayor or the Task Force. Accordingly, the \$12.8 million of proposed GF funding is added to the balancing table from the prior section without a revenue offset, reversing the \$9.4 million surplus from all prior adjustments to a \$3.4 million deficit.

Description	Uses	Resources			Total
	GF Expenditures	GF Revenues	JumpStart Fund	CLFR Fund	
2022 Base Budget	(\$1,484,577,385)	\$1,433,609,321	-	-	(\$50,968,064)
Fiscal Reserves	(\$25,000,000)	-	-	-	(\$25,000,000)
JumpStart Fund (ORD 126393)	-	-	\$85,354,651	-	\$85,354,651
ECI (GF)	(\$12,750,000)	-	-	-	(\$12,750,000)
Subtotal	(\$1,522,327,385)	\$1,433,609,321	\$85,354,651	-	(\$3,363,413)

In Section IV, below, the JumpStart Fund appropriations for ECI will be discussed in the context of the JumpStart Fund spending plan.

6. Additional New Spending in the 2022 Proposed Budget

In addition to the fiscal reserves and ECI appropriations that were described earlier, the 2022 Proposed GF Budget includes \$65.1 million of new spending proposals, of which \$59 million is ongoing and \$6.1 million is one-time. The complete list of these new policy proposals is included as Attachment B. It is worth noting that sorting between technical/baseline and policy items relies on some level of manual analysis and may not be perfect. As such, some small, yet purely technical items may show in Attachment B.

Representing nearly two-thirds of these new appropriations, are items that were funded on a one-time basis in the 2021 Adopted Budget, including:

- \$30 million in Finance General for an ongoing Participatory Budgeting reserve; this is additive to the \$28.3 million one-time appropriation in the 2021 Adopted Budget that was discussed in the ECI section above.
- \$10 million for ongoing Community Safety Capacity Building in HSD. Similarly, this is additive to the one-time allocation City Council made in 2021, as discussed above.

Noteworthy items from Attachment B will be discussed in the respective departments' Issue Identification papers or summarized in the Central Staff's Overview of the 2022 Budget paper. Some of the proposed operating additions include new revenues, most notable of which is \$4.5 million of funding from one-time CLFR Fund monies used to replace revenues lost because of the COVID-19 pandemic. Of the \$116 million of Tranche 2 of the federal American Rescue Plan Act (ARPA) funds that are deposited into the CLFR Fund in 2022, this \$4.5 million, which is assigned to a set of specific funding increases that would not be independently eligible for CLFR funding, represents the total amount used for GF revenue replacement in the budget.

According to CBO, under the ARPA guidelines the entire \$116 million of Tranche 2 funds could be used for revenue replacement. In contrast, the 2022 Proposed Budget dedicates most of the Tranche 2 monies for new COVID-19 recovery spending, including one-time funding for housing in the OH's proposed budget, and to create a small business ownership fund. These latter uses of CLFR Fund monies will be further described in the JumpStart Fund discussion in Section IV.

The following table incorporates changes in the preceding sections and adds the impacts of the Mayor's operating budget proposals, bringing the running deficit to \$62.4 million.

Description	Uses	Resources			Total
	GF Expenditures	GF Revenues	JumpStart Fund	CLFR Fund	
2022 Base Budget	(\$1,484,577,385)	\$1,245,649,518	-	-	(\$50,968,064)
Fiscal Reserves	(\$25,000,000)	-	-	-	(\$25,000,000)
JumpStart Fund (ORD 126393)	-	-	\$85,354,651	-	\$85,354,651
ECI (GF)	(\$12,750,000)	-	-	-	(\$12,750,000)
Additional Proposals	(\$65,122,799)	\$1,613,772	-	\$4,500,000	(\$59,009,027)
Subtotal	(\$1,587,450,184)	\$1,435,223,093	\$85,354,651	\$4,500,000	(\$62,372,400)

7. JumpStart Fund Policy Change – Additional Transfer to Support GF

As discussed previously, the JumpStart Fund spending plan codified in ORD 126393 allows for JumpStart Fund revenues to backfill GF revenues in the event they have not recovered to pre-COVID-19 levels. As also noted, budget legislation submitted with the 2022 Proposed Budget would revise these policies, allowing for a higher level of GF backfill in the 2022 Budget. Further, the proposed legislation would delete the Fund's spending plan provisions in 2023 and beyond and replace them with a broad set of funding parameters. This is envisioned as an ongoing change, as evidenced by the [six-year financial plans](#) for the GF and the JumpStart Fund submitted with the 2022 Proposed Budget, which shows an ongoing reliance on a transfer of up to \$150 million per year from the JumpStart Fund to the GF in order to balance the GF.

The following table adds in the additional amount of JumpStart Fund monies transferred to the GF.

Description	Uses	Resources			Total
	GF Expenditures	GF Revenues	JumpStart Fund	CLFR Fund	
2022 Base Budget	(\$1,484,577,385)	\$1,433,609,321	-	-	(\$50,968,064)
Fiscal Reserves	(\$25,000,000)	-	-	-	(\$25,000,000)
JumpStart Fund (ORD 126393)	-	-	\$85,354,651	-	\$85,354,651
ECI (GF)	(\$12,750,000)	-	-	-	(\$12,750,000)
Additional Proposals	(\$65,122,799)	\$1,613,772	-	\$4,500,000	(\$59,009,027)
JumpStart Policy Change	-	-	\$62,372,439	-	\$62,372,439
Subtotal	(\$1,587,450,184)	\$1,435,223,093	\$147,727,090	\$4,500,000	\$0

This resolves the remaining cumulative GF deficit from all the changes in prior subsection. Put another way, the additional increment of JumpStart Fund revenue transferred to the GF funds all of the incremental adds in the Mayor's 2022 Proposed Budget, in 2022 and in future years. This is not to say that the payroll expense tax revenue from the JumpStart Fund specifically supports any discrete GF increase, but rather that the higher level of JumpStart Fund support to the GF makes these adds possible.

As will be described later in the JumpStart fund discussion, this means that, nearly two-thirds of 2022 JumpStart Fund revenue will be transferred to the GF to support ongoing programs and new spending in 2023 and beyond, and the JumpStart Fund spending plan in ORD 126393 will be underfunded in future year, which makes the JumpStart Fund spend plan, as codified in ORD 126393 unsustainable. In 2023 and beyond, this will result in a lower investment in JumpStart Fund priorities from the payroll expense tax than originally envisioned, with the trade-off of higher levels of funding for GF programs and services. This will be analyzed in the context of the JumpStart Fund in the following section.

8. Issue Identification

Issue 1: Due to ongoing budget proposals in 2022, the proposed GF budget requires \$147.7 million of revenue from the JumpStart Fund to balance, which is \$62.3 million higher than the amount allowed per the current fund policy. This reduces the capacity of the JumpStart Fund to fund programs by a like amount in 2023 and beyond.

Options:

- A. Reduce the new spending in the 2022 Proposed Budget and reduce the transfer from the JumpStart Fund by the same amount, reallocating the resources for JumpStart Fund purposes.
- B. Change some amount of GF budget adds programmed as ongoing to one-time in 2022, reducing the ongoing reliance on JumpStart Fund beyond 2022. Though it should be noted that proposed adds that are really ongoing in nature (e.g., investments that are establishing new programs, hiring new staff, etc.) may not be workable as one-time investments.
- C. Identify a new revenue source to support some or all of the proposed new GF budget adds, and program a higher level of spending from the JumpStart Fund.
- D. No action

Issue 2: The proposed fiscal reserves policy change would bring 2022 ending reserves to a combined level that is \$15.6 million lower than required by current policy and provide four additional years to replenish reserves to the amount defined in current policy.

Options:

- A. Reject the proposed fiscal policy change and identify an additional \$15 million from any combination of reductions and/or new revenues to add an additional \$15.6 million to reserves in 2022.
- B. Revise the policy to allow for a longer or shorter repayment period.
- C. No action.

Issue 3: The Mayor’s Proposed Budget includes \$30 million for ongoing ECI investments but does not include a new progressive revenue source to support them.

Options:

- A. Change the appropriations to one-time and engage the ECI Task Force to identify an ongoing progressive revenue source.
- B. Reduce some or all of the proposed appropriations in 2022, recognizing that much of the 2021 appropriations for the ECI recommendations will carryforward into 2022, and engage the ECI Task Force to identify an ongoing progressive revenue source to support these investments ongoing in 2023 and beyond.
- C. No action.

IV. 2022 Proposed JumpStart Fund Spending Plan

1. JumpStart Fund Spending Plan Review

As described in the prior section, through ORD 126102, RES 31954, and most recently, ORD 126393, the City Council adopted a spending plan for the payroll expense tax revenues budgeted in the JumpStart Fund. As has also been discussed, the Mayor’s Proposed 2022 GF Budget relies on a higher contribution from the JumpStart Fund than provided in the JumpStart Fund policies codified in ORD 126393. This section will analyze the implications of that proposed policy change in the context of how the monies remaining in the JumpStart Fund are budgeted towards spending plan priorities in the 2022 Proposed Budget, and the potential implications of the policy change for future years’ budgets. It is important to note that, as discussed in the previous section, the original suite of legislation that built the spending framework for the new payroll expense tax revenues requested that the Executive submit an implementation plan in June 2021. While an implementation plan was not submitted at that time, given the ongoing nature of most of the uses of the JumpStart Fund payroll expense tax revenues in the 2022 Proposed Budget, this proposed budget could be read as the Executive’s JumpStart Fund implementation plan.

The following table shows the amount of appropriation authority, by category, that would be expected in 2022 using the current fund policy, after making the \$85 million transfer to the GF that is proscribed in the fund policy.

Description	Amount
Administration (5%) ²	\$373,182
Housing (62%)	
Housing & Services (82%)	\$79,684,731
Community Focused (13%)	\$12,632,945
Permanently Affordable Homeownership (5%)	\$4,858,825
Housing Subtotal	\$97,176,501
Equitable Development Initiative (9%)	\$14,106,266
Local Business, Tourism and Workforce Stability (15%)	\$23,510,444
Seattle's Green New Deal - RES 31895 (9%)	\$14,106,266
Total for JumpStart Fund Spend Plan (ORD 126393)	\$149,272,660

However, since the 2022 Proposed GF Budget relies on a \$147 million transfer from the JumpStart Fund to balance, only \$89.9 million of payroll expense tax revenues would remain in the JumpStart Fund for the spending plan, which is \$62.3 million lower than under the current policy given the payroll expense tax revenue forecast for 2022. To meet the ‘spirit’ of the JumpStart Fund spending plan in terms of funding amounts by category, the 2022 Proposed Budget dedicates \$65 million of one-time federal CLFR Fund monies towards one-time budget increases that ostensibly fit JumpStart Fund spending plan categories. These include \$50.5 million in OH’s 2022 Proposed Budget for capital investment in affordable rental housing production and preservation, and \$13.5 million for local economic recovery funding and \$1 million for Green New Deal purposes.

The following tables illustrate, by spending plan category and sub-category where appropriate, all the items in the Proposed Budget that the Executive indicates as meeting the spirit of the JumpStart Fund spending plan. The table also includes the fund source, whether the addition is one-time or ongoing, and denotes those items that also are included as ongoing ECI investments in the 2022 Proposed Budget. Special attention should be paid to items marked as ongoing, because approving these will mean they will be built into the base level of spending in 2023 and future years.

Administration

The JumpStart Fund policy provides for up to five percent of fund revenue to be use for costs of administering the tax and the programs it funds. In the table above, the five percent allowed for each spending category is added into the total allocation for each category. Based on the 2022 revenue forecast, the remainder between five percent of total revenues, and the amount allocated to discrete spending categories, is \$373,182. The following table shows the one

² The calculation of total allowed administrative costs is \$7.5 million. The Proposed Budget assumes the 5% administrative costs are embedded within each spending plan category, and this table is formatted in a similar fashion to allow comparisons.

independent administrative item proposed from the JumpStart Fund, which is funding for the Payroll Tax Oversight Committee facilitation.

Administration	JumpStart Fund	CLFR Fund	Total	Timing
Payroll Tax Oversight Committee Facilitation	\$150,947		\$150,947	OG
Total (Admin)	\$150,947		\$150,947	

Housing

At 62 percent of total fund revenues (after accounting for any transfers required to GF), housing represent the largest intended investment of JumpStart fund resources. The following table shows the Budget Proposals intended to meet the housing commitment, by subcategory.

Housing	JumpStart Fund	CLFR Fund	Total	Timing
Housing and Services (82%)				
Expanded Capital Investment in Affordable Rental Housing Production and Preservation		\$50,498,109	\$50,498,109	OT
Investments in Affordable Housing Capital	\$17,000,000		\$17,000,000	OG
Services to pair with Federal Emergency Housing Vouchers and other housing supportive services	\$6,000,000		\$6,000,000	OG
Funding for 6 Positions for King County Regional Homelessness Authority	\$811,244		\$811,244	OG
Maintain Funding for (Muslim Housing Services) Transitional Housing	\$100,000		\$100,000	OG
Services funding for non-congregate emergency shelter (120 units)	\$2,400,000		\$2,400,000	OG
Subtotal (Housing and Services 82%)	\$26,311,244	\$50,498,109	\$76,809,353	
Community Focused (13%)				
Investments to Address Residential Displacement (Strategic Investment Fund)	\$15,700,000		\$15,700,000	OG
Subtotal (Community Focused 13%)	\$15,700,000	\$0	\$15,700,000	
Permanently Affordable Homeownership 5%)	JumpStart Fund	CLFR Fund	Total	Timing
Reserve Funding for ECI Recommendation	\$250,000		\$250,000	OG
Ownership Retention Program (ECI)	\$875,000		\$875,000	OG
Homeownership Development (ECI)	\$4,875,000		\$4,875,000	OG
Continued Funding for Crisis Connections One Call	\$403,030		\$403,030	OT
Subtotal (Permanently Affordable Homeownership 5%)	\$6,403,030	\$0	\$6,403,030	
Total (Housing)	\$48,414,274	\$50,498,109	\$98,912,383	

There are several key takeaways from this table. The most critical takeaway is that \$50.5 million for Expanded Capital Investment in Affordable Rental Housing Production and Preservation is supported by one-time CLFR Fund monies. While this is an appropriate use of these one-time federal funds and could from another lens be viewed as potentially additive to the amounts available for housing from the JumpStart Fund, applying them as part of the JumpStart implementation plan means that in future years, the investment in housing will be \$50.5 million lower than envisioned in the JumpStart Fund ordinance spending plan.

Next, the total amount for housing is \$98.9 million, which is \$1.7 million higher than what is required by the current fund policy (\$97,176,501, as shown in the table at the front of Section IV). However, within the 'Housing and Services' subcategory, a total investment of \$79.7 million is provided in the spending plan, compared to an allocation of \$76.8 million in the Proposed Budget. In other words, this allocation is about \$2 million lower than intended. Further, there is \$3.7 million of ongoing spending for four items that would not meet the spending plan definition. In the table, these items are highlighted and include:

- Funding for 6 Positions for King County Regional Homelessness Authority: \$811,244
- Maintain Funding for (Muslim Housing Services) Transitional Housing: \$100,000
- Services funding for non-congregate emergency shelter (120 units): \$2.4 million
- Continued Funding for Crisis Connections One Call: \$403,030

These items, which are in HSD's 2022 Proposed Budget, are focused on meeting needs of those experiencing homelessness and to support mental health services and are not building or supporting housing added by the tax. Though it is worth noting that previous budget actions proposed by both the Mayor and the Council have contributed to increased ongoing expenditures to support the City's homelessness response that, absent continued growth in the GF, reductions in other City expenditures, or a new revenue source, may be difficult to sustain in future years.

In terms of other subcategories, the allocation to 'Community Focused' items, which is represented by \$15.7 million for investments to address residential displacement in OH's 2022 Proposed Budget, is approximately \$3 million higher than provided in the spend plan (\$12.6 million). Coupled with the under allocation of \$2 million noted above, this represents a shift in resources from the 'Housing and Services' subcategory, to the 'Community Focused' subcategory.

Local Business, Tourism and Workforce Stability

The following table includes the budget proposals intended to meet the commitment of 15 percent of fund revenues, which is \$23,510,444 for 2022.

Local Business, Tourism and Workforce Stability	JumpStart Fund	CLFR Fund	Total	Timing
Workforce Equity and WMBE Support (ECI)	\$1,000,000		\$1,000,000	OG
Youth Healthcare Career Exploration (ECI)	\$480,621		\$480,621	OG
Healthcare Career Pipeline (ECI)	\$1,680,621		\$1,680,621	OG
Small Business Development Capital (ECI)	\$4,980,621		\$4,980,621	OG
Small Business Technical Assistance (ECI)	\$2,480,621		\$2,480,621	OG
Healthcare Cost Tech Adjustment	\$77,516		\$77,516	OG
Maritime Workforce Development		\$500,000	\$500,000	OT
Individual Artist Relief and Workforce Development		\$1,500,000	\$1,500,000	OT
Workforce Development; Affordable Housing and Homeless Service Providers		\$750,000	\$750,000	OT
Priority Hire Expansion		\$500,000	\$500,000	OT
Re-employment Pathways for Immigrants and Refugees		\$250,000	\$250,000	OT
Small Business Ownership Fund		\$7,600,000	\$7,600,000	OT
Child Care Stabilization Grants Expansion		\$2,400,000	\$2,400,000	OT
Total (Local Economy)	\$10,700,000	\$13,500,000	\$24,200,000	

As shown in the table, the total funding in the proposed budget for local business, tourism and workforce stability is about \$700,000 higher than allocated in the spending plan. Particularly noteworthy is the reliance on \$13.5 million of one-time federal CLFR dollars, which will not be sustainable in 2023 and beyond.

Equitable Development Initiative

The following table includes the budget proposals intended to meet the Equitable Development Initiative commitment of nine percent of fund revenues, which is \$14,106,266 for 2022.

Equitable Development Initiative	JumpStart Fund	CLFR Fund	Total	Timing
Equitable Development Initiative and Strategic Investment Fund Expansion	\$13,889,084		\$13,889,084	OG
Administrative Support (staff support) for the Equitable Development Initiative and Strategic Investment Fund Expansion	\$410,916		\$410,916	OG
Total (Equitable Development Initiative)	\$14,300,000	\$0	\$14,300,000	

These two items are proposed in the Office of Planning and Community Development budget and represent slightly higher funding than the spending plan requirement. It is also worth noting that the Strategic Investment Fund (SIF), a one-time \$30 million fund to support property acquisition for similar projects, was budgeted in Finance General in the 2021 Adopted Budget. It was allocated in September to OPCD and the Office of Arts and Culture, and EDI staff will oversee implementation of the SIF. To avoid confusion, from Central Staff’s perspective the SIF will not be funded in 2022. EDI funding can be used for property acquisition.

Green New Deal

The following table includes the budget proposals intended to meet the \$14,106,266 Green New Deal spending level in the current JumpStart Fund policy.

Green New Deal	JumpStart Fund	CLFR Fund	Total	Timing
Green New Deal Reserve	\$6,491,539		\$6,491,539	OG
Clean Buildings Accelerator Program	\$220,000		\$220,000	OG
Increase Environmental Justice Fund (ECI)	\$550,000		\$550,000	OG
Expand Youth Leadership, Capacity Building, and Duwamish Valley Youth Corps	\$500,000		\$500,000	OG
Single Family Oil Heat Conversion	\$1,498,461		\$1,498,461	OT
Oil Home Heating Conversions	\$200,000		\$200,000	OT
Duwamish Valley Program Development Projects	\$2,300,000		\$2,300,000	OT
Rebates for Heavy-Duty Electric Vehicles	\$1,000,000		\$1,000,000	OT
Duwamish Green Workforce Development Investments	\$275,000		\$275,000	OT
Climate Implementation Plan and Calculator	\$300,000		\$300,000	OT
Clean Energy Pre-Apprenticeship Scholarships		\$1,000,000	\$1,000,000	OT
Total (Green New Deal)	\$13,335,000	\$1,000,000	\$14,335,000	

In aggregate, these items provide slightly higher Green New Deal funding than the spending plan allocates. However, like the 'Housing' and 'Recovery' categories, a portion of the spending is supported by one-time CLFR Fund resources, meaning a lower potential investment in 2023 and future years. This is represented by the \$1 million for Clean Energy Pre-Apprenticeships that would be managed by the Office for Sustainability and the Environment in 2022.

Meeting the Spirit of JumpStart Fund Spending Plan in 2022

With the exceptions noted above, particularly with regards to the use of \$3.7 million of JumpStart Fund monies intended for affordable housing investments to instead support homelessness services and mental health services, and the use of around \$2 million more funding for 'Community Focused' housing investments instead of capital cost and related services for new affordable 'Housing and Services', the proposed budget allocations broadly align with the spending plan.

Sustainability of the JumpStart Spending Plan

The following table summarizes the fund sourcing for the JumpStart Fund spending plan in the 2022 Proposed Budget.

Timing	JumpStart Fund	CLFR	Total
Ongoing	\$80,923,730		\$80,923,730
One-time	\$5,976,491	\$64,998,109	\$70,974,600
Total	\$86,900,221	\$64,998,109	\$151,898,330

While the spirit of the spending plan can be largely met in 2022, with exceptions noted above, the 2022 Proposed Budget requires using \$65 million of one-time federal dollars to do so. Further, the GF's reliance on a higher-than-intended ongoing transfer-in from the JumpStart Fund in 2022 and beyond to support new and ongoing GF funding proposals, as described in Section III, means that this unsustainability in the JumpStart Fund will likely be permanent under the Mayor's proposal. Significantly, the one-time funds are used for housing and local economic and workforce development, which means that the potential investments in these categories from the JumpStart fund would potentially be significantly reduced in future years.

It bears repeat mention that the Executive submitted budget legislation that would change the JumpStart Spending plan for 2022 to match amounts included in the proposed budget, allowing for a higher use of payroll expense tax revenues to support the GF and would completely rescind the spending plan in 2023 and beyond.

2. Issue Identification

Issue 1: Proposed budget legislation would change the spending allocations governing use of JumpStart Fund payroll expense tax revenues in 2022 and would eliminate the spending plan in future years.

Options:

- A. Do not pass budget legislation changing the JumpStart Fund policies and amend the Proposed Budget to align with existing policies.
- B. Amend the legislation to allow different uses for 2022 but retain the spending plan for future years.
- C. Amend the spending plan to change the uses in 2022 and continue them at a similar level in future years.
- D. No action.

Issue 2: Due to the use of one-time federal CLRF Fund monies to meet JumpStart Fund spending plan housing investments in 2022, coupled with an assumed higher level of JumpStart Fund support of the GF in 2022, in future years the JumpStart Fund will have \$65 million less for spending plan priorities in 2023 and beyond.

Options:

- A. Use up to \$65 million of CLRF monies to support one-time 2022 GF proposals using revenue replacement provisions in the American Rescue plan Act, reducing the amount of JumpStart Funds deposited into the GF in 2022. This would swap the \$65M of CLRF funds described as meeting the 'spirit' of the JumpStart priorities with JumpStart funds, which would bring 2022 JumpStart Fund appropriations closer to compliance with existing policy. This will reduce the amount of assumed GF available for general use in 2023 and beyond
- B. Cut up to \$65 million of ongoing GF proposals, reduce the GF transfer from the JumpStart Fund to the GF by a similar amount, and fund the same amount from the JumpStart Fund for housing and local economic recovery spending plan items, additive to the CLRF Fund allocations.
- C. No action.

Issue 3: Approximately \$3.7 million of funding for services for people experiencing homelessness and mental health services is allocated from the JumpStart Fund.

Options:

- A. Cut or reduce these items.
- B. Identify a new source of revenue for these items.
- C. No action.

Attachments:

- A. Year-end grant acceptances
- B. General Fund Operating and Capital Policy Item List

Attachment A - Year End Grant Acceptances

Item	Department	Grantor	Purpose	Fund	Amount
1.1	Department of Education and Early Learning	Department of Children, Youth & Families	The Early Childhood Education and Assistance Program (ECEAP) contract provides high quality preschool services for low-income families. The additional amount is for complex needs and summer programming.	General Fund (00100)	\$505,496
1.2	Human Services Department	Washington State Department of Social and Health Services (DSHS)	To increase access to Coronavirus Disease 2019 (COVID-19) vaccines for older adults in King County.	Human Services Fund (16200)	\$291,422
1.3	Human Services Department	Washington State DSHS	To provide education on COVID-19 and assistance with accessing COVID-19 vaccines to older adults and people with disabilities in King County.	Human Services Fund (16200)	\$104,955
1.4	Human Services Department	Washington State Department of Commerce	The State of Washington's Department of Commerce will administer the Tiny Homes (Seattle) Project. The appropriation of \$2,000,000 was approved in the 2021-2023 State Capital Budget. After administrative overhead, Seattle will receive a net grant award of \$1,960,000.	Human Services Fund (16200)	\$1,960,000
1.5	Executive (Office of Immigrant and Refugee Affairs)	Washington DSHS	Support for services to participants in the New Citizen Program (naturalization candidates) who receive State benefits through DSHS.	General Fund (00100)	\$670,000
1.6	Executive (Office of Immigrant and Refugee Affairs)	Foundation to Promote Open Society	The purpose of the grant is to support and coordinate city government outreach efforts and responses to vulnerable immigrant communities during the COVID-19 pandemic and recovery.	General Fund (00100)	\$55,000
1.8	Seattle Department of Transportation	Washington State Department of Transportation (WSDOT) - Regional Mobility Grant (RMG)	This grant will fund improvements to the Route 40 Transit Plus Multimodal Corridor and support conversion to RapidRide service by partner King County Metro.	Transportation Fund (13000)	\$3,000,000

Item	Department	Grantor	Purpose	Fund	Amount
1.9	Seattle Department of Transportation	WSDOT	This grant will fund the construction of a protected bike line and other pedestrian and bicycle safety improvements along Martin Luther King Jr. Way between Rainier Ave S and S Judkins St.	Transportation Fund (13000)	\$1,800,000
1.10	Seattle Department of Transportation	WSDOT	This grant from WSDOT's Safe Routes to School program will fund pedestrian safety improvements on NE 135th St between 27th Ave NE and 37th Ave NE.	Transportation Fund (13000)	\$620,000
1.12	Seattle Department of Transportation	WSDOT	This grant will be used to construct the Madison Bus Rapid Transit (BRT) project. Construction is estimated to begin during the fourth quarter of 2021.	Transportation Fund (13000)	\$2,545,000
1.13	Seattle Department of Transportation	WSDOT and United States Department of Transportation (USDOT)	These grants will be used to make significant bridge repairs on the West Seattle High-Rise Bridge, which is currently closed due to structural deficiencies, as well as the Spokane Street Swing Bridge ("low bridge") running adjacent to the High-Rise bridge. The project will provide structural stabilization repairs to reopen the High-Rise Bridge and will make repairs related to load rating compliance on the low bridge. Overall project improvements will include replacement of damaged bridge decks, expansion joints, barrier segments, and seismic restrainers. Both grants require a 20% match, and this has been budgeted.	Transportation Fund (13000)	\$23,250,600
1.14	Seattle Department of Transportation	WSDOT	This grant will fund construction of pedestrian and bicycle safety improvements on Greenwood Ave N and for the 1st Ave NW Neighborhood Greenway.	Transportation Fund (13000)	\$1,000,000
1.15	Seattle Department of Transportation	National Highway System (NHS)	This NHS Asset Management Award will fund mill and overlay, pavement repair, crack seal, and curb ramp upgrades on 11th/12th Ave NE.	Transportation Fund (13000)	\$3,184,000
1.16	Seattle Department of Transportation	NHS	This NHS Asset Management Award will fund improvements on Ballard Bridge including mill and overlay, pavement repair, crack seal, curb ramp upgrades, and replacement of asphalt surface.	Transportation Fund (13000)	\$5,000,000

Item	Department	Grantor	Purpose	Fund	Amount
1.17	Seattle Department of Transportation	WSDOT - RMG	This grant will fund Design and Construction for roadway improvements as part of the RapidRide J/Roosevelt project.	Transportation Fund (13000)	\$3,000,000
1.18	Seattle Department of Transportation	Federal Highway Administration (FHWA)	This grant will fund the portion of the Downtown Bike Network project that connects the Elliott Bay Trail to the Waterfront Park Promenade and Bike Path along Alaskan Way between Broad St and Virginia St. The grant constitutes 30% of the project budget.	Transportation Fund (13000)	\$2,400,000
1.19	Seattle Department of Transportation	FHWA	This grant will fund the construction of a protected bike line and other pedestrian and bicycle safety improvements along Martin Luther King Jr. Way between Rainier Ave S and S Judkins St.	Transportation Fund (13000)	\$1,800,000
1.20	Seattle Public Library	Washington State Library	This grant will support the deployment of additional laptops and hotspots, in addition to in-language navigator services which will include virtual outreach and an assessment to track quantitative and qualitative outcomes.	Library Fund (10410)	\$37,500
				Library Fund (10410)	\$155,000
1.21	Seattle Public Library	Washington State Library	This grant will focus on the continued digitalization of the Library's Northwest Photograph Collection, which includes over 1,400 historic photographs of people and places in Washington, Oregon, British Columbia, and Alaska.	Library Fund (10410)	\$15,000
Total					\$51,393,973

Attachment B - General Fund Operating and Capital Policy Item List*

*Sorting between technical/baseline and policy items relies on some level of manual analysis and may not be perfect. As such, table may include some small, yet purely technical, items.

	Ongoing	Onetime	Total
City Budget Office			
Increase to Budget and Policy Analysis	\$163,679		\$163,679
New Office of Economic and Revenue Forecasts	(\$19,151)		(\$19,151)
Civil Service Commissions			
Positions Reclassification Increase	\$30,000		\$30,000
Increase for Ongoing Subscriptions and Services	\$10,000		\$10,000
Community Police Commission			
Funding for Pilot Community Police Oversight Young Leader Internship & Fellowship Program	\$32,044		\$32,044
Community Safety and Communications Center			
Back of House Staffing for Administrative Support	\$726,037		\$726,037
Deputy Director for the CSCC	\$230,958		\$230,958
Fund a Technical and Operational Study for 911 Center		\$150,000	\$150,000
Department of Finance and Administrative Services			
American Medical Response Study		\$25,000	\$25,000
Temporarily Defund Vacant Tax Positions		(\$766,014)	(\$766,014)
Ethics and Elections Commission			
Lobbying Administration 1.0 FTE	\$151,701		\$151,701
Finance General			
Participatory Budgeting Reserve	\$30,000,000		\$30,000,000
Insurance Premium Cost Increase	\$2,441,000		\$2,441,000
Arena Payments	\$1,328,000		\$1,328,000
HSD Finance Support Reserve		\$600,000	\$600,000
Human Services Department			
Continuation of Funding for Community Safety Capacity Building	\$10,000,000		\$10,000,000
Regional Peacekeepers Collective		\$1,500,000	\$1,500,000
Funding for Services from agencies specializing in American Indian and Alaska Native populations	\$1,200,000		\$1,200,000
Gender-Based Violence Victims Services	\$875,000		\$875,000
Investments to Address Hate Crimes	\$400,000		\$400,000
Transfer HealthOne Budget from SFD to HSD	\$349,120		\$349,120
Two additional Victim Advocates	\$219,817		\$219,817
Language Premium Staff Stipend	\$192,000		\$192,000
Visiting Nurse Project	\$150,000		\$150,000
Domestic Violence Intervention Project (DVIP)			
HSD Leadership Structure Change			
Transfer LEAD Contract Budget to Safe and Thriving Communities Division			
Continuing 2021 Q2 Supplemental Items	(\$96,387)		(\$96,387)

	Ongoing	Onetime	Total
Law Department			
Civil Division Attorney Staffing	\$898,846	\$6,000	\$904,846
Electronic Discovery Staffing	\$283,195	\$4,000	\$287,195
Criminal Case Management System (CCMS) Licensing and Maintenance	\$247,490		\$247,490
Fully Staff Current Pre-File Diversion Program	\$245,490	\$2,000	\$247,490
Fund Human Resources Manager	\$165,029	\$2,000	\$167,029
Firearms Surrender MOA with King County	\$145,484		\$145,484
Fund Personnel Specialist	\$96,799		\$96,799
Legislative Department			
Restore General Fund	\$500,000		\$500,000
Office for Civil Rights			
Increase Seattle Disability Commission Support	\$66,000		\$66,000
Office of Arts and Culture			
Individual Artist Relief and Workforce Development		\$1,500,000	\$1,500,000
Office of Economic and Revenue Forecasts			
Position Changes and Personnel Costs	\$484,669		\$484,669
Office Setup and Operations	\$126,250	\$24,000	\$150,250
Office of Economic Development			
Maritime Workforce Development		\$500,000	\$500,000
Office of Emergency Management			
Add Funding for Finance & Grants Management Position	\$66,698		\$66,698
Office of Housing			
Workforce Development; Affordable Housing and Homeless Service Providers		\$750,000	\$750,000
Office of Immigrant and Refugee Affairs			
Re-employment Pathways for Immigrants and Refugees		\$250,000	\$250,000
Language Access and Contracting Capacity	\$246,656		\$246,656
Language Premium Staff Stipend	\$12,000		\$12,000
Office of Inspector General for Public Safety			
Staffing Surveillance Ordinance Requirements	\$363,679	\$20,000	\$383,679
Additional Investigator for OPA Oversight	\$151,701	\$10,000	\$161,701
Office of Planning and Community Development			
Comprehensive Plan Major Update – Phase 2		\$220,000	\$220,000
Transfer On-Loan Position to Seattle Center	(\$197,392)		(\$197,392)
Duwamish Valley Program Staffing and Engagement	\$192,722		\$192,722
Indigenous Planner	\$158,684		\$158,684
Regional Growth Center Subarea Planning		\$150,000	\$150,000
Equitable Zoning Outreach		\$25,300	\$25,300
RSJI Training	\$18,000		\$18,000
CoStar Multifamily and Commercial Real Estate Database Subscription	\$13,000		\$13,000
OPCD Internal Reorganization	(\$2,976)		(\$2,976)

	Ongoing	Onetime	Total
Office of Sustainability and Environment			
Clean Energy Pre-Apprenticeship Scholarships		\$1,000,000	\$1,000,000
Greening Industrial Properties in the Duwamish Valley		\$300,000	\$300,000
Duwamish Valley Business Relief and Response	\$200,000	\$75,000	\$275,000
Transportation Electrification Program Support	\$154,926		\$154,926
Green New Deal Coordination	\$15,000		\$15,000
Office of the City Auditor			
Restore General Fund	\$100,000		\$100,000
Office of the Employee Ombud			
Increase Anti-Hate Crimes Training Capacity	\$151,701		\$151,701
Increase Administrative Support Capacity	\$87,618		\$87,618
Seattle Center			
Transfer On-Loan Position to Seattle Center	\$197,392		\$197,392
Restoration of McCaw COVID Reductions			
Seattle Department of Construction and Inspections			
Unreinforced Masonry (URM) Program	\$98,843	\$101,156	\$199,999
Small Business Permit Facilitator	\$29,072		\$29,072
Code Compliance Staffing	(\$171,047)		(\$171,047)
Seattle Department of Human Resources			
Reinstate the City Leadership Academy Program	\$249,239		\$249,239
Executive Recruitment Unit Addition	\$247,931		\$247,931
Restore Career Quest Scholarships and Implement Central Mentorship Tracking	\$175,000		\$175,000
Convert Temporary Health Advocacy Advisor to Permanent	\$162,746		\$162,746
Increase Policy Management Capacity	\$151,701		\$151,701
Add Position to Support Community Service Preference Points	\$62,153		\$62,153
Seattle Department of Transportation			
Center City Connector Project Development Update		\$2,400,000	\$2,400,000
CIP Adjustment	\$1,464,836		\$1,464,836
Planning and Street Use Reductions		\$575,399	\$575,399
TNC Tax Funding for ReSET Capital Programs		\$400,000	\$400,000
Transportation Equity Workgroup	\$183,709		\$183,709
TNC Tax Funding for ReSET O&M Programs		\$150,000	\$150,000
SDOT Staffing Needed to Support Existing Commitments			
Program Reductions		(\$300,506)	(\$300,506)
Transfer to Support SPU RV Remediation	(\$556,064)		(\$556,064)
Transit and Mobility Reductions	(\$640,000)	(\$1,078,114)	(\$1,718,114)
Transportation Operations Reductions		(\$2,056,703)	(\$2,056,703)

	Ongoing	Onetime	Total
Seattle Fire Department			
Triage Team Response Program		\$2,150,000	\$2,150,000
Fire Incident Reporting IT System Upgrade		\$499,000	\$499,000
Safety and Training IT System Upgrade		\$318,000	\$318,000
Add Diversity Recruitment and Work Culture FTE	\$166,663		\$166,663
L27 Crisis Counseling Services	\$150,000		\$150,000
Add Training Coordinator to Fire Alarm Center	\$108,196		\$108,196
Seattle Municipal Court			
RSJI Training and Leadership Development		\$168,000	\$168,000
Community Based Provider Contract - Court Resource Center	\$140,000		\$140,000
Jail Diversion Subsidized Home Monitoring Program	\$88,000		\$88,000
S Language Premium Staff Stipend	\$43,200		\$43,200
Seattle Parks and Recreation			
Security & Compliance	\$963,004		\$963,004
Support City Efforts to Maintain Clean and Accessible Parks and ROW	\$900,000		\$900,000
Rise Above		\$200,000	\$200,000
Language Premium Staff Stipend	\$40,800		\$40,800
MPD Funding Realignment for Equitable Park Development Fund (see Capital Changes)			
Make Approved TLT Positions Permanent			
MPD Funding Realignment for HR/Workforce Equity (see Capital Changes)			
Formalize Rec'N the Streets Program			
SMPD Funding Realignment for Departmental Equity Team (see Capital Changes)			
Increase SDOT Payment for ROW Obstruction Removals	(\$100,000)		(\$100,000)
Seattle Police Department			
Language Premium Staff Stipend	\$19,200		\$19,200
Office of Police Accountability Video Analyst	\$151,698	\$5,000	\$156,698
Technology Investments			
Community Service Officer Expansion	\$116,274	(\$116,274)	
Hiring and Retention Incentives			
Reduction for Community Safety Investments		(\$3,650,000)	(\$3,650,000)
Seattle Public Utilities			
Expanded RV Remediation	\$556,063		\$556,063
Funding additional three hygiene stations	\$274,500		\$274,500
General Fund - Clean City Administrative Support	\$233,056		\$233,056
General Fund - RV Remediation TES Conversion	\$129,302		\$129,302
Grand Total	\$59,010,555	\$6,112,244	\$65,122,799



Legislation Text

File #: Inf 1900, **Version:** 1

Department of Education and Early Learning (DEEL)

Budget Deliberations & Issue Identification

Department of Education and Early Learning

Select Budget Committee | October 13, 2021

Brian Goodnight, Analyst



Budget Summary (\$ in 000s)

	2021 Adopted	2022 Proposed	% Change
Appropriations by BSL			
Early Learning	\$58,358	\$65,108	11.6%
K-12 Programs	\$33,835	\$38,254	13.1%
Leadership & Administration	\$7,057	\$7,620	8.0%
Post-Secondary Programs	\$5,212	\$12,282	135.6%
Total Appropriations	\$104,463	\$123,264	18.0%
Total FTEs	110.5	117.5	6.3%
Revenues			
General Fund	\$11,403	\$16,069	40.9%
Other Sources	\$93,060	\$107,195	15.2%
Total Revenues	\$104,463	\$123,264	18.0%



Background (1/2)

FEPP Levy Undesignated Fund Balance

Implementation & Evaluation Plan provides the following direction:

"...the priority for unspent and unencumbered funds at the end of each fiscal year will be to supplement the Seattle Preschool Program..."

"... Any other proposed use of annual underspend will be reviewed and recommended by the [Levy Oversight Committee] and approved by the Council through the annual budget process or other legislation."



Background (2/2)

FEPP Levy Undesignated Fund Balance (cont'd)

At the end of 2021, DEEL estimates the undesignated fund balance will be \$14.4 million.

- 2020: \$10 million
- 2021: \$4.4 million

DEEL recommends reserving funds to address potential risks in 2023-2026:

- Early Learning – projected funding gap of \$3-\$6 million
- Seattle Promise – projected funding gap of \$8-\$12 million



Issue Identification (1/8)

1. Seattle Promise Enhancements

The 2022 Proposed Budget includes \$6.7 million of Coronavirus Local Fiscal Recovery (CLFR) funds to continue investing in a set of enhancements to the Seattle Promise program.

DEEL received a \$4 million allocation from the first tranche of CLFR funding in June 2021 as part of Seattle Rescue Plan 1.



Issue Identification (2/8)

Table 1: Current and Proposed Use of CLFR Funds (\$ in 000s)

Enhancement	2021	2022	2023	Total
A. Increasing the Equity Scholarship	\$700	\$700	\$500	\$1,900
B. Enhance Support for Students	\$400	\$300	\$100	\$800
C. Program Re-Entry for Students	\$0	\$400	\$500	\$900
D. Readiness Academy/Academic Bridge	\$900	\$300	\$300	\$1,500
E. Enrollment Fees	\$200	\$200	\$0	\$400
F. Completion Commitment	\$800	\$800	\$400	\$2,000
G. Sustain Increased Enrollment	\$200	\$900	\$0	\$1,100
H. WA State Opportunity Scholarship Investment	\$200	\$200	\$0	\$400
I. Transfer Support to 4-Year College	\$500	\$500	\$0	\$1,000
J. Program Staffing Support	\$100	\$300	\$300	\$700
Total	\$4,000	\$4,600	\$2,100	\$10,700



Issue Identification (3/8)

Sustainability of Enhancements – five enhancements are considered ongoing, and will extend beyond the depletion of the one-time CLFR funds

Table 2: Ongoing Enhancements and Projected Funding Gaps (\$ in 000s)

Enhancement	2023*	2024	2025	2026	Total
A. Increasing the Equity Scholarship	\$200	\$700	\$700	\$700	\$2,200
B. Enhance Support for Students	\$100	\$400	\$400	\$400	\$1,300
D. Readiness Academy/Academic Bridge	\$200	\$500	\$500	\$300	\$1,500
G. Sustain Increased Enrollment	\$1,000	\$1,000	\$1,000	\$500	\$3,500
J. Program Staffing Support	\$0	\$400	\$400	\$200	\$1,000
Total	\$1,500	\$3,000	\$3,000	\$2,000	\$9,400

Numbers may not add up due to rounding

*The amounts in the 2023 column are in addition to the CLFR amounts for 2023 shown in Table 1



Issue Identification (4/8)

FEPP Implementation & Evaluation Plan provides the following direction:

"In the event that demand for Seattle Promise tuition supports exceed supply, tuition funds will be prioritized for low-income, first-generation (i.e. students who are first in their family to attend college), and/or African American/Black, Hispanic/Latino, Native American, Pacific Islander, underserved Asian populations, other students of color, refugee and immigrant, homeless, English language learners, and LGBTQ students."



Issue Identification (5/8)

Consistency with Racial Equity Toolkit Analysis – In December 2020, the Seattle Promise Racial Equity Toolkit (RET) Team released its final report on the Seattle Promise program.

RET Team members analyzed 14 program elements and provided recommendations and priority groupings for each of the analyzed elements.

The program enhancements that DEEL has pursued with CLFR funding include three of the RET Team’s high-priority items and two medium-priority items.



Issue Identification (6/8)

Abridged Table 3: Program Enhancements & RET Team Recommendations

Enhancement	Recommendations/Considerations	Priority
B. Enhance Support for Students	Designing support staff as a ratio does not seem equitable; Seattle Colleges should have flexibility in moving staff to meet student needs	Medium
C. Program Re-Entry for Students	Students should be allowed to re-enter the program	High
D. Readiness Academy/Academic Bridge and F. Completion Commitment	Leadership from program partners should develop a plan to address the systemic issue of students needing to take remedial courses; program could allow for coursework beyond the two-year or 90-credit limitation	High
E. Enrollment Fees	Mandatory and general fees for all 0 EFC students should be covered; mandatory fees for all 1-1000 EFC students should be covered	High
G. Sustain Increased Enrollment	Acknowledged Implementation & Evaluation Plan guidance; decision may need to be based on applications received in a previous year	Medium



Issue Identification (7/8)

Options:

- A. Prioritize CLFR funding toward the enhancements that are limited in duration, in recognition of the one-time funding source.
- B. Prioritize CLFR funding toward the enhancements that have been evaluated and prioritized by the RET Team, thereby potentially extending the duration of the CLFR support for those efforts.

Both of these options will need to address the contractual commitments DEEL has already entered into and the progress the department has made in hiring the two positions approved in the 2021 Mid-Year Supplemental.



Issue Identification (8/8)

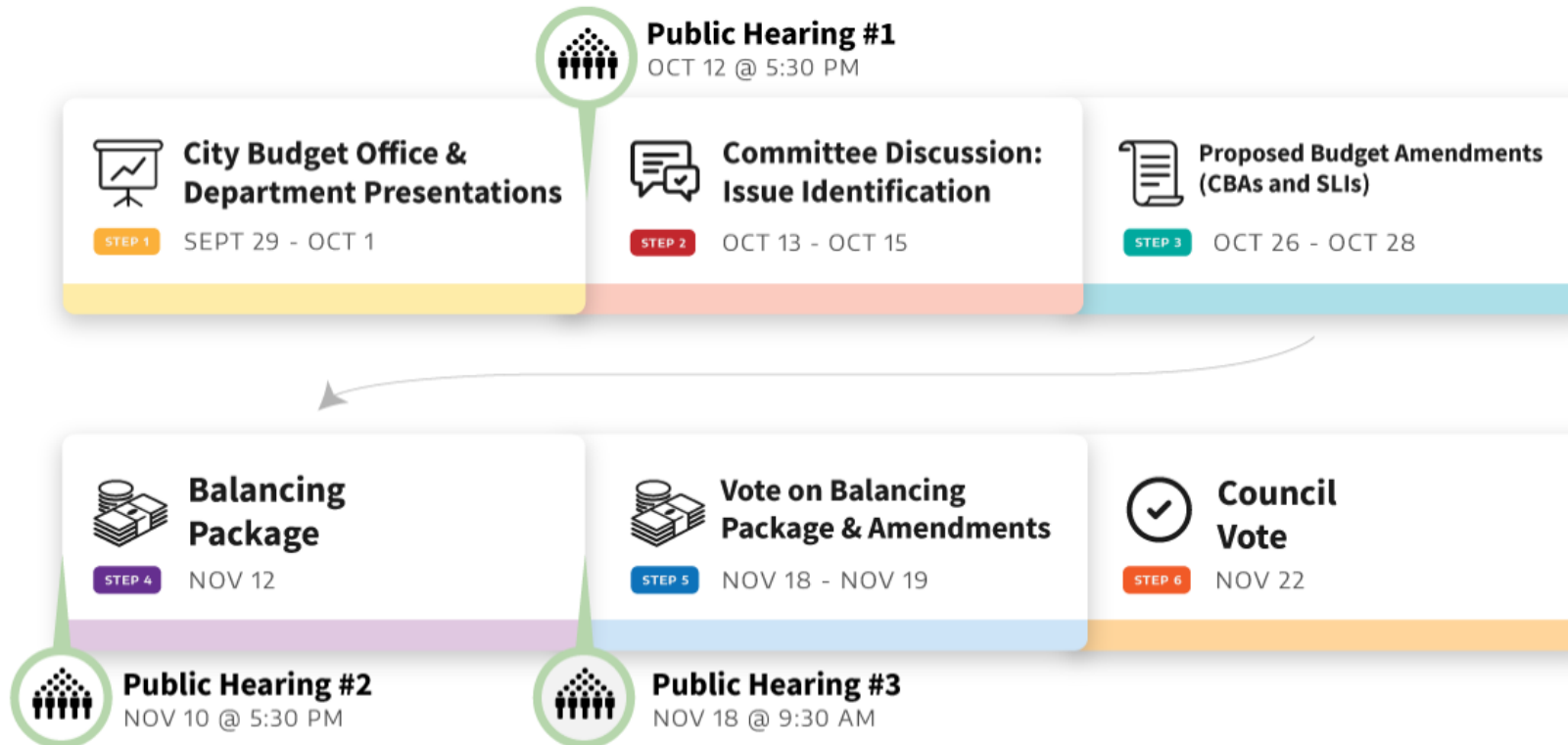
Options (cont'd):

- C. Approve the proposed CLFR allocation and request that DEEL begin working on a legislative proposal for the Council to prioritize enrollment in the Seattle Promise program consistent with the priorities established in the FEPP Implementation & Evaluation Plan.
- D. No action



Questions?

Budget Timeline | FALL 2021



Department of Education and Early Learning

Staff: Brian Goodnight

Budget Summary (\$ in 000s)

	2021 Adopted	2022 Proposed	% Change
Appropriations by BSL			
Operating			
Early Learning	\$58,358	\$65,108	11.6%
K-12 Programs	\$33,835	\$38,254	13.1%
Leadership & Administration	\$7,057	\$7,620	8.0%
Post-Secondary Programs	\$5,212	\$12,282	135.6%
Total Appropriations¹	\$104,463	\$123,264	18.0%
Total FTEs	110.5	117.5	6.3%
Revenues			
General Fund	\$11,403	\$16,069	40.9%
Other Sources	\$93,060	\$107,195	15.2%
Total Revenues	\$104,463	\$123,264	18.0%

¹ Numbers may not add up due to rounding.

I. Background

The Department of Education and Early Learning (DEEL) is responsible for developing and managing the City’s education policies and programs, and DEEL serves as the liaison with the City’s educational partners. The department also administers the Families, Education, Preschool, and Promise (FEPP) Levy, which voters approved in 2018 as the replacement for two expiring levies: the 2011 Families and Education Levy and the 2014 Seattle Preschool Program Levy. The FEPP Levy combines the activities of the two previous levies and expands the City’s education investments to cover the first two years of college. The current FEPP Levy will continue through 2025 and fund education services through the 2025-26 school year.

The 2022 Proposed Budget is approximately \$123.3 million, an increase of \$18.8 million relative to the 2021 Adopted Budget. In addition, the proposed budget continues to fund approximately \$1.4 million of early learning personnel costs and \$676,000 of costs for the ParentChild+ home visitation program for two- and three-year-old children with fund balance from the 2011 Families and Education Levy. These costs would typically be funded with General Fund, and the 2021 Adopted Budget included a similar fund swap. The City Budget Office has indicated that it intends to restore these expenses to the General Fund in 2023.

DEEL’s proposed budget also increases by 7.0 FTE relative to the 2021 Adopted Budget. Four of these positions were approved in the 2021 Mid-Year Supplemental, via [Ordinance 126429](#), and one of the positions is related to the Equitable Communities Initiative, which is described below.

The remaining two proposed positions are:

- 1.0 FTE Data and Evaluation Analyst to collect, analyze, and communicate data regarding DEEL's K-12 investments, and
- 1.0 FTE Senior Finance Analyst to provide general financial and accounting support to address DEEL's expanding programming.

Some of the other notable changes in the budget include:

- \$6.7 million – Seattle Promise Enhancements – This allocation of Coronavirus Local Fiscal Recovery (CLFR) funds would continue investing in a set of enhancements to the Seattle Promise program. This proposal is discussed in the Issue Identification section.
- \$4.0 million – Equitable Communities Initiative – This proposal would continue funding for an Equity and Cultural Education Fund that originated from the Equitable Communities Initiative Task Force's recommendations. This is a joint project between DEEL and the Office of Arts and Culture (ARTS). In August, via [Ordinance 126401](#), Council provided \$4 million GF to DEEL and \$2 million GF to ARTS for the effort. The departments intend to issue a Request for Information (RFI) at the end of the first quarter 2022 for the 2021 allocation.

The fund is intended to benefit Black, Indigenous, and People of Color (BIPOC) youth impacted by systemic inequities in education. Activities supported by the fund include youth leadership and cultural education; family support and engagement; and educator diversity and professional/organizational development. Funds will be targeted toward community-based organizations and sole proprietors that are BIPOC-led.

The funding in the proposed budget would also support one new permanent position (a K-12 Program Advisor proposed in the Year-End Supplemental) and two temporary positions (a Data Advisor and a Senior Grants and Contracts Specialist).

- \$2.4 million – Child Care Stabilization Grants – This proposed increase would fund another round of stabilization grants for licensed child care centers and Family Child Care homes (FCCs), as well as Family, Friend, and Neighbor (FFN) caregivers. The Council has funded two prior rounds of child care stabilization grants, in August 2020 ([Ordinance 126149](#)) and April 2021 ([Ordinance 126320](#)). In total, the first two rounds provided grants to 436 licensed providers, with an average grant award of about \$6,500, and 162 FFN caregivers, with a flat award amount of \$500. DEEL plans to take an approach that is similar to the prior rounds with this new funding round, although the department will continue to engage local provider community groups regarding the opportunity. Additionally, the Washington State Department of Children, Youth, and Families will be releasing its federally funded stabilization grants within the next few months, and DEEL will attempt to tailor its program based on the impacts the state grants have on the Seattle child care community.

- \$1.5 million – Prenatal-to-Three Grant Program – This proposal provides ongoing Sweetened Beverage Tax (SBT) funding to continue a prenatal-to-three grant program that started in 2021 and was identified as a one-time investment. The SBT Community Advisory Board has recommended that this program become permanent and ongoing. The program provides funding to community-based organizations that specialize in high-quality prenatal-to-three and kindergarten readiness services that seek to reduce disparities in outcomes for children based on race, gender, or other socioeconomic factors.

FEPP Levy Undesignated Fund Balance

At the September 29 meeting of the Select Budget Committee, Councilmembers requested additional detail related to the FEPP Levy’s undesignated fund balance, often referred to as underspend, along with DEEL’s plans and rationale for utilizing those resources in future years.

The FEPP Levy Implementation and Evaluation Plan (I&E Plan), approved by Council in April 2019 via [Ordinance 125807](#), provides direction and states the Council’s priority for use of levy underspend. The I&E Plan states the following:

“Throughout the year, DEEL will monitor actual spending in each investment area. Per Council [Resolution 31821](#), the priority for unspent and unencumbered funds at the end of each fiscal year will be to supplement the Seattle Preschool Program, with the goal of increasing the number of available preschool slots for three- and four-year old children. Any other proposed use of annual underspend will be reviewed and recommended by the [Levy Oversight Committee] and approved by the Council through the annual budget process or other legislation.”

DEEL estimates that by the end of 2021, the FEPP Levy’s undesignated fund balance will be approximately \$14.4 million. Due to the effects of the pandemic, levy expenditures in 2020 were significantly below expectations, resulting in the levy fund ending the year with an undesignated fund balance of approximately \$10 million. For 2021, DEEL projects that the levy will underspend its budget by an additional \$4.4 million, resulting in the total undesignated fund balance of \$14.4 million.

The 2022 Proposed Budget does not propose to use any of this undesignated fund balance in 2022. Rather, DEEL’s recommendation is to reserve these funds to address two areas that the department sees as potential risks in future years: early learning and Seattle Promise. In a presentation to the Levy Oversight Committee (LOC) on August 26, DEEL presented information indicating that during the years 2023 through 2026 (when the current FEPP Levy ends), early learning will have a cumulative funding gap of between \$3 million and \$6 million; and Seattle Promise will have a cumulative funding gap of between \$8 million and \$12 million during the same time period.

For early learning, DEEL described the funding gap as being impacted by:

- (1) increasing provider costs;
- (2) provider staff shortages;
- (3) high inflationary growth for providers' maintenance and operations; and
- (4) declining tuition revenue.

With respect to Seattle Promise, the funding gap impacts were listed as:

- (1) increasing enrollment;
- (2) Racial Equity Toolkit recommendations; and
- (3) federally funded equity program enhancements.

(Additional information on the potential funding gap for Seattle Promise is presented in the Issue Identification section.)

During that meeting, DEEL recommended to the LOC that the \$10 million of undesignated fund balance from 2020 be set aside as a reserve to ensure the sustainability of DEEL programs throughout the life of the current FEPP Levy. The LOC discussed the proposal and voted to support setting aside \$10 million as a reserve and, on September 27, sent a letter to Council indicating that support.

II. Issue Identification

1. Seattle Promise Enhancements

The largest increase in DEEL's proposed budget is approximately \$6.7 million of CLFR funds to continue investing in a set of enhancements to the Seattle Promise program. DEEL received a \$4 million allocation from the first tranche of CLFR funding in June 2021 as part of Seattle Rescue Plan 1, via [Ordinance 126371](#). The enhancements include items such as: increasing the amount of the equity scholarship for individual students, allowing students impacted by the pandemic up to one additional year of program support, and increasing the amount of overall tuition funding available to sustain higher-than-projected program enrollment. A description for each of the program enhancements is included in Attachment 1 to this memorandum.

Table 1 shows the planned spending, by enhancement, for \$10.7 million of CLFR funding: the initial \$4 million CLFR allocation provided in June 2021 and the proposed second \$6.7 million CLFR allocation that would be spent during 2022 and 2023.

Table 1: Current and Proposed Use of CLFR Funds (\$ in 000s)

Enhancement	2021	2022	2023	Total
A. Increasing the Equity Scholarship	\$700	\$700	\$500	\$1,900
B. Enhance Support for Students	\$400	\$300	\$100	\$800
C. Program Re-Entry for Students	\$0	\$400	\$500	\$900
D. Readiness Academy/Academic Bridge	\$900	\$300	\$300	\$1,500
E. Enrollment Fees	\$200	\$200	\$0	\$400
F. Completion Commitment	\$800	\$800	\$400	\$2,000
G. Sustain Increased Enrollment	\$200	\$900	\$0	\$1,100
H. WA State Opportunity Scholarship Investment	\$200	\$200	\$0	\$400
I. Transfer Support to 4-Year College	\$500	\$500	\$0	\$1,000
J. Program Staffing Support	\$100	\$300	\$300	\$700
Total	\$4,000	\$4,600	\$2,100	\$10,700

As of late September, DEEL had approximately \$500,000 of the initial CLFR funding under contract with Seattle Colleges to support 2021 summer programming, and the department was in negotiations with Seattle Colleges and other partners for programming in the 2021-22 school year. DEEL’s expectation is that the entire \$4 million will be under contract by the end of 2021. Additionally, DEEL has started the process of filling two new positions to support the program. The Council approved the new positions in the 2021 Mid-Year Supplemental, and the cost of the positions is accounted for in the final row of Table 1, under “program staffing support.”

Sustainability of Enhancements

Of the 10 program enhancements to the Seattle Promise program, DEEL considers five of them to be limited-term or pilot investments and five of them to be ongoing enhancements that will last beyond 2023 and the depletion of the one-time CLFR funds. The resulting funding gaps begin in 2023 and last through the end of the current FEPP Levy (2026). In response to questions raised at the Select Budget Committee meeting on September 29, DEEL provided additional information with respect to the projected funding gaps. Table 2 identifies the five enhancements that DEEL considers to be ongoing along with their projected funding gaps.

Table 2: Ongoing Enhancements and Projected Funding Gaps (\$ in 000s)

Enhancement	2023*	2024	2025	2026	Total
A. Increasing the Equity Scholarship	\$200	\$700	\$700	\$700	\$2,200
B. Enhance Support for Students	\$100	\$400	\$400	\$400	\$1,300
D. Readiness Academy/Academic Bridge	\$200	\$500	\$500	\$300	\$1,500
G. Sustain Increased Enrollment	\$1,000	\$1,000	\$1,000	\$500	\$3,500
J. Program Staffing Support	\$0	\$400	\$400	\$200	\$1,000
Total	\$1,500	\$3,000	\$3,000	\$2,000	\$9,400

Numbers may not add up due to rounding.

*The amounts in the 2023 column are in addition to the CLFR amounts for 2023 shown in Table 1.

As shown in Table 2, DEEL estimates that sustaining these five program enhancements beyond the depletion of the CLFR funds would cost an additional \$9.4 million between 2023 and 2026. These projections also assume some level of financial or in-kind support from Seattle Colleges which, if the support did not materialize, would increase the projected funding gaps. DEEL is currently negotiating with Seattle Colleges about future contributions, but they have not reached a formal agreement at this time.

These projections could change significantly depending on student interest in Seattle Promise and individual student needs. For example, Seattle Promise enrollment exceeded DEEL's projected enrollment for the 2020-21 school year by 145 students, and DEEL currently expects enrollment to exceed DEEL's initial projections for the 2021-22 and 2022-23 school years by 250–350 students each year. The FEPP Levy I&E Plan does contemplate the possibility that interest in Seattle Promise might exceed projections, and the plan provides the following direction with respect to how tuition funds should be prioritized:

“In the event that demand for Seattle Promise tuition supports exceed supply, tuition funds will be prioritized for low-income, first-generation (i.e. students who are first in their family to attend college), and/or African American/Black, Hispanic/Latino, Native American, Pacific Islander, underserved Asian populations, other students of color, refugee and immigrant, homeless, English language learners, and LGBTQ students. In collaboration with Seattle Colleges, DEEL will collect and analyze Promise Student enrollment, persistence, and completion trends to better understand how FEPP-funds are being utilized. DEEL and the Colleges will use this analysis to inform the further refinement of a student prioritization mechanism that responds to Seattle student and family needs, and promotes equitable access to post-secondary opportunity.”

Consistency with Racial Equity Toolkit Analysis

In December 2020, the Seattle Promise Racial Equity Toolkit (RET) Team released the [Racial Equity Toolkit Analysis Final Report](#) on the Seattle Promise program. The members of the RET Team analyzed 14 program elements and subsequently provided recommendations and priority groupings for each of the analyzed elements. Of the 14 elements, the RET Team ranked six as a high priority, two as a medium priority, and six as a low priority. The Seattle Promise program enhancements that DEEL has pursued with CLFR funding include three of the RET Team's high-priority items and the two medium-priority items.

Table 3 shows the Seattle Promise program enhancements that the RET Team evaluated, or where the RET Team evaluated a closely related topic, and provides brief descriptions of the RET Team's recommendations/considerations and its priority ranking.

Table 3: Program Enhancements and RET Team Recommendations

Enhancement	Recommendations/Considerations	Priority
B. Enhance Support for Students	Need to continue monitoring this element to make a more informed recommendation at a later time. Designing staff support as a ratio does not seem equitable, as some students may have a need for more support than others. Seattle Colleges should have some flexibility in moving staff to meet student needs, and the program partners should continue to modify outreach to meet equitable needs.	Medium
C. Program Re-Entry for Students	Students should be allowed to re-enter the program, but they should still have to meet the two-year or 90-credit requirement.	High
D. Readiness Academy/Academic Bridge and F. Completion Commitment	RET Team evaluated how the system can reduce the need for students to take remedial courses. Recommendation is for the leadership from the program partners to develop a plan toward addressing this systemic issue. The RET Team also suggested that, alternatively, the program could allow for coursework beyond the two-year or 90-credit limitation, but that would not reduce the need for remediation/ developmental coursework.	High
E. Enrollment Fees	Mandatory and general fees for all 0 Expected Family Contribution (EFC) ¹ students should be covered, and mandatory fees for all 1-1000 EFC students should be covered.	High
G. Sustain Increased Enrollment	RET Team evaluated how tuition support should be prioritized if enrollment exceeds available funding. The Team acknowledged the I&E Plan guidance and indicated that it would be difficult to know when to begin prioritization, and that the decision may need to be based on applications received in a previous year.	Medium

The three program elements that the RET Team ranked as a high priority but that are not reflected in DEEL’s program enhancements are all related to expanding Seattle Promise eligibility to additional students, specifically: opportunity youth, charter school students, and students who pass their General Education Development (GED) test.

¹ U.S. Department of Education, <https://studentaid.gov/complete-aid-process/how-calculated#efc>

Options:

- A. Prioritize CLFR funding toward the enhancements that are limited in duration, in recognition of the one-time funding source. Pursuit of this option will need to address the contractual commitments DEEL has already entered into and the progress the department has made in hiring the two positions approved in the 2021 Mid-Year Supplemental.
- B. Prioritize CLFR funding toward the enhancements that have been evaluated and prioritized by the RET Team, thereby potentially extending the duration of the CLFR support for those efforts. Similar to Option A, pursuit of this option will need to address the contractual commitments DEEL has already entered into and the progress the department has made in hiring the two positions approved in the 2021 Mid-Year Supplemental.
- C. Approve the proposed CLFR allocation and request that DEEL begin working on a legislative proposal for the Council's consideration to prioritize enrollment in the Seattle Promise program consistent with the priorities established in the FEPP I&E Plan.
- D. No Action

Attachment:

- 1. Seattle Promise Enhancements

Attachment 1 – Seattle Promise Enhancements

Enhancement Title	Description
A. Increasing the Equity Scholarship	Expand eligibility for the Equity Scholarship from 0 Expected Family Contribution (EFC) to align with Pell Grant eligibility (approximately 5000 EFC), and increase the scholarship amount from \$500/quarter to \$1,000/quarter
B. Enhance Support for Students	Provide additional funding to Seattle Colleges so they can differentiate students supports to meet individual needs, which may include more support staff (e.g., retention specialists, academic and financial aid advisors, etc.), and new support programs for specific populations and student experiences
C. Program Re-Entry for Students	Allow re-entry into the program for Cohort 2019 and Cohort 2020 students, allowing up to three additional quarters of continued Promise support
D. Readiness Academy / Academic Bridge	Support enrollment in the summer quarter for pre-Promise students who need to complete developmental coursework, and provide tailored programming in the fall quarter to bridge students' academic experience from high school to college
E. Student Enrollment Fees	Cover the cost of mandatory and general enrollment fees for all students enrolling in summer quarter 2021 and income eligible students for the 2021-22 and 2022-23 school years
F. Completion Commitment	Extend program supports up to three quarters for Cohort 2019 and Cohort 2020 Promise students to complete their program/degree
G. Sustain Increased Enrollment	Ensure that Promise continues to be accessible to all graduates of Seattle Public Schools' high schools
H. Washington State Opportunity Scholarship Investment	Contribute matching funds to the Washington State Opportunity Scholarship program to support 30 scholarships for Promise students
I. Transfer Support to 4-Year Colleges	Provide dedicated support for Promise students transferring to the University of Washington, including support for admissions, academic coursework, and progress monitoring
J. Program Staffing Support	Provide two additional FTEs (Data Scientist and Strategic Advisor) to support program expansion and implementation



Legislation Text

File #: Inf 1904, **Version:** 1

Office of Economic Development (OED)

Budget Deliberations & Issue Identification

Office of Economic Development

Select Budget Committee | October 13, 2021

Yolanda Ho, Analyst



Budget Summary (\$ in 000s)

	2021 Adopted	2022 Proposed	% Change
Appropriations by BSL			
Leadership & Administration	\$2,611	\$2,893	13.7%
Business Services	\$12,006	\$26,394	119.8%
Total Appropriations	\$14,617	\$29,365	100.9%
Total FTEs	36.0	40.0	11.1%
Revenues			
General Fund	\$14,554	\$12,065	(17.1%)
Other Sources	\$63	\$17,300	27537.1%
Total Revenues	\$14,617	\$29,365	100.9%



Issue Identification (1/2)

1. Changes to Film and Special Events Permit Fees

Changes to the City's permit review practices could result in higher fees for film and special events permits.

Options:

- A. Add \$100,000 GF for an economic impact study of the film and special events industries to support development of a new fee structure for film and special events permits.
- B. No Action



Issue Identification (2/2)

2. Reorganization and Staffing Changes

Changes to OED's organization would reduce dedicated staffing for the creative industries and workforce development.

Options:

- A. Impose a proviso on funding for either (or both) the proposed Division Director (\$182,000 GF) or Creative Industry Manager (\$146,000 GF) positions, pending the appointment of a permanent OED Director.
- B. Cut funding for either or both of these positions to delay their hire until the beginning of the second quarter of 2022.
- C. No Action



Director

Executive 3

00024285

Executive Assistant
00025562 - vacant

Deputy Director
Executive 2 - 00026009 -
Reclassified from a Mngr3

Division Director
00025066 - vacant SA3
(previously CI/OFM Director) -
seeking reclass to Exec 1*

Admin Staff Assistant
00024525

Finance & Administration
3.0 FTEs + 3 Temps

Communications and External Affairs
4.0 FTEs + 2 Temps

Small Business Development
8.0 FTEs + 3 Temps

Key Industry & Workforce Development
5.0 FTEs + 2.0 Temps

Creative Industry Team
6.0 FTEs

Commercial Affordability Team
3.0 FTEs

Neighborhood Business District Team
4.0 FTEs + 2.0 Temps

Finance & Admin Mgr
Strategic Advisor 3
00024576

Comms & External Affairs Mgr
Strategic Advisor 3
00025830

Small Business Mgr
Strategic Advisor 3
10005520

Key Industry & Workforce Development Mgr
Mgr3 00026822 - vacant

Creative Industry Manager
Strategic Advisor 2 10006858
vacant (previously CI Advisor,
seeking reclass as Mgr 2*)

Development Finance Mgr
Strategic Advisor 2, Gen Gov
00024289

Neighborhoods Mgr
Manager 2
00023535

Sr Finance Advisor
SA1 Fin, Bud, & Acctg
00025815

Public Relations Spec
10001790

SB Advocate
Strategic Advisor 2
10005894
Prior underfilled in Mngr 3 pckt,
now allocated in the Youth
Workforce SA2 pocket

Workforce Development
Strategic Advisor 2, GG
10003536 - vacant

Special Events Lead
Strategic Advisor 1
10002862 - vacant

**ECITF Small Business TA
Finance Com Dev Specialist**
OED0001

Business Districts Advocate
Strategic Advisor 2
10005188

Accounting Tech III
10006046

Public Relations Spec
10005517

SB Advocate
Strategic Advisor 1
10006047

Workforce Development
Strategic Advisor 2,
Vacant (reallocated to SB SA2)

Film Lead
Strategic Advisor 1
10001667

**ECITF SBTA Community
Development Specialist**
OED0002

BIA Advocate
Strategic Advisor 1
10005187

Accounting Tech II
TES Temp

Data & Perf Analyst
Strategic Advisor 2
00024288

SB Advocate
Strategic Advisor 1
00025825

Information Technology Advocate
Strategic Advisor 1 00025014

Film Permit Specialist
Admin Staff Asst 00026008

1.0 Recovery Navigator
Community Development
Specialist
TES Temp

Business Districts Advocate
Strategic Advisor 1
10006048

Accountant, Sr
TES Temp

Public Relations Spec
TES Temp

SB Advocate
Strategic Advisor 1
10005516

Clean Tech / Green Business Advocate
Strategic Advisor 1, Gen Gov
10004095

SE Permit Specialist
Admin Staff Asst 10005771

OED's 2022
Proposed
Position Count:
40 FTEs
13 Temps

2.0 Sr. Grants & Contracts Specialists
TLT Temps

Budget Analyst
Sr. Finance Analyst
TES Temp

Performance Data Analyst
Mngt Systems Analyst
Senior
TES Temp

Nightlife Advocate
Strategic Advisor 2
10006049

Maritime & Manufacturing Advocate - vacant
Strategic Advisor 1 10002037

Admin Spec II BU
10005770

2.0 TLT Sr. Grants & Contracts Specialists, 1.0 TES Grants & Contracts Specialist & 1.0 Prgm Intake Spec
TLT & TES Temps

Food & Hospitality
Strategic Advisor 1
10005305

ECI Youth Health Care Grants & Contracts Specialist, Sr.
OED0003

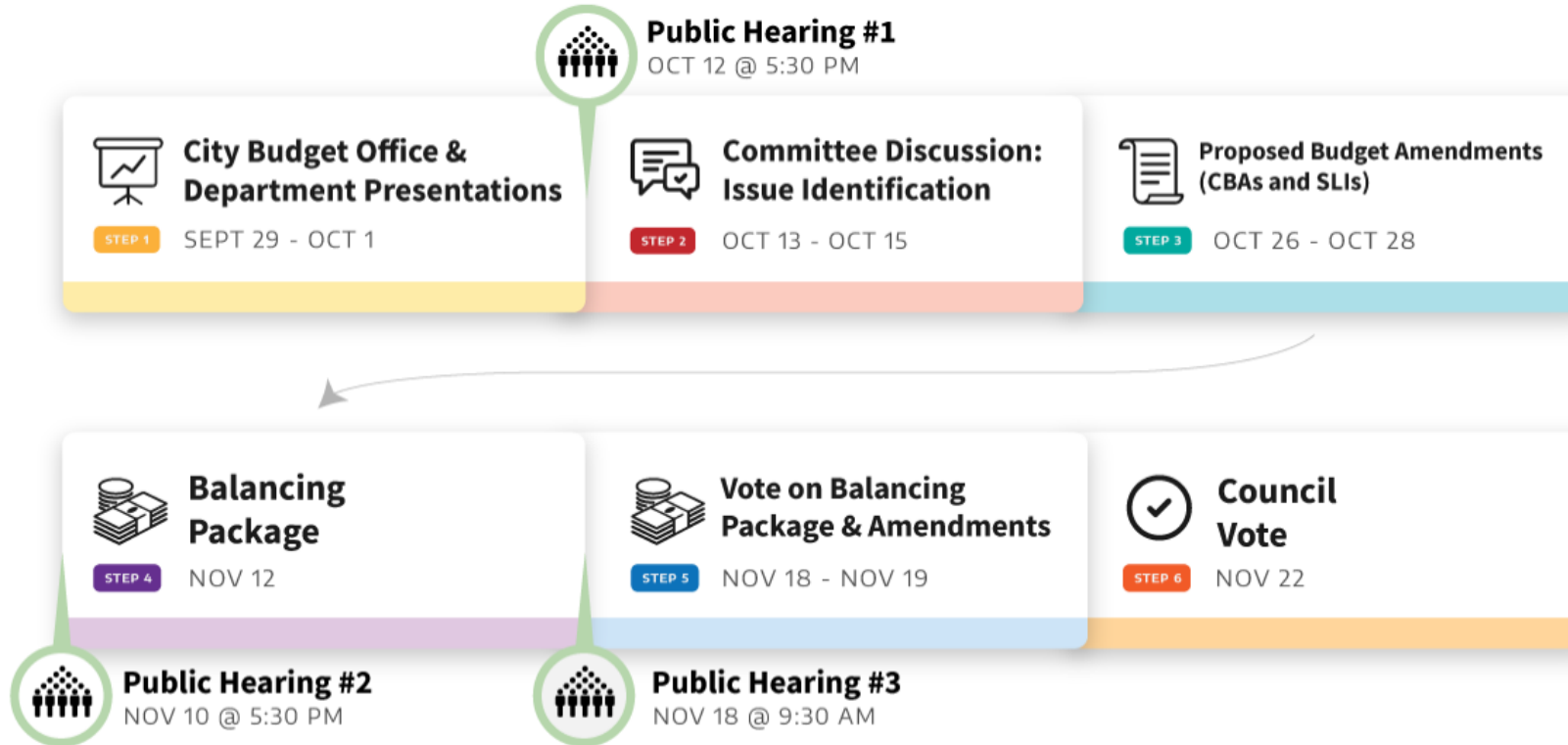
2.0 Sr. Grants & Contracts
TLT Temps

ECITF HC Pathway Grants & Contracts Specialist, Sr.
OED0004

Key:
Strikethrough - Cut
Yellow - New Pocket
Green - New Temp
Purple - Change

Questions?

Budget Timeline | FALL 2021



Office of Economic Development

Staff: Yolanda Ho

Budget Summary (\$ in 000s)

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Total Revenues	\$14,617	\$29,365	100.9%

¹ Numbers may not add up due to rounding.

I. Background

The Office of Economic Development (OED) works to build an inclusive economy by focusing on five primary program areas: (1) supporting small and micro-businesses; (2) partnering with neighborhood business districts; (3) supporting the creative economy; (4) partnering with key industry sectors that drive innovation, job growth, and global competitiveness; and (5) investing in the local workforce, prioritizing young people, and adults who are low-income and under or unemployed.

Early in the COVID-19 pandemic, OED led the City’s efforts to respond to the needs of small businesses by awarding emergency support grants through its [Small Business Stabilization Fund \(SBSF\)](#)¹ and providing a range of technical assistance to aid businesses, including resources to help renegotiate leases and convert to online sales platforms. OED has also been leading the City’s approach to economic recovery, recognizing the need to pivot towards recovery in 2021. Specific to OED, the recovery effort has thus far has been supported with \$20.3 million in federal Coronavirus Local Fiscal Recovery (CLFR) funds from Seattle Rescue Plan 2 ([Ordinance \(ORD\) 126371](#)) for additional SBSF grants, neighborhood recovery grants, downtown revitalization grants, and investments in workforce development and digital equity.

The 2022 Proposed Budget would more than double total appropriations to OED, as compared to the 2021 Adopted Budget. The changes to OED’s budget reflect almost \$3.4 million in reversals of

¹ Since March 2020, OED has distributed over \$10 million in SBSF grants (using a mix of GF and Community Development Block Grant funds) to over 1,500 small businesses and economic opportunity nonprofit organizations. OED is expected to open applications for the next round of SBSF awards in November 2021, funded by Seattle Rescue Plan 2 using \$7.5 million of CLFR funds.

one-time adjustments to the 2021 Adopted Budget, including restoring full funding to the Creative Industry Policy Advisor position; and removing \$3 million in joint COVID relief funds for SBSF grants, \$350,000 for the Clean City Initiative, and \$50,000 for a workforce development contract.² A large portion of the new appropriations would continue the OED-related investments recommended by the [Equitable Communities Initiative \(ECI\)](#) Task Force that were appropriated via [ORD 126401](#) in August 2021.

The following \$9.7 million in proposed ongoing ECI investments in 2022 would be funded entirely by payroll expense tax revenues:

- \$481,000 for youth healthcare career exploration to increase Black, Indigenous, and people of color (BIPOC) representation in healthcare professions;
- \$1.7 million to develop programs that create a pipeline of BIPOC workers for healthcare careers and support retention of these workers in Seattle;
- \$5 million for grants to BIPOC-owned businesses to help leverage additional funding that will support business expansion; and
- \$2.5 million for contracts with community development financial institutions to provide small business technical assistance, focusing on business financial health, permitting support, legal education, and technological access.

The remaining \$78,000 would be used for a technical adjustment related to healthcare costs for the 4.0 FTE that would be added to support implementation of ECI-related priorities in the Year-End Supplemental Budget legislation. These new positions are:

- 1.0 FTE ECI Youth Healthcare Grants & Contracts Specialist;
- 1.0 FTE ECI Healthcare Pathway Grants & Contracts Specialist;
- 1.0 FTE ECI Small Business Technical Assistance Finance Community Development Specialist; and
- 1.0 FTE ECI Small Business Technical Assistance Community Development Specialist.

To manage the short-term influx of CLFR funds, OED is proposing to add 13 temporary employees primarily to assist with internal operations related to finances, grants, and contracts. Other temporary employees will support communications; performance and data analysis; and small businesses as they navigate the City's myriad forms of economic recovery resources.

Two new programmatic additions to OED's budget would be funded using GF dollars through a swap with the City's second tranche of CLFR funding (proposed Seattle Rescue Plan 3):

- \$7.6 million for a new Small Business Ownership Fund that will allow small businesses to acquire ground floor commercial space in affordable housing developments, prioritizing those located in neighborhoods with the highest risk of displacement; and

² The 2021 Adopted Budget restored funding for the workforce development contract via [OED-006-A-001](#), which would have been cut in the 2021 Proposed Budget. This funding supported efforts to provide low-income job seekers of Seattle and King County with jobs in the building and construction trades and at the Port of Seattle/Seattle-Tacoma International Airport.

- \$500,000 for maritime, manufacturing, and logistics workforce development, including expanded career connected learning, apprenticeships, job placement, and research to help identify workforce needs of employers.

The 2022 Proposed Budget also includes the following additions to OED: \$169,000 GF for standard cost and personnel cost adjustments; \$4,800 GF for language service stipends for staff, per the City’s collective bargaining agreement; and \$50,000 GF for Racial Equity Toolkit outreach related to future changes to permit fees for filming and special events. It would also reduce Community Development Block Grant (CDBG) funding for small business technical assistance contracts by \$91,000 and reallocate this funding to support staff time spent providing in-house technical assistance services;³ and replace all admissions tax revenue appropriations (\$64,000) for the Special Events position with GF so that the position is fully supported by GF.

II. Issue Identification

1. Changes to Film and Special Events Permit Fees

OED serves as the City’s one-stop shop for applicants seeking film and special events permits. OED staff coordinate permit reviews across multiple departments, including Seattle Parks & Recreation, Seattle Fire Department, Finance and Administrative Services Department, Seattle Public Utilities, Seattle Police Department, and Seattle Department of Transportation (SDOT). Each department contributes staff time to review permits and attend coordination meetings. Until now, City departments have not charged OED for their staff time.

In the 2021 Adopted Budget, SDOT began shifting some of its Street Use permit fees to a cost-recovery model. Included in this shift would be fees for filming and special events in the public right-of-way (ROW). Currently, the City offers a low permit fee of \$25 per day for those seeking to use the ROW for film shoots (one of the only incentives the City has been able to offer to the industry) and charges lower special event fees for community events.⁴

This change to SDOT’s practice could result in increased permit costs for special events and film in the ROW beginning in 2023. OED estimates that SDOT’s review time would cost \$283,000 in 2022. SDOT has agreed to absorb the costs of permit review until OED finalizes its fee proposal, which will require Council approval in 2022 for implementation beginning in 2023. To support development of this proposal, the 2022 Proposed Budget includes \$50,000 GF (one-time) for OED to contract with a consultant for outreach to key stakeholders that will be identified through a Racial Equity Toolkit analysis.

³ This change is needed to compensate for the decrease in staff time related to the New Market Tax Credit (NMTC)-funded real estate portfolio held by Seattle Investment Fund (SIF), an external entity. NMTC fees offset OED staff costs supporting the management of the NMTC fee balances and overall project portfolio. Given that the projects in the portfolio are scheduled for completion by the end of 2022, less staff time is needed for this work.

⁴ Community events are those that: (1) are free and open to all members of the public; (2) provide a public benefit and/or stimulates broad economic or cultural activity within a neighborhood or business district; (3) are organized by neighborhood-based, community-based, ad-hoc groups, or groups that do not have a geographic base; and/or (4) have received a government grant (not including sponsorship) to produce the event.

Not included in the 2022 Proposed Budget was OED’s proposal for an additional \$100,000 GF (one-time) to conduct an economic impact study that would inform development of the new fee structure by assessing how much the film and special events industries contribute to Seattle’s economy. While the \$50,000 GF for stakeholder outreach will allow OED to incorporate racial equity considerations into its permit fee proposal, the lack of a complementary quantitative analysis may result in the City adopting a fee structure that is not informed by these industries’ respective economic contribution to the local economy.

Options:

- A. Add \$100,000 GF for an economic impact study of the film and special events industries to support development of a new fee structure for film and special events permits.
- B. No Action

2. Reorganization and Staffing Changes

The 2022 Proposed Budget would make some substantial changes to OED’s current organization. While OED is appropriately staffing up to distribute and oversee its increased funding to support COVID relief and recovery, there are other changes being proposed that may be better led by the new mayoral administration and/or a permanent director.

Specific changes being proposed are (see Attachment 1 for OED’s 2022 Proposed Organization Chart):

- Deputy Director – reclassify from Manager 3 to Executive 2;
- Creative Industry Director – reclassify from Strategic Advisor 3 to Executive 1, and repurpose to serve as the Division Director that would report to the Deputy Director and oversee OED’s main lines of business;
- Creative Industry Policy Advisor – reclassify from Strategic Advisor 2 to Manager 2, and retitle to Creative Industry Manager whose responsibilities will include policy development, implementation, and management of the Creative Industry Team (5.0 FTE); and
- Youth Employment Development Advisor – repurpose this vacant position for a Small Business Advocate who has been underfilling the Deputy Director position.

These shifts would reduce OED’s dedicated workforce development staff to one Workforce Development Advisor position. Youth-related employment development is being led by the Human Services Department and Seattle Parks and Recreation, and OED no longer needs staff for this specific function as a result. However, reducing the number of workforce development staff would diminish OED’s capacity to coordinate with regional workforce development efforts and other related initiatives.

In the 2020 Adopted Budget, the position that was the Director of the Office of Film and Music (OFM) was repurposed to become the Creative Industry Director. All other positions in OFM were moved into OED’s Creative Industry key industry sector team and OED also added

the Creative Industry Policy Advisor position. OFM, while never officially established as a separate office, previously operated with some level of autonomy within OED. After OFM staff were formally integrated into OED's organization in 2020 as part of its Creative Industry Cluster strategy, OED maintained that OFM still had a presence in the City; however, it has recently indicated that this will no longer continue be the approach moving forward.

The proposal to repurpose the Creative Industry Director position will diminish the City's staff dedicated to the creative industries sector. Additionally, the creative industry strategy itself is in the process of being reassessed in light of new leadership at OED and the impacts of the pandemic. Both this change and the reduction in workforce development staff could result in impacts to how OED serves the larger community and industries it seeks to support. OED may need additional resources in the future to provide more support for the creative industries and workforce development, a decision that may be more timely in early 2022, in coordination with the next mayor and their OED director.

Options:

- A. Impose a proviso on funding for either (or both) the proposed Division Director (\$182,000 GF) or Creative Industry Manager (\$146,000 GF) positions, pending the appointment of a permanent OED Director.
- B. Cut funding for either or both of these positions to delay their hire until the beginning of the second quarter of 2022.
- C. No Action

Attachment:

- 1. OED 2022 Proposed Organization Chart

Director
Executive 3
00024285

Executive Assistant
00025562 - *vacant*

Deputy Director
Executive 2 - 00026009 -
Reclassified from a Mgr3

Division Director
00025066 - *vacant SA3*
(previously CI/OFM Director) -
seeking reclass to Exec 1*

Admin Staff Assistant
00024525

Finance & Administration
3.0 FTEs + 3 Temps

Communications and External Affairs
4.0 FTEs + 2 Temps

Small Business Development
8.0 FTEs + 3 Temps

Key Industry & Workforce Development
5.0 FTEs + 2.0 Temps

Creative Industry Team
6.0 FTEs

Commercial Affordability Team
3.0 FTEs

Neighborhood Business District Team
4.0 FTEs + 2.0 Temps

Finance & Admin Mgr
Strategic Advisor 3
00024576

Comms & External Affairs Mgr
Strategic Advisor 3
00025830

Small Business Mgr
Strategic Advisor 3
10005520

Key Industry & Workforce Development Mgr
Mgr3 00026822 - *vacant*

Creative Industry Manager
Strategic Advisor 2 10006858
vacant (previously CI Advisor, seeking reclass as Mgr 2)*

Development Finance Mgr
Strategic Advisor 2, Gen Gov
00024289

Neighborhoods Mgr
Manager 2
00023535

Sr Finance Advisor
SA1 Fin, Bud, & Acctg
00025815

Public Relations Spec
10001790

SB Advocate
Strategic Advisor 2
10005894
Prior underfilled in Mgr3 pckt, now allocated in the Youth Workforce SA2 pocket

Workforce Development
Strategic Advisor 2, GG
10003536 - *vacant*

Special Events Lead
Strategic Advisor 1
10002862 - *vacant*

ECITF Small Business TA Finance Com Dev Specialist
OED0001

Business Districts Advocate
Strategic Advisor 2
10005188

Accounting Tech III
10006046

Public Relations Spec
10005517

SB Advocate
Strategic Advisor 1
10006047

Workforce Development
Strategic Advisor 2,
Vacant (reallocated to SB SA2)

Film Lead
Strategic Advisor 1
10001667

ECITF SBTA Community Development Specialist
OED0002

BIA Advocate
Strategic Advisor 1
10005187

Accounting Tech II
TES Temp

Data & Perf Analyst
Strategic Advisor 2
00024288

SB Advocate
Strategic Advisor 1
00025825

Information Technology Advocate
Strategic Advisor 1 00025014

Film Permit Specialist
Admin Staff Asst 00026008

1.0 Recovery Navigator
Community Development Specialist
TES Temp

Business Districts Advocate
Strategic Advisor 1
10006048

Accountant, Sr
TES Temp

Public Relations Spec
TES Temp

SB Advocate
Strategic Advisor 1
10005516

Clean Tech / Green Business Advocate
Strategic Advisor 1, Gen Gov
10004095

SE Permit Specialist
Admin Staff Asst 10005771

2.0 Sr. Grants & Contracts Specialists
TLT Temps

2.0 Sr. Grants & Contracts Specialists
TLT Temps

Budget Analyst
Sr. Finance Analyst
TES Temp

Performance Data Analyst
Mngt Systems Analyst Senior
TES Temp

Nightlife Advocate
Strategic Advisor 2
10006049

Maritime & Manufacturing Advocate - vacant
Strategic Advisor 1 10002037

Admin Spec II BU
10005770

OED's 2022 Proposed Position Count:
40 FTEs
12 Temps

Key:
Strikethrough - Cut
Yellow - New Pocket
Green - New Temp
Purple - Change

2.0 TLT Sr. Grants & Contracts Specialists & 1.0 TES Grants & Contracts Specialist
TLT & TES Temps

Food & Hospitality
Strategic Advisor 1
10005305

ECI Youth Health Care Grants & Contracts Specialist, Sr.
OED0003

2.0 Sr. Grants & Contracts
TLT Temps

2.0 Sr. Grants & Contracts
TLT Temps

SB Advocate w/SDOT
Strategic Advisor 1 00024524

ECITF HC Pathway Grants & Contracts Specialist, Sr.
OED0004

2.0 Sr. Grants & Contracts
TLT Temps