

Office of Sustainability and Environment

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Department Overview

The Office of Sustainability & Environment (OSE) develops and implements citywide environmental policies and programs that propel Seattle toward a sustainable, equitable, and carbon neutral future. OSE collaborates with a wide range of stakeholders to develop innovative environmental solutions that foster equity, vibrant communities, and shared prosperity. 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, energy efficiency in City buildings, equity and environment, and environmental performance measurement. OSE is also responsible for administrative coordination of two prominent Boards and Commissions: the Urban Forestry Commission, and the Sweetened Beverage Tax Community Advisory Board.

Innovation & Research: Conducts research and develops the City's next generation of environmental and sustainability policies and programs. OSE's innovation and research includes a special focus on environmental equity, building energy, food policy, and transportation electrification, including implementing the Equity and Environment Agenda, Building Energy Benchmarking & Tune-Up program, Fresh Bucks food access program, and the Drive Clean Seattle program.

Climate Change Action Planning, Implementation 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 implementing a climate change adaptation strategy that minimizes the disproportionate impacts of a changing climate while making Seattle less vulnerable and more resilient.

Budget Snapshot

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
Department Support				
General Fund Support	7,665,300	7,984,667	7,738,643	5,624,183
Other Funding - Operating	-	-	-	5,953,919
Total Operations	7,665,300	7,984,667	7,738,643	11,578,103
Total Appropriations	7,665,300	7,984,667	7,738,643	11,578,103
Full-Time Equivalent Total*	26.50	26.50	26.50	28.50

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

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Budget Overview

The 2020 Proposed Budget for the Office of Sustainability & Environment (OSE) largely remains unchanged from the 2020 Endorsed Budget, focusing on the implementation of established initiatives and supporting ongoing policy and administrative functions. The 2020 Proposed Budget does include new initiatives in food policy and energy efficiency.

New initiatives: In 2020, OSE will implement the following new or expanded initiatives:

Fresh Bucks Program Expansion: In 2012, OSE established the Fresh Bucks Program, a program that increases the affordability of fresh fruits and vegetables to participants of the Supplemental Nutritional Assistance Program (SNAP). Fresh Bucks partners with local businesses, supermarkets, farmers markets, and healthcare clinics to provide financial incentives for consuming healthy food.

In 2015, OSE received \$1.6 million in federal grants through the Food Insecurity Nutrition Incentive (FINI) grant program to expand benefits for program participants. By 2016, Fresh Bucks had expanded to 29 locations, and launched Fresh Bucks Rx, partnering with medical providers to prescribe fruits and vegetables to food insecure patients.

In 2018, Fresh Bucks expanded program eligibility beyond the Federal Supplemental Nutrition Assistance Program participation, in alignment with other affordability programs. Also in 2018, \$480,000 of FINI grants supported direct incentives to Fresh Bucks participants. As part of the long-term strategy to sustain and grow the Fresh Bucks program, the City has identified resources from the Sweetened Beverage Tax as a natural nexus to support the program in 2019 and beyond. An additional \$923,000 from the Sweetened Beverage Tax was added in 2018 to support the program. This funding was originally reserved by the Mayor and Council in the 2018 Adopted Budget and released on recommendation of the Sweetened Beverage Tax Community Advisory Board through the 2018 Second Quarter Supplemental Budget Ordinance.

In 2020, an additional \$2,000,000 is provided to expand the Fresh Bucks voucher program, supported by new revenue from the Sweetened Beverage Tax. Please see the incremental change description below for more information about this expansion.

Oil Heat Conversion Expansion and Tax: Pending legislative action, the City will impose a new tax on residential heating oil to reduce carbon emissions and increase programmatic support to help homeowners convert from oil heat to electric heat pumps. The City estimates that about 18,000 homes rely on oil heating within the city limits. Funding from this tax would support an OSE conversion program to complete about 3000 conversions from oil heating to electric heat pump by 2028, partnering with Seattle City Light and the Seattle Office of Housing. This program will prioritize the conversion of low-income residents by providing support for the full cost of the conversion for qualified residents, and provides partial incentives to the remaining non-low income customers. This program also supports a training program for businesses that may be impacted by the tax.

Position support for Energy Efficiency: OSE will add two new sunset positions to the work program supporting the Municipal Energy Efficiency Project (MEEP), a capital project spanning multiple departments that seeks to improve building energy efficiency through capital projects in City-owned facilities. These positions are fully funded through existing revenue budgeted in the MEEP. For more detail about this project, please see the Municipal Energy Efficiency Project located in the Department of Finance and Administrative Services' 2020-2025 Proposed Capital Improvement Program.

Funding Climate Director: OSE has grown to support expansive climate change policy initiatives across the City through its Climate Action work. In continuing to support the Mayor's Climate Action Strategy and keep the City on track to meet objectives of the Paris Climate Accord, OSE will add \$175,899 to fund a Climate Director.

Ongoing initiative support: The 2020 Proposed Budget continues to fund existing initiatives in OSE, including:

- Equity and Environment Initiative

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- Duwamish Valley Program
- Climate Action Initiatives
- Drive Clean Seattle
- Building Energy Efficiency
- Food Policy and Programs

Please see previous years' budgets for a description of these initiatives.

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Incremental Budget Changes

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	2020 Budget	FTE
Total 2020 Endorsed Budget	7,738,643	26.50
Citywide Adjustments for Standard Cost Changes	46,739	-
Baseline		
Supplemental Budget Changes	680,000	-
2020 Coalition and Non-Rep Annual Wage Increase Base Budget	255,788	-
2020 State Paid Family Medical Leave Increase Base Budget	4,454	-
Proposed Operating		
Increase support for Fresh Bucks	2,000,000	-
Heating Oil Tax and Conversion Expansion	595,357	-
Program Advisor for Energy Efficiency	-	1.00
Administrative Support for Energy Efficiency	81,223	1.00
Ongoing Funding for Climate Director	175,899	-
Proposed Technical		
Transfer Sweetened Beverage Tax Baseline Budget to New Fund	-	-
Total Incremental Changes	\$3,839,460	2.00
Total 2020 Proposed Budget	\$11,578,103	28.50

Description of Incremental Budget Changes

Citywide Adjustments for Standard Cost Changes

Expenditures \$46,739

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, including the Department of Finance & Administrative Services rates, Information Technology rates and Human Resources rates, health care, retirement and industrial insurance charges for the department. This adjustment also includes a transfer of resources from the department to the Human Resources Investigations Unit (HRIU) as part of the City's efforts to improve investigative processes and practices across the City departments. While the internal service rates are final for 2020, some of the other adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Baseline

Supplemental Budget Changes

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Expenditures \$680,000

This change completes a true-up of the 2020 Proposed Budget for any ongoing appropriation changes made in 2019. This change includes adding \$680,000 of appropriation in the Sweetened Beverage Tax Fund to replace expiring grant and one-time funding, and maintain current service levels for the Fresh Bucks program.

2020 Coalition and Non-Rep Annual Wage Increase Base Budget

Expenditures \$255,788

This centrally administered change adjusts appropriations to reflect the Annual Wage Increase, as outlined in the tentative agreement between the City and the Coalition of Unions, for personnel costs included in this department's baseline budget. This includes increases to salary, FICA, Medicare, retirement, overtime and temporary labor.

2020 State Paid Family Medical Leave Increase Base Budget

Expenditures \$4,454

Starting in January 2020, Washington State will offer paid family and medical leave benefits to all workers in the State of Washington, including City of Seattle employees. In 2020, the tentative agreement with the Coalition of Unions moves a portion of the cost responsibility to the employee in 2020, with the City paying the remainder. This item increases appropriations to account for the City's obligation for all employees.

Proposed Operating

Increase support for Fresh Bucks

Expenditures \$2,000,000

This change increases the funding for the Fresh Bucks program by \$2,000,000, tripling the number of eligible residents for the voucher component of the program to 6,000 recipients, for a total of over 12,000 served by all Fresh Bucks services. This supports OSE's Fresh Bucks voucher program, a key element of the Fresh Bucks Program's strategy to reach residents in the "food security gap" who experience food insecurity but do not qualify for other food assistance programs. OSE has identified continued demand for this program, with further expansion possible as funds become available.

Heating Oil Tax and Conversion Expansion

Expenditures \$595,357

This change will increase OSE's budget by \$593,425 to support activities in the Oil Heat Conversion Program, which currently provides subsidies, and will expand those subsidies alongside new training, education, communication, and support efforts to individuals wishing to convert from residential oil heating furnaces to electric heat pumps. This work expands OSE's current work on conversion, and will be absorbed into the existing program work. This budget is dependent on Council approval of a Heating Oil Ordinance which would impose a regulatory fee of \$.236 on each gallon of heating oil. The fee would generate funds to mitigate environmental and carbon pollution with specific focus on funding residential oil conversions to electric heat pumps, assisting in the conversion of about 3,000 homes through this program. Seattle Office of Housing and Seattle City Light will provide additional program support to implement these conversions, and Seattle Department of Finance and Administrative services will provide support for implementing a new tax.

Program Advisor for Energy Efficiency

Position Allocation 1.00

This change will add 1.0 FTE Strategic Advisor 1 position to the Municipal Energy Efficiency Program as a position with a sunset date. The position will be supported by Real Estate Excise Taxes currently allocated within the

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Municipal Energy Efficiency Project CIP. This position will sunset December 31, 2026. Please see the Department of Finance and Administrative Services' 2020-2025 Proposed Capital Improvement Program for more detail on this project.

Administrative Support for Energy Efficiency

Expenditures	\$81,223
Position Allocation	1.00

This change will convert an existing temporary position, expiring in November 2019, that provides administrative and technical support to the Municipal Energy Efficiency Project, to a permanent position with a sunset date. Position costs will be revenue-backed by General Fund energy rebates earned through the work of the program and will sunset December 31, 2026. Please see the Department of Finance and Administrative Services' 2020-2025 Proposed Capital Improvement Program for more detail on this project.

Ongoing Funding for Climate Director

Expenditures	\$175,899
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This change adds \$175,899 to OSE's budget to support a position responsible for implementing and monitoring the Climate Action Strategy released in April 2018 and the City's commitment to achieving the goals of the Paris Climate Accord. The position also oversees OSE's work on municipal and private building energy efficiency and energy benchmarking, Greenhouse Gas Inventory and Climate Action Plan reports, and coordinating the Mayor's Environment and Climate Subcabinet. In 2019, City Council modified the funding to this position to apply only through 2019. This change restores the funding for 2020 as ongoing support.

Proposed Technical

Transfer Sweetened Beverage Tax Baseline Budget to New Fund

Expenditures	-
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This technical change reflects the requirements of Ordinance 125886 and transfers the baseline department budget for Sweetened Beverage Tax activity from the General Fund (00100) to the Sweetened Beverage Tax Fund (00155). These changes are net-zero.

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Expenditure Overview

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
Appropriations				
OSE - BO-SE-X1000 - Office of Sustainability and Environment				
00100 - General Fund	7,665,300	7,984,667	7,738,643	5,624,183
00155 - Sweetened Beverage Tax Fund	-	-	-	5,953,919
Total for BSL: BO-SE-X1000	7,665,300	7,984,667	7,738,643	11,578,103
 Department Total	 7,665,300	 7,984,667	 7,738,643	 11,578,103
 Department Full-Time Equivalents Total*	 26.50	 26.50	 26.50	 28.50

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

Budget Summary by Fund Office of Sustainability and Environment

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
00100 - General Fund	7,665,300	7,984,667	7,738,643	5,624,183
00155 - Sweetened Beverage Tax Fund	-	-	-	5,953,919
Budget Totals for OSE	7,665,300	7,984,667	7,738,643	11,578,103

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Appropriations by Budget Summary Level and Program

OSE - BO-SE-X1000 - Office of Sustainability and Environment

The purpose of the Office of Sustainability and Environment Budget Summary 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.

Program Expenditures	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
Office of Sustainability and E	7,665,300	7,984,667	7,738,643	-
Office of Sustainability and Environment	-	-	-	11,578,103
Total	7,665,300	7,984,667	7,738,643	11,578,103
Full-time Equivalents Total*	26.50	26.50	26.50	28.50

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The following information summarizes the programs in Office of Sustainability and Environment Budget Summary Level:

Office of Sustainability and E

Expenditures/FTE	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
Office of Sustainability and E	7,665,300	7,984,667	7,738,643	-
Full Time Equivalents Total	26.50	26.50	26.50	-

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Expenditures/FTE	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
Office of Sustainability and Environment	-	-	-	11,578,103
Full Time Equivalents Total	-	-	-	28.50