Mayor Murray’s 2016 Proposed Budget

Presented to the Seattle City Council
Ben Noble, Director, City Budget Office – October 1, 2015
The Big Picture

2016 Proposed Appropriations-All funds, $5.1 billion
(in millions of dollars)

- Utilities & Transportation, $2,803
- FAS, DoIT, Human Resources and Admin., $955
- Arts, Culture & Recreation, $336
- Funds, Subfunds and Other, $67
- Health & Human Services, $196
- Neighborhoods & Development, $154
- Public Safety, $601
2016 Proposed General Fund Appropriations - $1.1 billion
(in millions of dollars)

- Public Safety, $600, 54%
- FAS, DoIT, Human Resources and Admin., $156, 14%
- Arts, Culture & Recreation, $160, 14%
- Health & Human Services, $83, 8%
- Neighborhoods & Development, $32, 3%
- Funds, Subfunds and Other, $17, 2%
- Utilities & Transportation, $52, 5%

The General Fund - Expenditures
The General Fund - Revenues

General Fund Revenues - $1.1 billion
(in millions of dollars)

- Property Tax, $282, 25%
- Sales Tax, $226, 20%
- Business and Occupation Tax, $231, 21%
- Utility Tax, $196, 18%
- All Other, $176, 16%
Economic Highlights

- Employment growth is expected to continue but at a slower pace.
- General Fund revenues are projected to grow 4.5% in 2016.
- Construction sector is both the strongest driver and the greatest risk.
Construction Driving Growth in Sales Tax and B&O Revenues

Revenue from Retail Sales and B&O Tax on Construction

$ Millions

- $17.8 M

REET Revenues

Real Estate Excise Tax Revenues

- $50 M

- Graph showing REET revenues from 2005 to 2016, categorized by commercial, condo, and residential.
General Fund Summary

- Overall 2016 General Fund appropriations increase by 4.5%. Including a number of one-time investments.

- The Proposed Budget adds roughly 190 FTE. Of this total, approximately 80 FTE are supported by the General Fund.

- No underspend assumption for 2016.

- Sustainable into 2017 and beyond.

- A total of $7.3 million to be deposited in the City’s general government reserves.
City Reserves Reach Historic Highs

- Reserves for 2016 will total $106.5 million
Mayor’s Targeted Investments

- Planning for Growth
- Investing in Neighborhoods
- Enhancing Transportation – Safety and Mobility
- Improving Public Safety
- Ensuring Equity and Opportunity
- Protecting Those in Need
- Arts Funding and Support for Cultural Institutions
- Developing a More Accountable City Government
Planning for Growth

Create the Office of Planning and Community Development

- Better align City’s planning functions.
- Coordinate all elements of planning – land use, transportation, parks, economic development, etc.
- Two divisions:
  - Research and Analysis
  - Planning and Implementation.
- Transfer staff from DPD, expand with the addition of nine new staff, and establish liaisons from key departments.
- Coordinate with DON on outreach.

Implement HALA Recommendations

- New staff position to pursue legislative strategy in Olympia.
- Additional staff in OH to implement projects with existing housing dollars and pursue opportunities provided by City surplus properties.
- Additional staff in OPCD to develop legislative proposals needed to implement recommendations.

Prepare for Renewal Housing Levy in 2016

- Work has already begun.
- Resources next year to complete support outreach and planning.
Investing in Neighborhoods

Implement Seattle Parks District (~$47M)
- Full implementation in 2016.
- $31M for major maintenance at playgrounds, sports fields, community centers, zoo, aquarium, etc.
- Also includes new programming for older adults, people with disabilities and historically underserved communities.
- And additional environmental restoration through the Green Seattle Partnership.

Promote Engagement with City Government
- Initiate Participatory Budgeting program with Seattle’s youth ($500K).
- Establish a Mobile City Hall ($385K).
- Make “Find it / Fix it” walks program permanent and provide funding for small-scale improvements ($30K).

Increase Capacity at Department of Neighborhoods
- Staff position for HALA Outreach.
- Increase staff support for Youth Commission and Participatory Budgeting.
- New position to support overall outreach and engagement functions.
Enhancing Transportation

- Full implementation of Proposition #1 transit service enhancements. ($43.9 M)
- Capital investments to leverage increased transit service, including $1M for improvements to C and D RapidRide lines.
- Local BikeShare Investment ($5M) to leverage up to $10M from the Federal Government.
- Safety improvements in key corridors
  - Rainier Avenue South
  - Lake City Way
  - 35th Ave. SW
  - SW Roxbury
- Increased enforced and monitoring at construction sites - funded by increased permit fees
- Complete parking pay station replacement in 2016. Newer technology allows for more dynamic pricing strategies.
- Budget does NOT assume passage of Move Seattle Levy. Expiration of Bridging the Gap levy reduces transportation funding by $43 M.
Improving Public Safety

Seattle Police Department

- Increase outreach – 3 new civilian positions to serve as community liaisons ($500K).
- Sufficient resources to provide body-worn cameras to all patrol officers ($1.8M + grant).
- Full funding for DOJ-required Data Analysis Platform ($8M).
- Technology and staffing enhancements at 911 call center ($800K).

Seattle Fire Department

- Increase recruit class by 35 – reduce overtime and fatigue ($2.2M).
- Reduce barrier to recruiting by including EMT certification in training program ($55K).
- Implement new program to reduce number of non-emergency 911 calls ($240K).

Broader Strategies to Enhance Public Safety

- Harborview/UW Pilot Program to reduce gun violence ($275K).
- Sustaining support for Rainier Beach: A Beautiful Safe Place for Youth ($50K & existing resources).
- Continued funding for SPD’s “Safe Place” program. And additional support for other recommendations from the Mayor’s LGBTQ Task Force.
Ensuring Equity and Opportunity

Office of Labor Standards
- Two additional staff for outreach and enforcement ($240K).
- Additional funding for education of employees and employers ($200K).

Office of Sustainability and the Environment
- Expand Equity and Environment Initiative ($100K)

Seattle Library
- Increase availability of loanable Wi-Fi hotspots ($140K).

Office of Immigrant and Refugee Affairs
- Expand New Citizenship Program ($200K).
- Establish Immigrant Family Institute ($60K).
Services for Those in Need

Shelter (~$1.5 M)
- Continue support for authorized encampments.
- New 100-bed shelter at City-owned facility in the Uptown neighborhood.
- Funding to extend shelter hours to provide day-time services.
- Expand youth shelter.
- Full-time staff position dedicated to homelessness.

Food ($250K)
- Support development of a Food Lifeline’s new warehouse.
- Serves food banks throughout the city.

Health Care
- Multiple requests for capital funding from community health centers.
- $1.5 million to be awarded through a competitive process

Implement Portfolio Model ($300K)
- More efficient contracting.
- Increased focus on prevention.
- Outcome-based Framework.
Arts Funding and Support for Cultural Institutions

- Increase share of Admissions Tax dedicated to Arts from 75% to 80% - $400K
- Nordic Heritage Museum - $500,000
- Town Hall - $500,000
- Burke Museum - $500,000
- Seattle Opera’s Mercer Arena Project - $200,000 (part of overall $5M commitment)
Developing a More Accountable City Government

Consolidation of Information Technology
- Create the Seattle Information Technology Department
- Bring together IT staff from 15 departments

Implement new accounting system – Summit Reimplementation (SRI)
- Establish a single citywide financial system of record
- Essential for financial oversight and accountability
- Provide capability for performance-based budgeting

Transparency in performance and budgeting
- Performance Seattle website now includes 80+ individual metrics from more than 20 different departments.
- Online presentation of budget data -> http://openbudget.seattle.gov/#/

Develop a Performance Budgeting Approach
- Piloting performance measures in budget book