

Overview and Initial Issues Identification

Department of Neighborhoods

Staff: Christa Valles
 Date Prepared: October 15, 2010

Expenditures/Revenues (in thousands)

Budget Control Level	2009 Actuals	2010 Adopted	2011 Proposed	% Change '10-'11	2012 Proposed	% Change '11-'12
Expenditures by BCL						
Community Building	\$3,213	\$3,142	\$2,275	-27.6%	\$2,396	5.3%
Customer Service and Operations	\$3,312	\$3,277	\$3,186	-2.8%	\$3,251	2.0%
Customer Service Bureau	\$667	\$687	\$0	-100.0%	\$0	0.0%
Directors Office	\$1,321	\$1,353	\$1,061	-21.6%	\$1,106	4.2%
Office for Education	\$112,000	\$0	\$0	0.0%	\$0	0.0%
Youth Violence Prevention	\$176	\$3,305	\$3,104	-6.1%	\$3,121	0.5%
Total	\$8,801	\$11,764	\$9,626	-18.2%	\$9,874	2.6%
Total FTEs	86.50	86.50	69.75	-19.4%	69.75	0.0%
Revenues						
General Subfund	\$120,689	\$11,764	\$9,626	-18.2%	\$9,874	2.6%

Introduction

The Department of Neighborhood's (DON) 2011 Proposed Budget is approximately \$2.1 million less than the 2010 Adopted Budget and includes an abrogation of 16.75 positions. The \$2.1 million difference is the net result of \$360,000 in technical or inflationary additions and \$2.5 million in reductions. Of the \$2.5 million in reductions and abrogations in DON's budget, \$877,000 and 7.75 FTE are associated with "program transfers" from DON to other city departments. In some cases, a program transfer involves a reduction in funding and FTEs, but the program *function* will continue to be provided by another department.

When these program transfers are taken into account, DON's budget reductions amount to \$1.62 million, or 13.7%, and 9.1 FTE. In the table below, I have broken out DON's budget reductions into three categories. This issue paper will focus on the second category of reductions, DON Program Reductions.

Reductions: 2011 Budget	Total
Program Transfers & resulting reduction to DON's budget <ul style="list-style-type: none"> Youth Commission to Mayor's Office (\$48,000) Refugee & Immigrant Services to OCR (\$113,000) Customer Service Bureau to FAS (\$716,000) 	\$877,000 /7.75 FTE
DON Program Reductions <ul style="list-style-type: none"> 6 Neighborhood District Coordinators (\$606,500) 6 Neighborhood Service Centers (\$152,241) 1 Neighborhood Payment Center & customer service representative (\$13,531 in GF + \$99,230 in utility) Historic Preservation survey work & community Development Specialist, Sr. (\$334,000) 1 Food Policy Strategic Advisor (\$120,000) 	\$1.3 million/ 9.1 FTE
Reductions in programs not managed by DON Director <ul style="list-style-type: none"> Youth Violence Prevention Initiative 	\$260,000

DON Program Reductions

Neighborhood Service and Payment Centers, Neighborhood District Coordinators

One of the larger service cuts to DON's budget entails a reduction in the Neighborhood District Coordinators (NDCs). As the attached map shows, Seattle is divided into thirteen "neighborhood districts" and each district has a NDC and either a non-payment Neighborhood Service Center ("Non-Payment Service Centers") or a Neighborhood Service Center with Payment and Information Services ("Payment Service Centers"). In total, there are thirteen NDCs, six Non-Payment Service Centers and seven Payment Centers.

Neighborhood District Coordinators (\$606,500)

The NDCs are intended to help Seattle residents get engaged and access City services and programs. While the jobs of many City staff include working directly with the community on a variety of city projects, the NDCs are solely dedicated to this function. The table below breaks out estimates for how NDC time is spent on various activities:

Activities	Time Spent
1. Attending, facilitating, and supporting community meetings on various issues.	25%
2. Meeting or speaking with individual community members (Complaints, clarifications on city policy, and relationship building).	15%
3. Interacting with departments to respond to the public's questions, providing critical feedback, supporting (SDOT, Parks, and DPD) community engagement and outreach.	10%
4. Staffing the neighborhood district councils (preparing materials, confirming guests, identifying issues).	15%
5. Administrative time/internal department meetings (including RSJI).	10%
6. Scouting opportunities for community development, coaching, supporting and connecting community groups, working on race and social initiative and inclusive outreach and community engagement.	15%
7. Providing information and referrals at the neighborhood district service centers.	10%-Varies

DON's 2011- 2012 Proposed Budget eliminates six of the thirteen NDC positions, leaving seven in place plus one manager. The Executive has not yet responded to Council questions regarding how NDC responsibilities would be reorganized next year under the proposed reductions.

Options

1. Accept Reductions as proposed.
2. Restore three NDC positions (\$300,000) & arrange for co-locations at remaining six Payment Center sites (brings total NDC positions to ten).
3. Restore all six NDC positions (\$600,000) and either co-locate at remaining sites or restore eliminated physical sites.
4. For Options 1 and 2, develop Statement of Legislative Intent requesting Executive report back on how NDC responsibilities will be reorganized and prioritized given reduced staffing.
5. Other.

* Note: Amounts above are for salaries only. Each NDC position requires approximately \$1,500 in additional expenses for mileage reimbursement and office supplies/equipment. If the physical site locations are not restored, the Executive estimates one-time relocation costs will be \$1,200 for each NDC position that is restored and co-located at a remaining site.

Neighborhood Service and Payment Centers (\$165,000 GSF/\$100,000 utility)

The Non-Payment Service Centers are staffed by a District Coordinator and provide information and referral services only. The Payment Centers are staffed by both a District Coordinator and Customer Service Representatives. In addition to providing referrals, the Payment Centers allow the public to obtain pet licenses, pay traffic tickets, utility and cable bills, or apply for passports. Both Seattle City Light (SCL) and Seattle Public Utilities (SPU) contribute a significant portion towards the Payment Center's operating costs (88% in 2011-12) based on the number of transactions that occur (according to DON's website, there are more than 225,000 visits per year to the Payment Centers).

Neighborhood Service Centers¹	Neighborhood Payment Services
Magnolia/Queen Anne	Ballard
Northwest	North
Lake Union	Northeast
East	Central
Downtown	Southwest
Greater Duwamish	Southeast
	Delridge

¹ The six payment center share space with a variety of organizations. It is unclear at the time of this writing whether the Executive planned to assist some of these organizations identify alternative locations. See attachment 2 for a list of co-locators.

Regarding these services, DON's 2011-12 Proposed Budget would cut the following:

- Six Non-Payment Service Centers (\$152,241)
- One Payment Service Center & Customer Service Representative (\$13,531 in GSF + \$99,230 utility funds)

Remaining services

- Six Payment Service Centers & customer service representatives.

Executive Rationale: The Executive decided to eliminate the Non-Payment Service Centers and keep the majority of Payment Centers open since the Payment Centers provide a greater range of public services, are open set hours (as opposed to the Service Centers, which have variable hours depending on the availability of the District Coordinator or work study student), and receive significant funding for operating costs from the utilities.

The Southwest Payment Service Center was eliminated because the lease on the property was up at the end of this year and the Delridge Payment Service Center is less than three miles away (the Southwest Payment Service Center also has the fewest transactions of all the Payment Service Centers). If the Southwest Payment Center reduction is restored, its lease would be month-to-month and a new physical location would need to be identified in the coming year. Relocation costs would be at least \$154,000.

Options

1. Accept reductions as proposed.
2. Restore Southwest Payment Center & Customer Service Representative (\$13,531 in GF + \$99,230 in utility funds needed for on-going operating costs, assuming a new lease can be obtained at comparable cost to current lease). One-time relocation costs: \$154,000.

Note: Since six payment centers and seven NDC's remain under the Mayor's Proposed Budget, it would not be necessary to restore a corresponding NDC position.

3. Restore some or all Non-Payment Service Centers (an NDC would need to be restored for each restored Non-Payment Service Center). Cost to restore all six Non-Payment Service Centers: \$154,000.
4. Other.

Historic Preservation

The 2011- 2012 Proposed Budget for DON's Historic Preservation section is reduced by \$334,000. The remaining budget is \$630,403. The \$334,000 reduction is comprised of the following cuts:

- | | |
|-----------------------------------------------|-----------------------------------|
| a. Southeast Seattle survey & inventory work: | \$127,000 for consulting |
| b. Downtown survey & inventory work: | \$58,000 for consulting |
| c. Citywide survey & inventory work: | \$37,000 for consulting |
| d. Community Development Specialist, Sr.: | \$112,000 for salary and benefits |

Survey and Inventory Work (\$222,000)

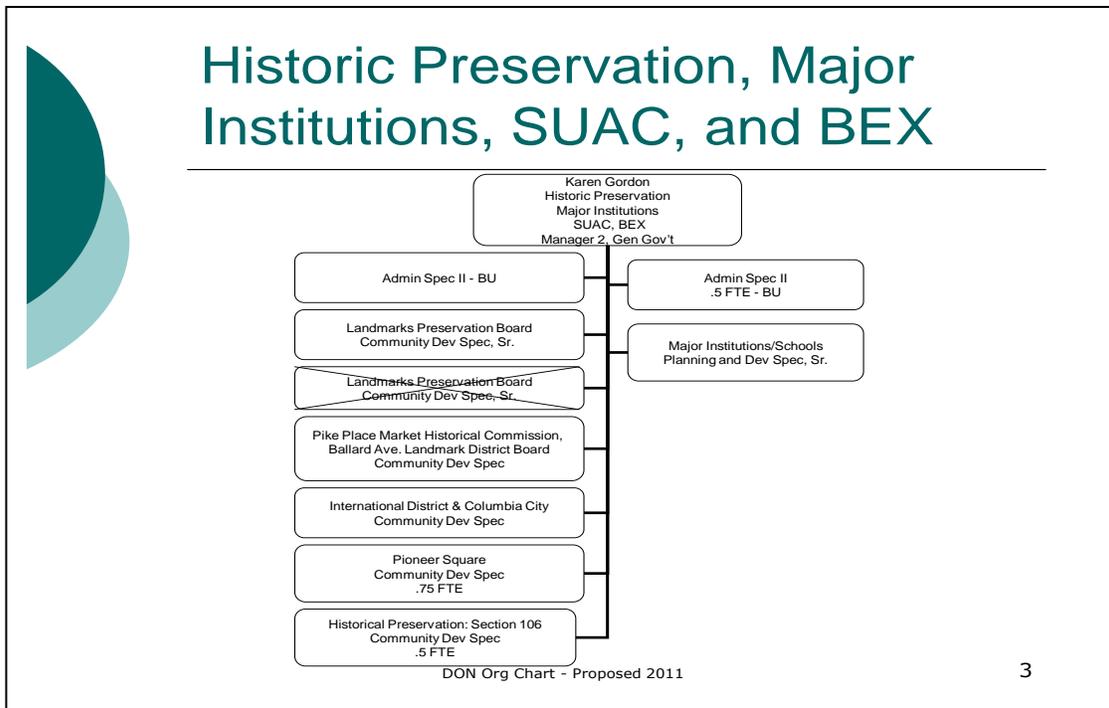
The Southeast and Downtown survey and inventory work is mostly complete (a & b) or will be completed by 2011 using 2010 encumbered funds. Therefore, these proposed reductions will have minimal impacts. Many neighborhoods in the Citywide survey work have been completed, though several remain, primarily in the northend of the City. This survey work will not be completed until additional funds are identified at a later date.

Options

1. Accept reductions as proposed.
2. Restore funding for City-wide survey work (\$37,000).
2. Other.

Community Development Specialist, Sr. (\$112,000)

DON's proposed 2011- 2012 budget abrogates a Community Development Specialist, Sr. within the historic preservation section. This reduction will increase the workload of remaining historic preservation staff within DON.



The Community Development Specialist Sr. is one of two positions that support the work of the Landmark Preservation Board. This work entails:

- Reviewing landmark nominations citywide, and staffing the Landmark Board's review.
- Supporting the Landmark Board's review of Certificates of Approval for alterations to existing landmarks.
- Providing technical support for property owners and architects.

- Reviewing permit applications referred by DPD pursuant to the SEPA historic preservation policies.
- Updating the Historic Resources Survey & Inventory database.

To accommodate the increased workload of remaining staff, the work of the Historic Preservation staff and boards will change in 2011- 2012 as follows:

- The Pike Place Market, Pioneer Square and International District boards will only meet once a month, rather than twice a month.
- The Landmark Preservation Board will continue to meet twice a month to review Certificates of Approval.
- The Landmark Preservation Board will consider landmark nominations on a quarterly basis, rather than twice a month as part of the current open nominations process. This strategy is consistent with most State Historic Preservation offices that review National Register nominations.

Options

1. Accept reductions as proposed.
2. Add funding to increase an existing .75 FTE Community Development Specialist position to 1.0 FTE to help with redistributed workload (\$21,000).
3. Add back a Community Development Specialist, Sr. position (\$112,000). The cost to restore this position could be offset by \$26,500 in SEPA fees that will otherwise be used for consulting. The required GSF support would be \$85,000.
4. Other.

Food policy Strategic Advisor (\$120,000)

Currently, there is at least 11 Executive staff from several departments spending part of their time on food-related policy issues. DON created a strategic advisor position in the 2010 budget to help lead and coordinate this on-going body of work. This position was designed to spend 50% time on food policy and the remaining balance of time on emerging issues. The position was never filled and was reduced to .5 during mid-year budget cuts.

Options

1. Accept reduction as proposed.
2. Other

Other Changes

Youth Violence Prevention (\$260,000)

The 2011- 2012 Proposed Budget includes a \$260,000 reduction in the Seattle Youth Violence Prevention Initiative (SYVPI). The SYVPI will still have \$3.8 million remaining once this reduction occurs. This reduction is comprised of the following program cuts:

- Street outreach (\$35k)
- Anger management training (\$138k)
- Recreation components (30k)

Impacts to the street outreach and recreation program activities will be minimal. The reduction in the anger management program will mean fewer slots available for participants. However, since this program has experienced problems with recruitment and retention of participants, the Executive felt a reduced level of service would have less impact than a similar reduction in other SYVPI programs.

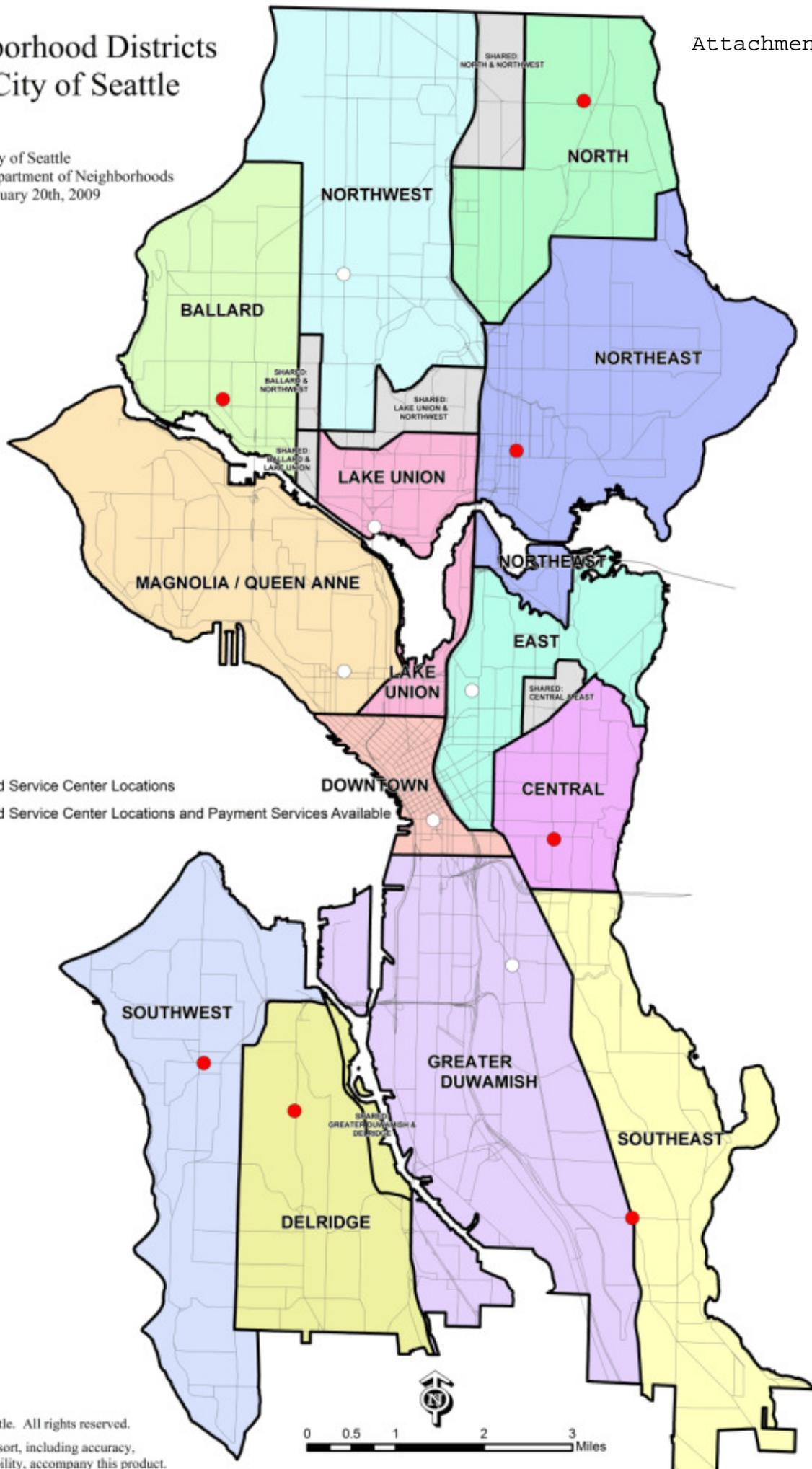
Attachment 1: Neighborhood Districts

Attachment 2: Co-locators in Neighborhood Service Centers

Neighborhood Districts in the City of Seattle



City of Seattle
Department of Neighborhoods
January 20th, 2009



- Neighborhood Service Center Locations
- Neighborhood Service Center Locations and Payment Services Available



Attachment 2

Service Center Locations	Rent/monthly (includes FFD fee)	Co-locator	Co-locator monthly use fee	Comments
Beacon Hill / Greater Duwamish	n/a (see comments)	Seattle Public Library	n/a	DoN has an office of approximately 400 sq ft inside the Beacon Hill Library. SPL manages the facility and sends DON a quarterly invoice for its share of the O&M costs +5% administration fee. Annual cost to DON in 2009 =\$3,336.
Capitol Hill	n/a (see comments)	Seattle Public Library	n/a	DoN has an office of approximately 400 sq ft inside the Capitol Hill Library. SPL manages the facility and sends DoN a quarterly invoice for its share of O&M costs + 5% administration fee. Annual cost to DON in 2009 = \$3,036.
Downtown	\$ 515	Pioneer Square Community Association	none	The PSCA has an agreement with the landlord for free use of approximately 300 square feet of office space. DoN has an agreement with the PSCA and the building owner for non-exclusive use and occupancy of the same space. DoN pays rent to the building owner.
Fremont / Lake Union	\$ 1,570	Fremont Chamber of Commerce	\$110	The Chamber has a cubicle of approximately 100 sq ft.
Greenwood	\$ 3,237	<ul style="list-style-type: none"> Greenwood-Phinney Chamber KCBA Legal Clinic 	none	-The Chamber has an office of approximately 120 sq ft. -KCBA uses the Greenwood NSC two nights per week to perform pro-bono legal work.
Queen Anne / Magnolia	\$ 3,647	<ul style="list-style-type: none"> Greater Queen Anne Chamber of Commerce Uptown Alliance 	\$225 \$ 100	-The Chamber has an office of approximately 124 sq ft inside the space that DoN leases for the Queen Anne/Magnolia NSC. -Uptown Alliance has a desk and storage space inside the space that DoN leases at the Queen Anne/Magnolia NSC.
West Seattle	\$ 1,962	n/a	n/a	

Neighborhood Matching Fund 2011- 2012 Budget

Staff: Christa Valles
Date Prepared: October 15, 2010

Budget Control Level	2009 Actuals	2010 Adopted	2011 Proposed	% Change '10-'11	2012 Proposed	% Change '11-'12
Expenditures by BCL						
Large Projects	\$1,764	\$1,333	\$982	-26%	\$997	2%
Management	\$1,065	\$913	\$744	-19%	\$769	3%
Small & Simple	\$1,100	\$1,381	\$1,208	-13%	\$1,228	2%
Small Sparks	\$24	\$15	\$15	0%	\$15	0%
Tree Fund	\$59	\$50	\$0	-100%	\$0	---
Total	\$4,012	\$3,692	\$2,949	-20%	\$3,009	2%
Total FTEs	8.50	7.00	7.00		7.00	
Revenues						
General Subfund	\$3,314	\$3,354	\$2,640	-21%	\$2,695	2%
Other (Fund Balance)	\$698	\$338	\$309	-9%	\$314	2%
Total Revenues	\$4,012	\$3,692	\$2,949	-20%	\$3,009	2%

All figures in 1,000's.

Overview

The Mayor's Proposed 2011-2012 Budget includes \$2,949,000 for the City's Neighborhood Matching Fund (NMF). This is down 20%, or \$743,228 from the 2010 Adopted Budget of \$3,692,228. This change is the net reduction of \$100,000 in technical adjustments and \$847,000 in reductions. The reductions include the following changes:

1. \$188,875 reduction for staff at the Department of Parks and Recreation (Parks) and the Seattle Department of Transportation (SDOT) for technical assistance to NMF projects.
2. \$523,500 reduction in grant funds available to the public for community building projects and activities.
3. \$50,000 reduction in tree fund, of which \$25,000 is transferred to Seattle Public Utilities, where the program will be consolidated.

Issue # 1: NMF funding for Parks & SDOT staff (\$189,000)

This reduction eliminates NMF funding for SDOT and Parks staff positions that provide technical support for NMF projects. Since DON is retaining approximately \$22,000 of this funding to help with community-based technical assistance in 2011- 2012, the reduction to DON’s bottom line is actually \$167,000.

Department	FTE reduction	Salary Costs	Remaining FTE after reductions
SDOT	.5	2011: \$88,945; 2012 - \$90,368	2 FTEs assigned other duties will provide assistance at reduced level.
Parks	1.0	2011: \$99,930; 2012 - \$101,529	.5 dedicated, possibly .75 available

Impacts of Staff Cuts

The .5 FTE in SDOT and 1.5 FTE in Parks help DON review NMF applications for feasibility and compliance with department regulations and assist DON on these matters once a project is awarded. If the proposed cuts are approved, SDOT and Parks will work with DON to update a Memorandum of Agreement that will presumably account for how they will minimize the impacts of reduced staffing resources.

DON will also be proposing a new Interdepartmental Team (IDT) approach to coordinate the application and selection process more closely between the departments. As shown in the table below, other city departments are also involved in the NMF process but only Parks and SDOT have received NMF funding for staff support. While an IDT would still require SDOT and Parks to provide FTE support, if it is implemented well, it could streamline the process and time commitment required of city staff.

Awarded Projects assigned to Parks and SDOT for technical assistance				
	Large 2009	Small 2009	Large 2010	Small 2010
Parks	10	16	5	26
SDOT	2	22	5	19
DPD	2	4	1	6
Arts	5	10	2	18

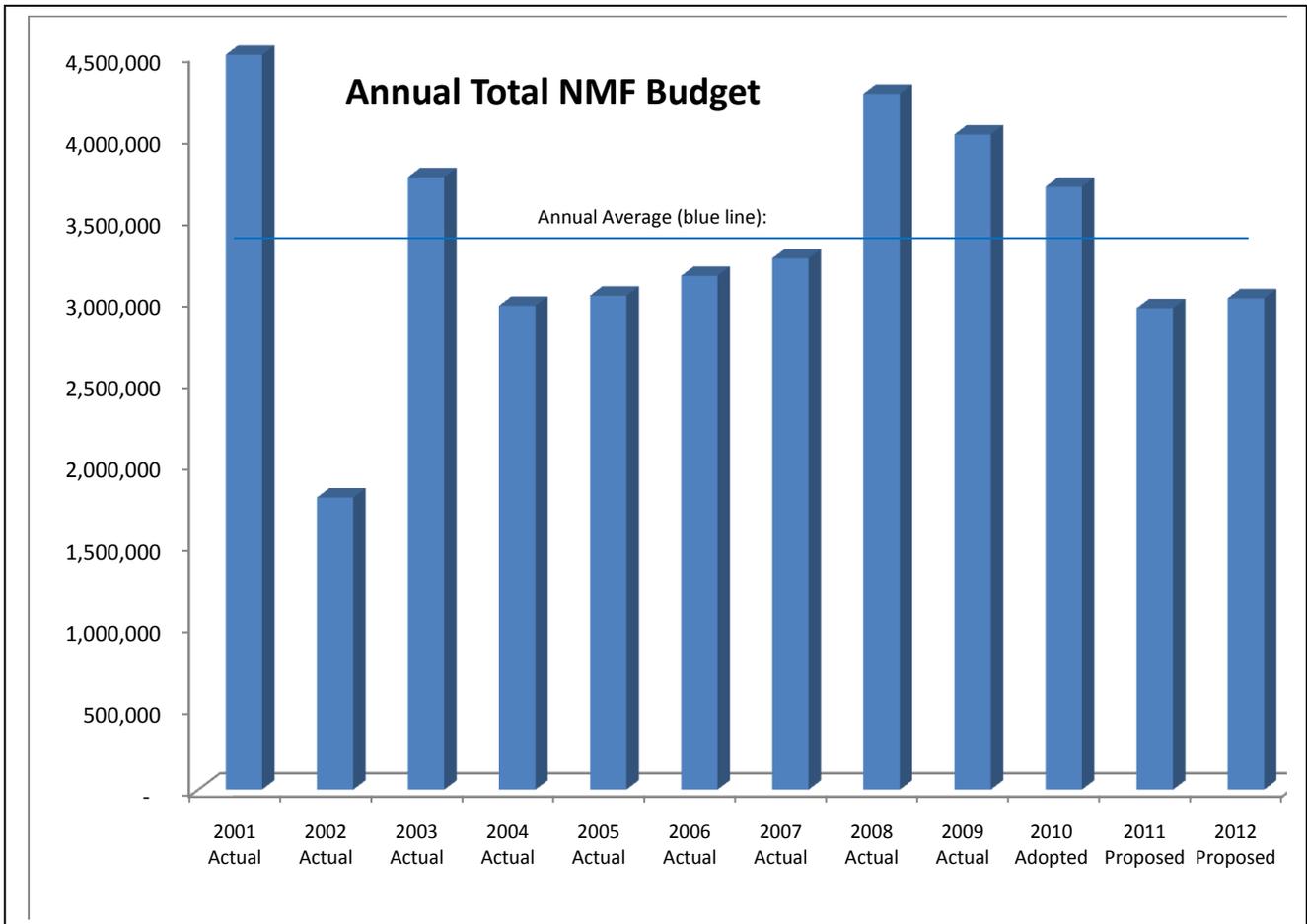
Options

1. Restore all or partial funding for positions
2. Accept reductions as proposed

Issue #2: NMF funding for grant awards (\$523,509)

The NMF was created in 1998 and to date, has awarded \$45 million to the community. DON estimates that these awards have generated \$68 million in in-kind matches (labor, materials, time, cash) from the community. Over the last ten years, the NMF has averaged \$3.4 million.

The amounts shown below include actual amounts expended through 2009 in each year. The amounts include all the components of the NMF, including Large Projects; Small and Simple; Small Sparks; Tree Fund, and Program Management. (Note: The recent uptick in the NMF in 2008 and 2009 appear to be a result of fund balance being carried over from the previous years).



All grant projects must provide a public benefit and be free and open to all members of the public. The three types of grants available to the public are:

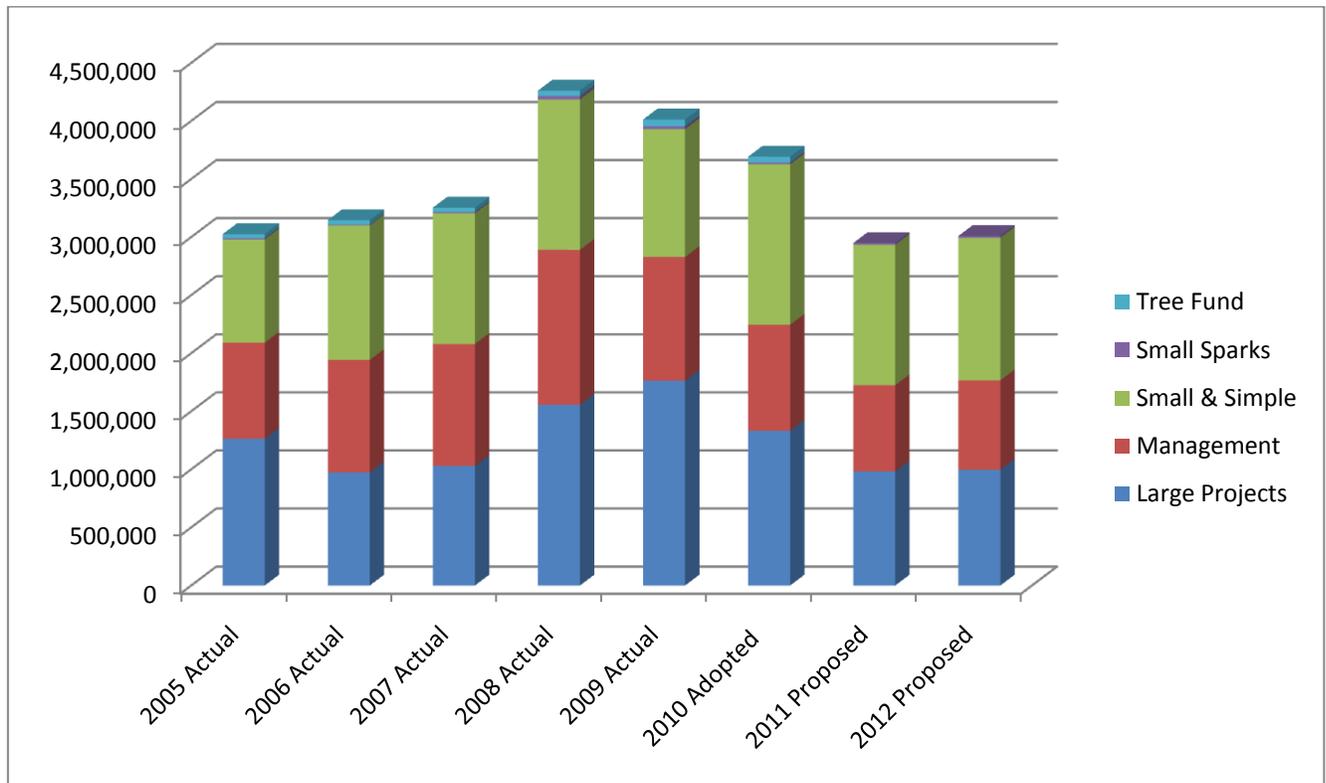
- **Large Projects:** Up to \$100,000 per group to support community building around a project, which can be physical, educational, cultural, and/or relationship-strengthening.
- **Small & Simple Projects:** Up to \$20,000 per group to support community building around a project, which can be physical, educational, cultural, and/or relationship-strengthening.
- **Small Sparks:** Up to \$1,000 per group for civic engagement-oriented projects.

NMF Grant Reductions

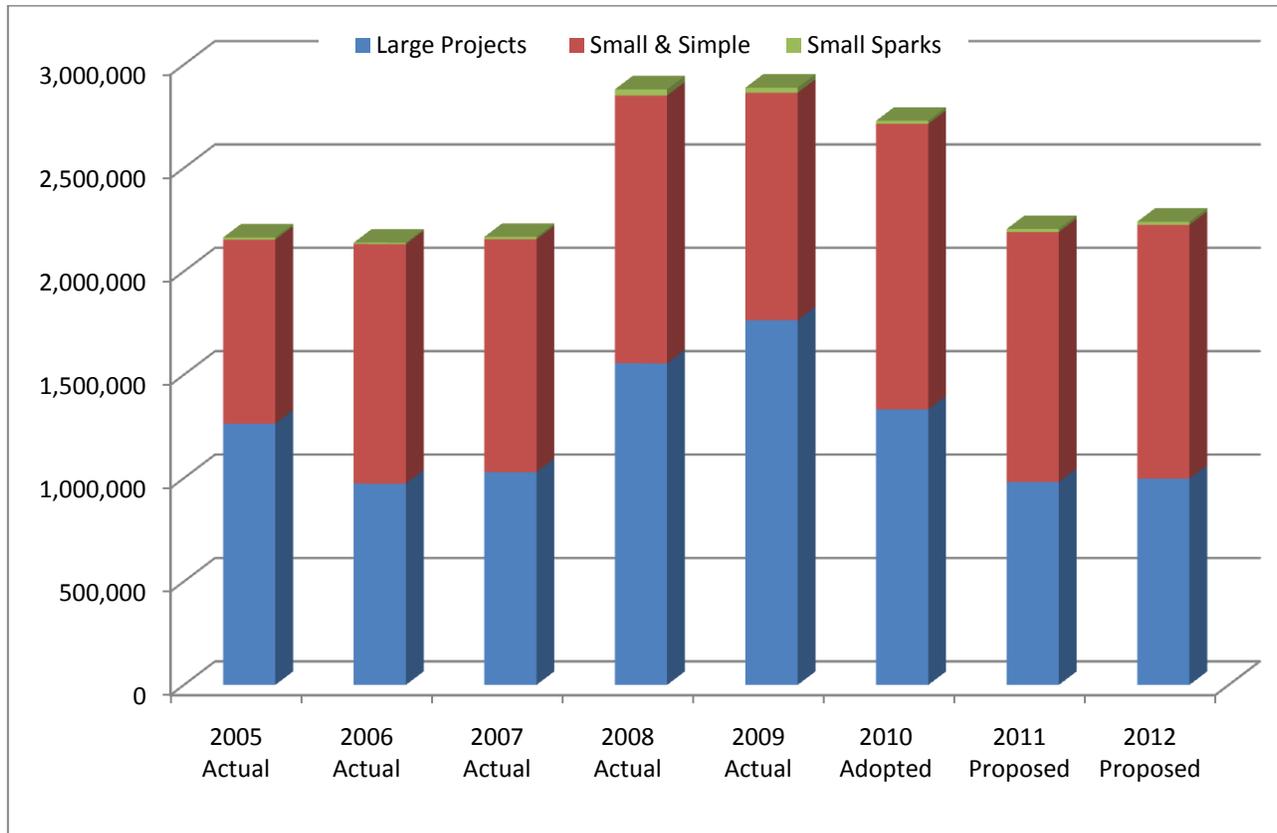
In addition to the funding reductions for Parks and SDOT noted above, DON is proposing to reduce grant funds available for Large Projects and Small and Simple Projects by \$523,509 in 2011 and \$488,270 in 2012. Grant funds for Large Project awards would be reduced by \$351,000 in 2011 and \$336,000 in 2012 and grant funds for Small and Simple awards would be reduced by \$173,000 in 2011 and \$153,363 in 2012.

	2010 Adopted	2011 Proposed	2012 Proposed
Large Projects	1,332,643	981,954	997,504
Small & Simple	1,381,241	1,208,425	1,227,878
Small Sparks	14,788	14,784	15,020
Total	2,728,672	2,205,163	2,240,402

The charts below show NMF funding over the last six years compared with the proposed funding levels in 2011- 2012. The first chart includes administrative costs (management), along with the Tree Fund. The second chart compares NMF’s three primary funds (Small Sparks, Small and Simple, and Large Projects) only.



Average annual funding over the last six years (2001- 2010) for NMFs three primary funds has been ~\$2.5 million. 2011- 2012 funding levels for these three funds is \$523,000 less than in 2010 but only \$260,000 short of the six-year average.



Options for NMF Grant Funding

1. Accept reductions as proposed.
2. Restore all or partial funding

Issue # 3: Transfer and reduction in GF support for Tree Fund Grants (\$50,000)

DON’s 2010 Adopted budget includes \$50,000 in NMF Tree Fund grants. This program is designed to bring together community members to plant and provide for the on-going maintenance of trees. Grants are awarded to neighborhood groups to purchase trees. The Office of Sustainability and Environment, along with SPU, also have similar tree programs. The Mayor’s 2011-12 Proposed Budget consolidates funds from OSE, DON, and the utilities to create a \$235,000 program in SPU. As part of this consolidation, \$25,000 of DON’s \$50,000 NMF Tree Fund will be transferred to SPU. The remaining \$25,000 in GSF will be eliminated as part of budget reductions.

Information regarding questions about this consolidation has been trickling in. Based on an initial review of the information provided to date, it appears that actual grant funds available to the public are decreasing while program administration costs will be almost half of the total program budget of \$235,000 with the addition of a new FTE in SPU (\$110,000).

Additional information received prior to the DON committee briefing will be shared verbally during the scheduled Council discussion on the morning of Tuesday, October 19th.