



King County

Dow Constantine

King County Executive
401 Fifth Avenue, Suite 800
Seattle, WA 98104-1818

206-263-9600 Fax 206-296-0194

TTY Relay: 711

www.kingcounty.gov

September 30, 2021

The Honorable Claudia Balducci
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Balducci:

This letter transmits the proposed second omnibus supplemental Ordinance of the 2021-2022 biennium, including operating and capital improvement program (CIP) budgets. The proposed legislation includes changes to funds for 2022, as well as updates to proviso language. Details are provided in the narrative table included in this package.

The total increase proposed for County General Fund expenditures is \$26 million, \$12.5 million of which is revenue backed. The remaining expenditures are funded through improved regional sales tax, other governmental revenues, and fund balance. In addition to the use of undesignated fund balance, several policy-based reserves established in the 2021-2022 budget are proposed to be used to support investments. The total increase proposed for non-General Fund expenditures is approximately \$333 million. The total capital budget appropriation included in the ordinance is \$258 million.

The proposed Ordinance includes expenditures in the following areas:

- \$65.8 million in investments supporting the acceleration of Metro bus electrification from 2040 to 2035, including investments in base electrification and electrification of Water Taxi and Access vehicles.
- \$20 million of Climate Equity bond funds for projects identified with community partners supporting frontline communities disproportionately affected by climate change and increasing opportunities for those communities to benefit from emissions reductions and energy efficiency.
- \$3.1 million for expanded regional gun violence and peacekeeping efforts, including additional community outreach, violence interrupters, and life coaches.
- \$4.3 million for the new adult felony Community Diversion Program, including resources for a loss recovery fund which provides financial supports for harmed parties; assessment and referral staff; and community-based service contracts.

- \$17.3 million in Mental Illness and Drug Dependency (MIDD) to restore program cuts and some program expansion driven by increased sales tax revenue projections.
- \$5.5 million to accelerate work on culvert replacement and sidewalks in lower-income neighborhoods in unincorporated King County funded by additional excise tax funds.
- Restoration of undesignated fund balance in the General Fund to 8 percent and the Rainy Day Reserve in the MIDD Fund to 60 days due to increased sales tax projections.
- Appropriation of an additional \$126.6 million for Best Starts for Kids (BSK) funds, consistent with the passage of the BSK levy by King County voters in August and the implementation plan.
- \$1.5 million to expand access to dental care for low-income, uninsured adults in King County regardless of citizenship status, funding 4,000 to 5,000 dental visits at community health centers; some of the funding will be used to create a plan to develop universal healthcare coverage in King County.
- \$0.2 million for a project manager to begin the planning for potential implementation of body-worn cameras in the King County Sheriff's Office.
- \$45 million for the preservation of over 1,900 acres of open space throughout King County.
- \$1.4 million for investments in the Office of Equity and Social Justice supporting community engagement, disability equity, and Office policy and operations; this includes the use of one-time funds from the City of Seattle to support the Coalition Against Hate and Bias.
- \$3 million for investments in additional human resources support and countywide trainings to support employees and County operations.

The proposed Ordinance also includes changes to various proviso and expenditure restrictions as follows:

- PSB: Amend due date for the Restorative Community Pathways Program plan from five months after implementation to nine months after implementation.
- Public Health: Strike the Gun Violence expenditure restriction ER3 and move \$2 million of related funding to the Department of Public Health from PSB. Cite adopted Ordinance 19289 in expenditure restriction ER4 and cite adopted Ordinance 19318 in proviso P4.
- PSB: Change fugitive landfill emissions study expenditure restriction ER3 to use aerial technology rather than arial technology.
- Department of Community and Human Services: Change the due date for the Community and Human Services Administration proviso P2 addressing the procurement process for community services to support secure detention diversion for the city of Seattle. The amendment eliminates the "no later than" deadline of September 30, 2021.

- Metro Transit: Change due dates for reimagining transit safety and security scoping and implementation report proviso P5 from September 30 to December 1, 2021 and the Shoreline Park & Ride transit-oriented development feasibility report proviso P8 from a due date of September 30, 2021 to June 30, 2022.

The Second Omnibus Transmittal Package

In addition to the proposed second omnibus Ordinance for operating and capital budgets, this transmittal package incorporates the following separate legislative components, reports, and amendments.

Property Tax Ordinances - Included in this transmittal package are the proposed property tax ordinances necessary to collect the 2022 property tax revenue supporting the proposed budget. The 2022 property tax ordinances are provided as part of the mid-biennium second omnibus ordinance in 2021. The Office of Performance, Strategy and Budget (PSB) staff will work with Council staff in the coming weeks to ensure final numbers are included in these ordinances once that information is received from the Assessor.

Department of Judicial Administration (DJA) Proposed Fee Ordinance - This letter transmits a proposed Ordinance that would, if enacted, repeal a fee for the disposal of court exhibits. The exhibit disposal fee has not been applied in recent years and is no longer relevant when exhibits are submitted, stored, and maintained electronically.

DJA Data Fee - This letter transmits a proposed Ordinance that would, if enacted, permit DJA to charge a fee to provide a probate data subscription to customers. King County Code (KCC) 4A.630.095 authorizes DJA to charge fees for the provision of data subscriptions for general public court data and criminal data. DJA would like to make a probate index available as well.

CIP Codes Changes Ordinance - This letter transmits a proposed Ordinance that would, if enacted, streamline and clarify capital budgeting through amendments to King County Code. If enacted, the proposed Ordinance would condense code sections to make capital budgeting requirements clearer and consistent with current practices. It would also change the selection process for designating capital projects for risk monitoring. These changes were developed in collaboration with the County Auditor's Office to enable focus review on the highest-risk projects in the County's capital improvement program.

Best Starts for Kids - The Best Starts for Kids (BSK) Fund, as created in KCC.4A.200.148, limits the use of the Fund to revenues and expenditures related to the BSK levy passed in 2015. This proposed legislation, if enacted, would update the KCC to allow the BSK Fund to be used for the 2015 BSK levy expenditures and all subsequent levy lid lifts related to the same purpose, including the levy passed by voters in August 2021. This proposed Ordinance also simplifies the purpose language of the Fund to remove language from the 2015 BSK

levy and replace it with language that more broadly applies to all current and successive BSK levies.

Bond Funding Amendment - This proposed amendment to Ordinance 19279 would, if enacted, include an additional project that has now been identified as requiring bond funding during the current biennium. The additional project, the King County Sheriff's Office Evidence Storage Project, is proposed to be added in the amount of \$5.5 million. To accommodate the financing of this additional project, the not-to-exceed principal amount of the bond authorization in Ordinance 19279 also needs to be amended and increased from \$806 million to \$812 million.

DJA Divisions - KCC.16.020 (A)(5) contemplates the divisions of executive branch departments be created by the Council. The Department of Judicial Administration, which is under the executive branch, does not currently have its divisions established in Ordinance. This proposed Ordinance, if enacted, would establish divisions in the Department of Judicial Administration.

Fund Creation Ordinance – Deferred Compensation – This proposed Ordinance, if enacted, would create a new deferred compensation fund to be managed by the Department of Human Resources and transfer all assets and fund balances from the current fund in DES to further support the centralization of all employee administrative functions. In 2020, the County adopted Ordinance 19199 moving the Benefits, Payroll and Retirement Operations Section of the Department of Executive Services (DES) to the Department of Human Resources. This reorganization completed the process of moving all employee administrative functions, including administration of the employer responsibilities for the deferred compensation plan, to one central organization within King County.

Fund Closure Ordinances - This proposed Ordinance, if enacted, would close two funds in the Department of Community and Human Services (DCHS) due to lack of use. The Veterans Services Levy Fund and Health and Human Services Levy Fund have not been used since the creation of the Veterans, Seniors, and Human Services Levy Fund consolidated their purposes into one fund in 2017. This proposed Ordinance would remove the retired funds from King County Code.

County Road Administration Board (CRAB) Report – In order to continue to receive gas tax revenue distribution from the state, the County is required by state law to prepare and adopt an annual six-year construction program for submission to the state authorized CRAB. The proposed Ordinance approving the Road Services Division 2022-2027 capital improvement program (CIP) meets this requirement. This proposed Ordinance is required to be adopted by year end, prior to the adoption of the supplemental budget Ordinance. This six-year CIP is consistent with, and assumes the adoption of, the proposed appropriation changes in this supplemental Ordinance. This proposed legislation seeks Council adoption of the program, but does not seek changes to appropriation authority.

The Honorable Claudia Balducci
September 30, 2021
Page 5

These proposed Ordinances support the King County Strategic Plan to exercise sound financial management and build King County's long-term fiscal strength.

I certify that funds are available.

Thank you for your consideration of this legislation. If your staff have questions, please contact Dwight Dively, Director, Office of Performance, Strategy and Budget, at 206-263-9687.

Sincerely,



Dow Constantine
King County Executive

Enclosures

cc: King County Councilmembers
 ATTN: Janine Weihe, Interim Chief of Staff
 Melani Pedroza, Clerk of the Council
Dwight Dively, Director, Office of Performance, Strategy and Budget
Shannon Braddock, Deputy Chief of Staff, Office of the Executive
Karan Gill, Director, Council Relations, Office of the Executive
Elected Officials
Department Directors