

Budget Update: Human Services and Council Question Response

2021-2022

Toni Call, Director, Finance & Asset Management (FAM)
Keyi Lu, Asst. Director, FAM

Michael Shiosaki, Director, Parks & Community Services (Parks)
Toni Esparza, Asst. Director (Parks)
Dee Dee Catalano, Human Services & CDBG Coordinator (Parks)
Timothy Ma, Chair, Human Services Commission

November 2, 2020



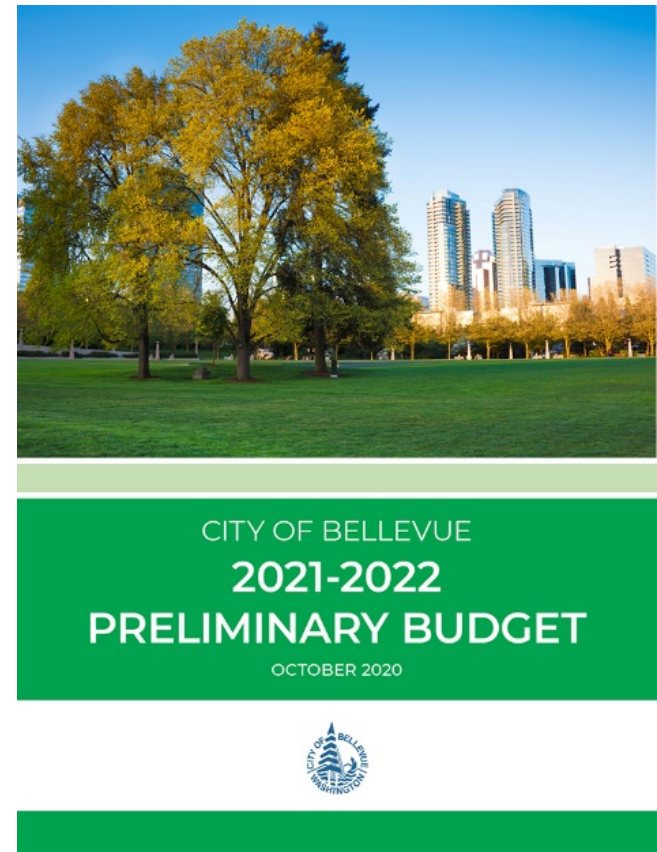
Direction Needed from Council

For staff to prepare ordinances approving the Human Services Commission's recommendations for 2021-2022 Human Services funding and 2021 Community Development Block Grant funds for adoption as part of the budget adoption package, tentatively scheduled for December 7.

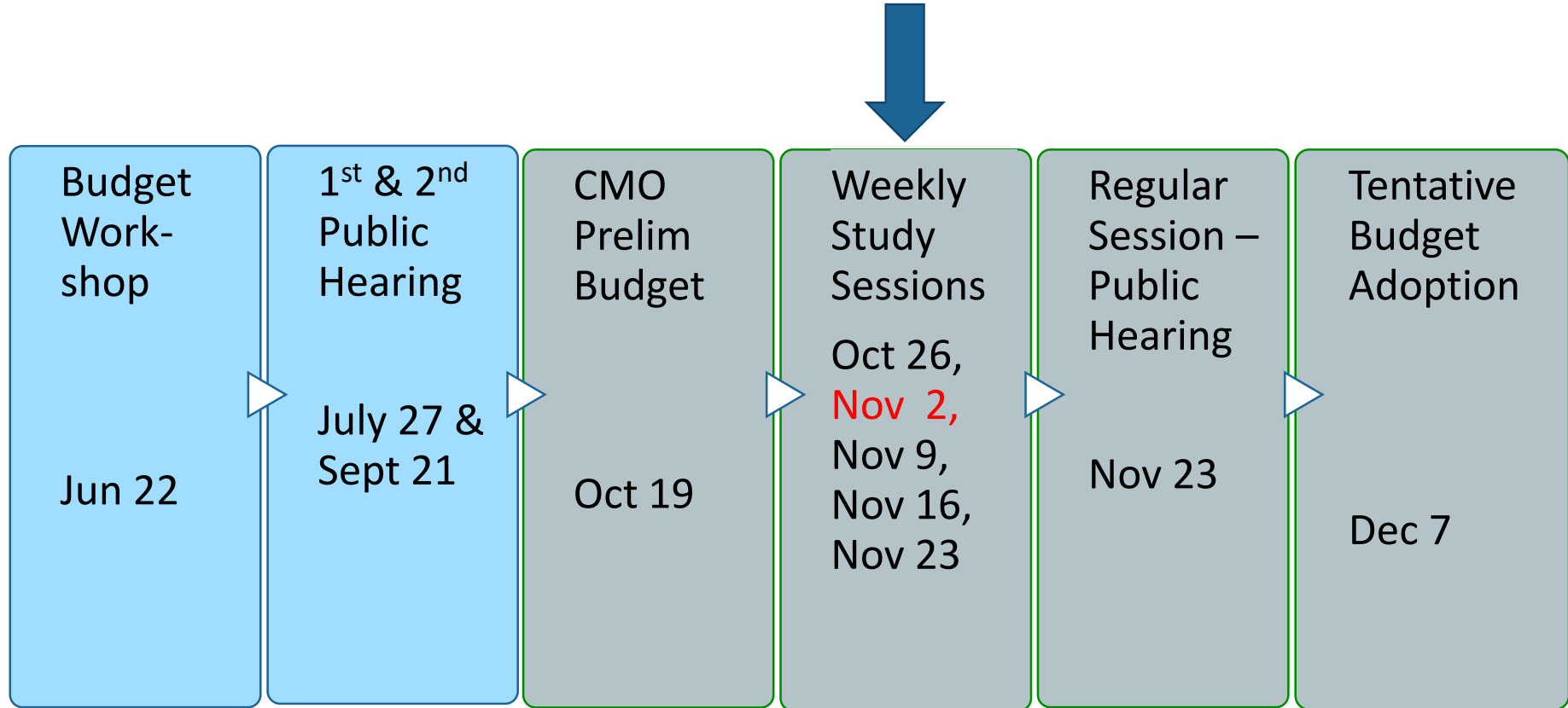


Agenda

- Calendar and Actions needed for Final Adoption
- Human Services
- Discussion: Council Question Follow Up
- Upcoming Presentations



Council Calendar



Proposed Meeting Schedule*

Oct 19:	City Manager's Preliminary Presentation
Oct 26:	Development Services, Council Interests
Nov 2:	Human Services, Response to Questions
Nov 9:	Utility Rates, Council Interests
Nov 16:	Fire Inspection Fee, Council Interests
Nov 23:	Public Hearing, Council Direction for Adoption
Dec 7:	Tentative Budget Adoption

*Will be adjusted as needed, based on Council interests



Council Actions to Adopt

- 2021 Development Services Fee Ordinance
- 2021-2022 Utilities Rates Ordinances
- Human Services and Block Grant Ordinances
- 2021-2022 Fire Inspection Fee Ordinance
- Basic Life Support Fee Ordinance
- 2021 Substantial Need Ordinance
- 2021 Property Tax Banked Capacity Resolution
- 2021 Property Tax Levy Ordinance
- 2021-2022 Biennial Budget Ordinance



Human Services



Human Services Funding Process

- *2019-2020 Human Services Needs Update*
- Gaps Identified by Data
- Funding recommendations informed by data



Emphasis on Equity

- Information sessions
- Grant writing technical assistance
- Commissioner equity training
- Annual demographic data collection



Pandemic Pivots

- Application submission deadline extended
- Agency COVID-19 updates
- Balancing pandemic and needs of continuum



Human Services Fund

- \$7 million in funding requests
- \$4.1 million available budget (includes Amazon donation)
- **\$2.9 million** more requested than available budget.



Human Services Fund

- 10 virtual Commission meetings held over four months
- 102 applications discussed during three rounds of review
- 10 new programs recommended for funding



Human Services Fund

- Five recommended new programs serve Black, Indigenous, People of Color, and people with disabilities
 - Bridge Disability Ministries Meyer Medical Equipment Center
 - Bridge of Promise Bridge Academy
 - MCRC Information, Referrals & Resources
 - Youth Eastside Services Latinx Programs
 - Latinx Cultural Navigator (agency TBD)



CDBG Funding Requirements

- Must be eligible activity under national objectives established by HUD
- Must be located in Bellevue and/or serve Bellevue residents
- Funds must benefit low- and moderate-income residents



Estimated 2021 CDBG Budget

2021 Entitlement Funds: \$833,000

2021 Program Income: \$200,000

Total Est. Budget: \$1,033,000

- Budget estimate based on 2020 entitlement amount
- Program Income is home loan paybacks
- Contingency Plan allocates difference in actual 2021 budget

2021 CDBG Recommendations

Jewish Family Service Immigrant & Refugee Service Centers	\$146,834
Sound Generations Minor Home Repair	\$88,200
City of Bellevue Major Home Repair	\$500,000
Seattle Business Education HUB Business Technical Assistance	\$96,998
CDBG Administration	\$59,910
CDBG Planning	\$144,058





Direction Needed from Council

Seeking direction on an Ordinance approving the funding recommendations for the 2021-2022 Human Services Fund and 2021 Community Development Block Grant Funds. Final adoption will take place as part of the adoption of the City's budget in December.

Budget Discussion:

Response to Council Questions

- (1) Sales Tax Allocation**
- (2) Community Investments**
- (3) Any other areas of Council Interest**

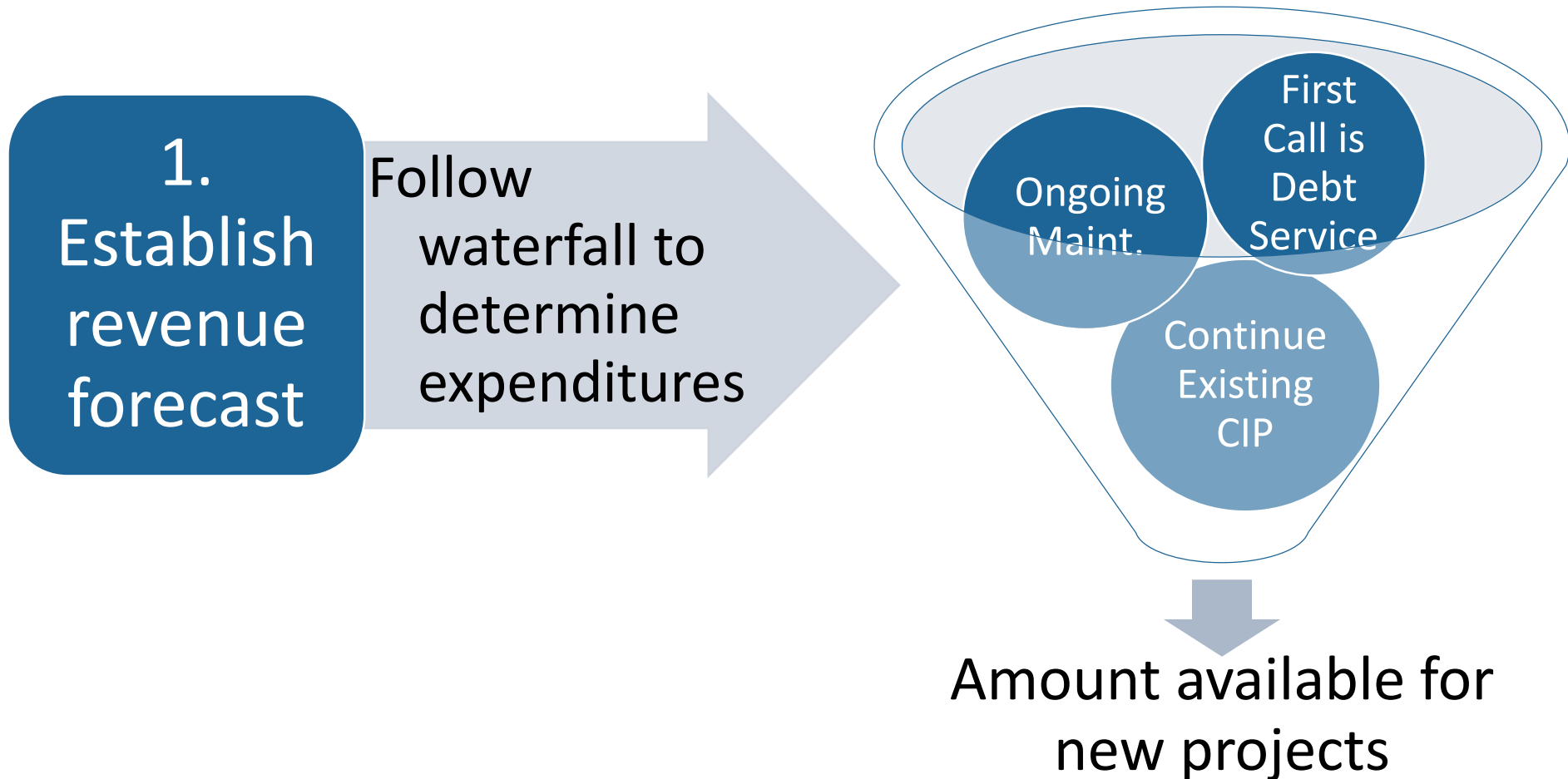


(1) Sales Tax Allocation Policy

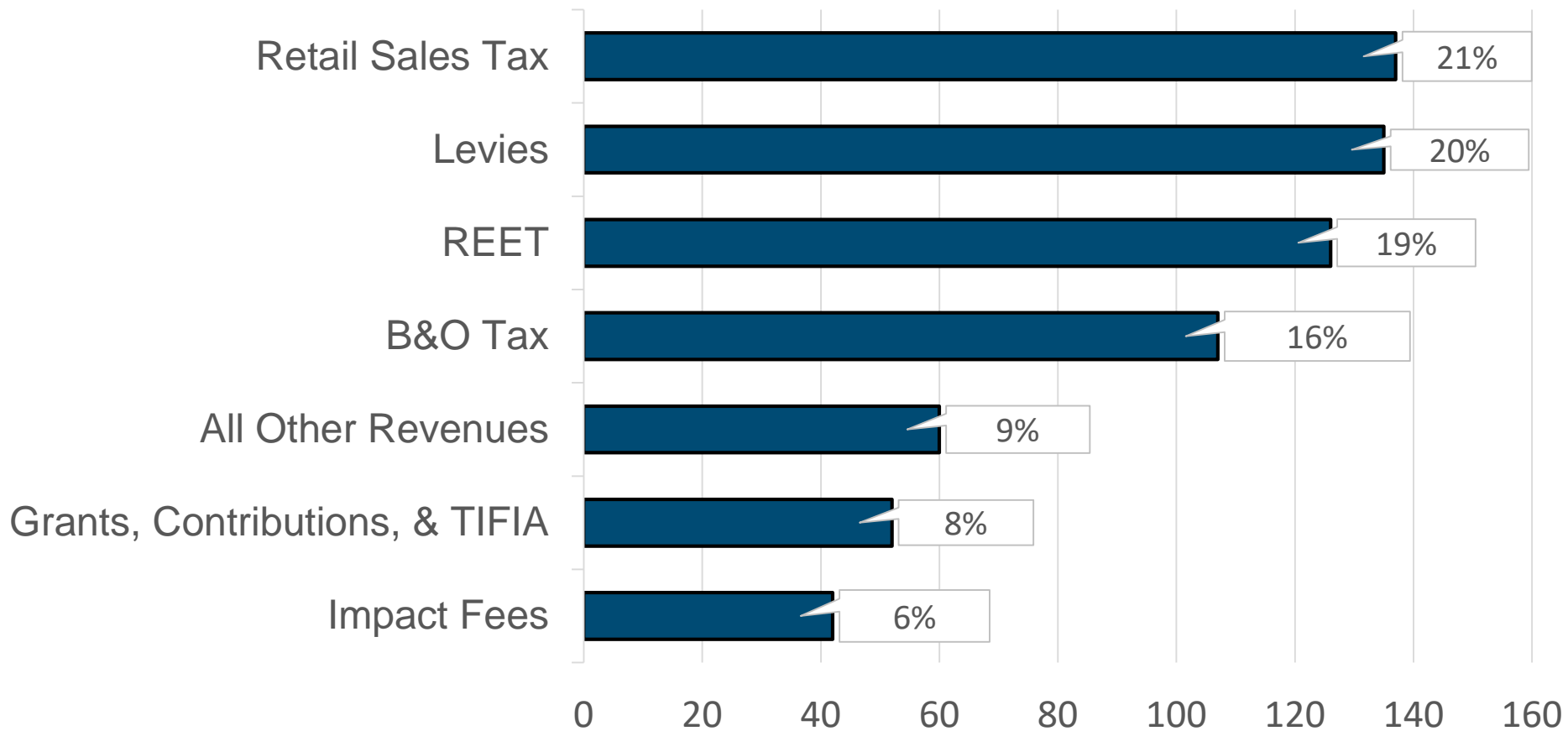
- Sales tax is unrestricted, and split by Council policy
- Preliminary Budget includes adjustment to the Sales Tax policy split for 2021 and 2022
 - \$3M annually from the CIP to the General Fund
- Purpose: to support core services during an unusual economic time and to allow for more information
- Question: Should more be transferred from CIP to the General Fund?



Process to balance the CIP



Total Resources: \$659 million



Guiding Principles – June 22

- After ensuring that debt and maintenance are funded at appropriate levels
- Existing and new projects:
 - Effectiveness at achieving City Mission/Community Outcomes/Council Priorities
 - Mandates
 - Financial factors
 - Timing/urgency
 - Scaling



Projects Funded – Waterfall

	Total \$659M	Total 100%
1. Debt:	\$179M	27%
2. Ongoing Maintenance:	\$134M	20%
3. Levies:	\$135M	21%
4. Existing CIP (Discrete & Ongoing Programs):	\$180M	27%
5. New Projects:	\$31M	5%

- In order to allow for \$31M for new projects – other adjustments were:
 - Removed inflation for ongoing maintenance programs
 - Reduced construction in some projects
 - Smaller adjustments



Guiding Principal – Council Vision Priorities (\$120M)

- BelRed Infrastructure (TIFIA) projects (\$49M)
- Affordable Housing Contingency (\$14M)
- Enterprise Application Replacement Reserve (\$11.5M)
- Downtown Transportation Plan (\$7.7M)
- Grand Connection Early Implementation (\$5.5M)
- Neighborhood Congestion Management (\$5.5M)



Guiding Principal- Community Outcomes/Needs (\$46M)

- Fire Station 5 (\$12.5M)
- Neighborhood Sidewalks (\$8.9M)
- Pedestrian and Bicycle Access Improvements (\$3.5M)
- Neighborhood Traffic Safety Program (\$2.7M)
- Vision Zero Data Driven Safety Program (\$2.5M)
- Public Art Program (\$2.5M)
- 112th Avenue NE at McCormick Park (FS10) (\$1M)



Other Guiding Principles (\$45M)

- Timing/urgency/scaling/ phasing
 - Parks Operation and Maintenance Facility (\$12.6M)
 - COB Fuel System Replacement (\$7.2M)
 - Bellevue Way SE HOV Lane (\$5M)
 - City Fleet In-Ground Lift Replacement (\$1.1M)
- Mandates
 - 130th TOD Paving Parking Lot (\$4M)
 - Major Comprehensive Plan Periodic Update (\$0.5M)
- Financial factors – Leveraging resource
 - King County Parks Levy (\$3.1M)
 - Transportation Grant Match Project (\$3M)

RISKS

- Projects on the horizon
- Cost of Inflation
- Cost of Operating Maintenance
- State Revenues



Sales Tax Allocation Summary

- Constrained CIP
- Sales Tax Allocation of \$3M annually:
 - Fiscally prudent and reasonable in light of the economic uncertainty
 - Returns to current policy in 2023
 - Further adjustment will require CIP trade offs



(2) Overlapping questions RE: Community Investments

- Human Services
- Affordable Housing
- Homelessness/Mental Health
- Access to City Services
- Diversity, Equity and Inclusion



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