FW: Budget Proposal

From: "Washington, Tiffany" <tiffany.washington@seattle.gov>
To: "Ellis, Steven" <steven.ellis@seattle.gov>, "Thoreson, Hannah" <hannah.thoreson@seattle.gov>, "Moore, Cathy" <cathy.moore@seattle.gov>, "Nelson, Sara" <sara.nelson@seattle.gov>, "Valles, Christa" <christa.valles@seattle.gov>
Cc: "Garrity, Lindsey (MOS)" <lindsey.garrity2@seattle.gov>, "Baxter, Lori (MOS)" <lori.baxter2@seattle.gov>, "LaBrecque, Jennifer" <jennifer.labrecque@seattle.gov>, "Nolte, Dan (MOS)" <dan.nolte@seattle.gov>
Date: Thu, 07 Mar 2024 11:25:27 -0800
Attachments: FINAL-March-IB-Packet_2024.pdf (3.71 MB)

Good morning, CM's. As promised, you will find my response to CEO Powell yesterday. In addition, the IB documents are posted and include the requested budget increase we discussed today. I have attached the documents to this email.

Quick recap of what I think were next steps from our earlier meeting:

- @Valles, Christa, will send a draft resolution to you all for your review once completed. Christa will cc your staff included on this email.
- The two Council members will discuss the options table and let me know your preference once decided.

Am I missing anything?

Thank you.

Tiffany Washington
Deputy Mayor (She/Her/Hers)
Office of Mayor Bruce Harrell | City of Seattle
O: 206-386-1009 |M: 206-507-7003 | Tiffany.Washington@seattle.gov
Working together to build *One Seattle*.

Facebook | Twitter | Subscribe to Mayor Harrell's E-Newsletter

Emails sent to and from the City of Seattle are governed by the Washington Public Records Act and may be subject to disclosure to a third-party requester. To learn more please see Chapter 42.56 RCW and the City's Privacy Statement.

From: Washington, Tiffany
Sent: Wednesday, March 6, 2024 3:34 PM
To: Darrell Powell <darrell.powell@kcrha.org>
Cc: Valles, Christa <Christa.Valles@seattle.gov>; Garrity, Lindsey (MOS) <Lindsey.Garrity2@seattle.gov>; Klaeysen, Chris <Chris.Klaeysen@seattle.gov>
Subject: RE: Budget Proposal

Dear CEO Powell,
City staff and attorneys have been in touch with KCRHA staff and attorney on this issue. With respect, we have a different interpretation of the ILA regarding the matter of submitting a budget request to the City and have communicated this to your staff (and as one of the signatories to the ILA, we believe we are best suited to interpreting it).
Article I Section VII of the ILA states that the budget requests to the City and County "shall be made at the time and in the form as determined to be necessary to comply with the fiscal and budget cycles of the individual Party [Seattle and King County] and that is consistent with the Resources provided by the Parties."

On January 26, 2024, the City's Human Service Department sent KCRHA pre-budget submittal guidance asking KCRHA to submit two different budget scenarios, both of which are projecting some level of reduction in City funding for 2025. Bringing forth a proposal to the Implementation Board and Governing Committee that is not consistent with this guidance violates both the spirit of the ILA as well as our legal interpretation. Moreover, while we don't believe the Governing Committee needs to vote on KCRHA's budget request to the City, we would strongly discourage board members on approving a budget request that is not in line with available City resources.

Our final budget instructions do not come out until April 19. We provided this information to Jeff Sims on March 5. As a compromise, we suggested the Implementation Board could vote on a budget request on May 8 that is consistent with the City's April 19 budget instructions. KCRHA staff could then inform the Governing Committee at their next scheduled July 18 meeting on the request that was submitted to the City on June 1.

Thank you for speaking with me on the phone. Please update me on your final decision once made. If you need my assistance do not hesitate to call.

In partnership,

Tiffany Washington
Deputy Mayor (She/Her/Hers)
Office of Mayor Bruce Harrell | City of Seattle
O: 206-386-1009 |M: 206-507-7003 | Tiffany.Washington@seattle.gov
Working together to build *One Seattle.*

Facebook | Twitter | Subscribe to Mayor Harrell's E-Newsletter

Emails sent to and from the City of Seattle are governed by the Washington Public Records Act and may be subject to disclosure to a third-party requester. To learn more please see Chapter 42.56 RCW and the City's Privacy Statement.

From: Darrell Powell <darrell.powell@kcrha.org>
Sent: Wednesday, March 6, 2024 8:59 AM
To: Washington, Tiffany <Tiffany.Washington@seattle.gov>
Subject: Budget Proposal

CAUTION: External Email

Dear Deputy Mayor Washington,

In accordance with the ILA, KCRHA must submit budget proposals to the City of Seattle and King County. KCRHA's proposal for 2025 will become public tomorrow, March 6, as part of the Implementation Board's agenda packet for their public meeting next week.

Before the proposals become public, I want to give you a preview of what to expect. We recognize the tough financial situation that the City of Seattle is facing in its upcoming budget. At the same time, homelessness continues to grow, and the costs of providing a flat level of service have increased. To address this, we will be proposing what we are referring to as a "stabilization request". At the City level, our ask will address the funding cliff that 17 programs managed by 12 nonprofit service providers are facing after their one-time funding runs out this year ($5.9 million), as well as a Tiny Home Village ($2 million) and a shelter for Black men ($2.4 million) that were all funded with one-time funds. The stabilization request also includes the statutorily required inflationary increase ($2.4 million), including funds to extend that increase our Continuum of Care contracts ($530,223). The total amount requested of the City of Seattle is $13,286,627.

We are proposing similar requests to the County, to maintain programs funded with one-time funding, coupled with an inflationary increase, totaling $11.3 million.

It is ultimately up to our boards what they want to approve for our 2025 budget request, and we will ensure that there are options available should either of the boards want to go in a different direction.

You will be able to find the final memo for the Implementation Board here when it is published late tomorrow.

Let me know if you have any questions.

L. Darrell Powell | He/Him
Interim CEO
King County Regional Homelessness Authority
Email: darrell.powell@kcrha.org
Mobile: 206-513-1530
Twitter | Facebook | LinkedIn | Instagram

Email communications with KCRHA employees are public records and may be subject to disclosure.