



City of Seattle
Mayor Jenny A. Durkan

September 30, 2020

Councilmembers -

With your override of C.B. 119863, you have authorized the Executive to initiate an interfund loan of up to \$13.1 million from the Construction and Inspection Fund to the General Fund in order to support community-led safety programs and organizations in 2020. Our understanding of Council's intent is to make up to \$14 million in financial resources available through the Human Services Department (HSD) for services and capacity building.

Given the work with community necessary to develop a full Request for Proposals (RFP) process with a plan for community safety and program outcomes, it is our understanding that Council appreciates that the entirety of the \$14 million could not be fully distributed by December 31, 2020. While the Mayor continues to have concerns that there is no clear funding source identified to repay this debt, we have a shared sense of urgency to initiate these efforts, so the Mayor has directed the following actions:

- HSD Director Jason Johnson will initiate an abbreviated process for allocating \$4 million of immediate resources to currently funded community safety programs with an aim to scale-up, amend contracts, and expand services as soon as possible;
- Director Johnson and his team will also begin a community process to develop an RFP and new program for \$10 million in capacity building for programs and agencies to carry out new or expanded safety related efforts. Once this plan is formulated, consistent with Council's proviso on these funds, we will bring an ordinance forward for Council consideration on releasing these dollars for allocation; and
- Budget Director Noble will not execute an interfund loan. Given HSD's contract reimbursement procedures, the vast majority of these resources, from a cash-flow standpoint, will not be needed until 2021. As such, he has been directed to identify the necessary cash resources for October – December for HSD and bring to Council any legislative authorization that might be required.

To be clear, the Mayor's proposed 2021 budget will not include a funding source for this \$14 million obligation. We will work with Council in the 2021 budget process with an assumption that the Council will identify the revenues needed to balance to this \$14 million expenditure. The Mayor has no objection to accelerating this work and getting funding out to community organizations, so long as there is an understanding that this funding will be accounted for in the final Council 2021 Adopted Budget.

We look forward to hearing back from you soon.

Sincerely,

Mike

Mike Fong
Senior Deputy Mayor
City of Seattle