

# Office of Sustainability and Environment

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## Department Overview

The Office of Sustainability and Environment (OSE) partners with City departments, community organizations, nonprofits, and businesses to solve pressing environmental challenges. OSE develops policies and promotes green initiatives through three functional areas:

**Citywide Coordination:** Coordinates interdepartmental work on priority programs, policies, and outreach to advance the City's environmental goals. OSE's coordination work includes a focus on food systems, urban forestry, green infrastructure, energy efficiency in City buildings, equity and environment, and environmental performance measurement.

**Innovation & Research:** Conducts research and develop the City's next generation of environmental and sustainability policies and programs. OSE's innovation and research includes a special focus on building energy, including supporting Community Power Works, a program to provide home energy upgrades; developing a district energy strategic partnership; implementing the Building Energy Benchmarking & Reporting program; and developing an energy policy roadmap.

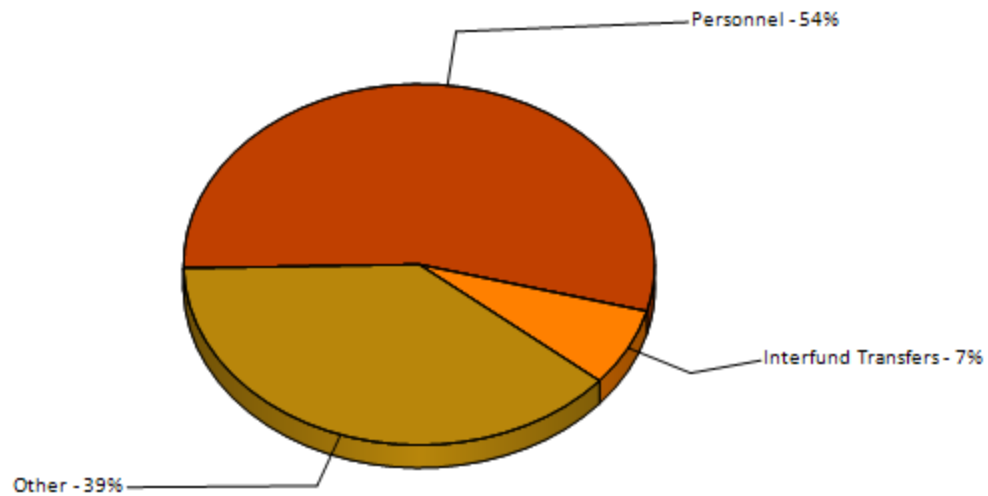
**Climate Change Action Planning and Measurement:** Coordinates implementation of the Seattle Climate Action Plan to reduce Seattle's greenhouse gas emissions, including goal assessment, action planning, community outreach, and performance measurement. OSE's climate change planning and measurement work also includes developing a climate change adaptation strategy that minimizes the disproportionate impacts of a changing climate while making Seattle less vulnerable and more resilient.

## Budget Snapshot

Department Support	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
General Fund Support	\$4,727,584	\$3,334,225	\$3,246,352	\$3,324,826
<b>Total Operations</b>	<b>\$4,727,584</b>	<b>\$3,334,225</b>	<b>\$3,246,352</b>	<b>\$3,324,826</b>
<b>Total Appropriations</b>	<b>\$4,727,584</b>	<b>\$3,334,225</b>	<b>\$3,246,352</b>	<b>\$3,324,826</b>
Full-time Equivalent Total*	11.00	15.25	15.25	17.25

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2016 Proposed Budget - Expenditure by Category



### Budget Overview

The Office of Sustainability and Environment 2016 Proposed Budget includes a number of changes that fund new initiatives, enhance the department's existing initiatives, (Climate Change Initiative and the Fresh Bucks program), and support ongoing policy and administrative functions.

**New initiatives:** The Office of Sustainability and Environment is developing the Equity & Environment Initiative, and implementing the Equity & Environment Agenda. The initiative's goals are to ensure that:

- All people and communities benefit from Seattle's environmental progress.
- Communities most impacted by environmental injustice are engaged in setting environmental priorities, designing strategies, and tracking progress; and
- People of color, immigrants and refugees, people with low incomes, and limited-English proficiency individuals have opportunities to be part of, and leaders in, the mainstream environmental movement.

**Ongoing initiative support:** The 2016 Proposed Budget also funds activities related to ongoing initiatives undertaken by the Office of Sustainability and Environment. This includes adding new positions to the Fresh Bucks program, which increases access to healthy food and supports food sustainability efforts. Also proposed in 2016 is a continuation of the Climate Change Initiative, through the conversion of a position from temporary to permanent for the Climate Change Preparedness Strategy and Climate Action Plan efforts. The position will support community-based planning and implementation of these programs.

## Office of Sustainability and Environment Baseline Budget Review

The Office of Sustainability and Environment's baseline budget review identified changes to the department's approach to budget practice and strategic planning efforts for 2016. The review also provided an opportunity to establish how the department's budget could be organized by line of business, or the primary programs and activities the department is undertaking in the 2016 Proposed Budget.

### Summary of Baseline Review

The City Budget Office identified two items during 2016 Proposed Budget development to improve the Office of Sustainability and Environment's budgeting practice through the baseline review process:

- Identify historical professional services spending; and
- Implement a budget that mirrors lines of business.

**Identify Professional Service Spending:** The Office of Sustainability and Environment has provided additional detail on how professional services were used in 2015, by line of business. Professional services reflect consultant services for activities and initiatives undertaken in their respective lines of business. Table 1 shows the 2015 expenditures by line of business for the department.

**Table 1: 2015 professional services spending by line of business**

<b>Line of Business</b>	<b>2015 Expenditure</b>
Administrative	\$0
Energy Efficiency	\$683,166
Equity and Environment	\$361,422
Green Stormwater Initiative	\$45,000
Food Systems	\$490,283
Climate Protection	\$216,427
Performance Monitoring and Benchmarking	\$41,950
<b>Total</b>	<b>\$1,838,248</b>

**Lines of business budget approach:** As of this proposed budget, the Office of Sustainability and Environment does not allocate budget by line of business as part of the Citywide budget process. During a strategic planning activity beginning in fall 2015, the City Budget Office will work with the Office of Sustainability and Environment, and its new director, to define formal budget programs that reflect the department's lines of business identified during this planning effort. These programs will be included as part of the 2017-2018 Proposed Budget and future budgets.

### Current Lines of Business

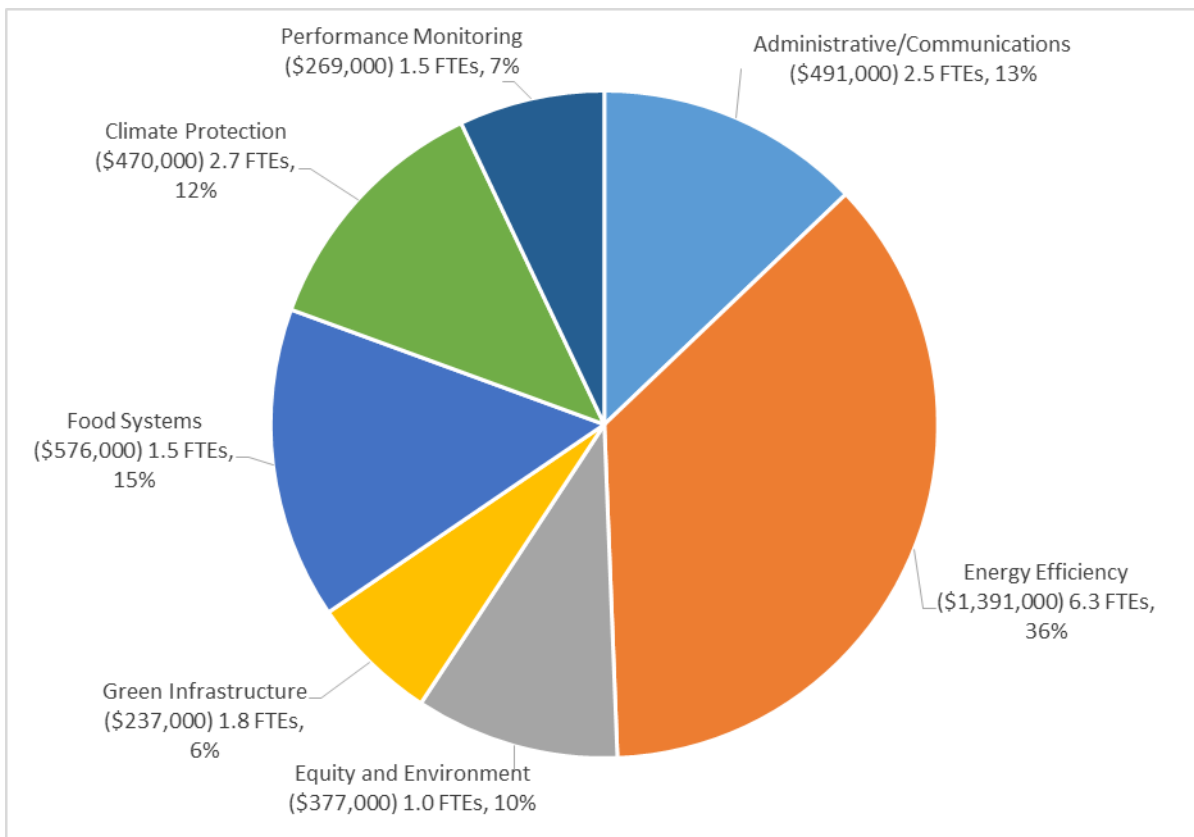
Although a final line of business / program structure will be established in 2017, this year's budget review did provide an opportunity to identify a preliminary set of definitions. These categories reflect the office's priorities through 2015, and have been applied to the 2016 Proposed Budget for illustrative purposes. Below is a list describing each:

1. **Administrative/Communications:** includes administrative and communications personnel costs, director costs, travel, training and supplies to support department initiatives.
2. **Climate Change:** includes the Climate Action Plan and initiatives to reach citywide carbon neutrality goals and prepare for climate impacts.
3. **Food Systems:** includes the Fresh Bucks program and initiatives to increase access to healthy foods, reduce food waste and support regional food economy.
4. **Energy Efficiency:** includes Community Power Works, energy efficiency for City buildings, energy

- benchmarking and other building efficiency initiatives that further energy efficiency goals of the City.
5. **Equity and Environment:** includes the new Equity and Environment Initiative that integrates and elevates racial equity and environmental justice in Seattle’s environmental work.
  6. **Green Infrastructure:** Initiatives to manage 700 million gallons of stormwater runoff annually using natural drainage techniques and increase Seattle’s tree canopy.

**Table 2** shows this alignment between 2016 anticipated budget, full-time equivalent (FTE) count, and lines of business. As the department undertakes a new strategic planning process, these categories and percent impacts may change. These charts are reflective of 100% of the Office of Sustainability and Environment’s budget and FTE counts for 2016. Budget percentages include estimates of all known grants awarded to OSE in addition to General Fund appropriations. As a result, the totals reflected in Table 2 include projections of grant receipts that are not included in the 2016 Proposed Budget. These projections total \$486,000, and reflect OSE’s ability to leverage outside resources in addition to allocations from the City’s General Fund.

**Table 2: 2016 Budget by Line of Business (\$3.8M, 17.25 FTEs)**



**Next steps**

The next step for the Office of Sustainability and Environment is to implement a new program-based approach to their central budget. The City Budget Office and the department will work together to identify any changes in the fall of 2015.

## Incremental Budget Changes

### Office of Sustainability and Environment

	2016	
	Budget	FTE
<b>Total 2016 Endorsed Budget</b>	<b>\$ 3,246,352</b>	<b>15.25</b>
<b>Baseline Changes</b>		
Citywide Adjustments for Standard Cost Changes	-\$ 26,073	0.00
<b>Proposed Changes</b>		
Initiative Position Changes	\$ 0	2.00
General Fund Reductions	-\$ 30,000	0.00
Equity and Environment Initiative Changes	\$ 100,000	0.00
<b>Proposed Technical Changes</b>		
Technical Changes	\$ 34,547	0.00
<b>Total Incremental Changes</b>	<b>\$ 78,474</b>	<b>2.00</b>
<b>2016 Proposed Budget</b>	<b>\$ 3,324,826</b>	<b>17.25</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - (\$26,073)**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care rate reduction, retirement contribution rate reduction, and updates to unemployment and industrial insurance charges. There was also an adjustment made to the 2016 base to recoup savings from a higher-than-expected inflation provided in the 2015 Adopted Budget for non-labor expenses. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Changes

#### **Initiative Position Changes/2.00 FTE**

The Office of Sustainability and Environment has a number of adjustments to positions in the 2016 Proposed Budget. This item includes a coordinator for the Fresh Bucks program, and a position to continue ongoing efforts on the department's Climate Change Initiative. Both positions already have funding through either grant funds appropriated in the 2015 Quarterly Budget Supplemental process or existing funding for temporary positions.

### General Fund Reductions - (\$30,000)

General Fund Reductions reflect changes to the 2016 Proposed Budget that identify savings or reduction targets to specific programs. Reductions for OSE in 2016 reflect a deferral of the Moving the Needle Report, a semi-annual benchmarking report that identifies progress on citywide environmental objectives. The next update to the report will be completed in 2017.

### Equity and Environment Initiative Changes - \$100,000

The Equity and Environment Initiative focuses environmental policy of the City, applying an equity approach up front. The initiative will bring additional grant funding to invest in environmental policy equally throughout Seattle's neighborhoods. This initiative includes funding for temporary staff, outreach, community engagement, policy and planning work.

### Proposed Technical Changes

#### Technical Changes - \$34,547

This item reflects labor and information technology (IT) technical changes. The Office of Sustainability and Environment has recently begun supporting its own IT costs, shifting away from the Small Department Technology Fund. The proposed IT technical additions reflect this change, including changes for licensing, hardware, and other administrative cost changes related to IT. This change also includes a true up for labor costs.

## Expenditure Overview

Appropriations	Summit Code	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
Office of Sustainability and Environment Budget Control Level	X1000	4,727,584	3,334,225	3,246,352	3,324,826
<b>Department Total</b>		<b>4,727,584</b>	<b>3,334,225</b>	<b>3,246,352</b>	<b>3,324,826</b>

<b>Department Full-time Equivalents Total*</b>		<b>11.00</b>	<b>15.25</b>	<b>15.25</b>	<b>17.25</b>
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## Appropriations By Budget Control Level (BCL) and Program

### Office of Sustainability and Environment Budget Control Level

The purpose of the Office of Sustainability and Environment Budget Control Level is to coordinate interdepartmental environmental sustainability initiatives, identify and develop next generation policies and programs, and lead the City's climate change action planning to move towards carbon neutrality.

	2014	2015	2016	2016
<b>Program Expenditures</b>	<b>Actuals</b>	<b>Adopted</b>	<b>Endorsed</b>	<b>Proposed</b>
Office of Sustainability and Environment	4,727,584	3,334,225	3,246,352	3,324,826
<b>Total</b>	<b>4,727,584</b>	<b>3,334,225</b>	<b>3,246,352</b>	<b>3,324,826</b>
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