

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 three prominent Boards and Commissions: the Urban Forestry Commission, the Sweetened Beverage Tax Community Advisory Board, and the Green New Deal Oversight 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 Adopted
Department Support				
General Fund Support	7,665,300	7,984,667	7,738,643	5,916,765
Other Funding - Operating	-	-	-	6,718,919
Total Operations	7,665,300	7,984,667	7,738,643	12,635,685
Total Appropriations	7,665,300	7,984,667	7,738,643	12,635,685
Full-Time Equivalent Total*	26.50	26.50	26.50	30.50

* 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 Adopted 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 Adopted 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: The City has imposed 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 3,000 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 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 Adopted Budget continues to fund existing initiatives in OSE, including:

- Equity and Environment Initiative
- Duwamish Valley Program

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

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

Council Changes to the Proposed Budget:

The City Council added \$765,000 of one-time Sweetened Beverage Tax (SBT) funding to the Office of Sustainability and Environment by redirecting a portion of a one-time reduction of \$2,275,000 from the Department of Neighborhoods P-Patch program. This funding will support the following one-time activities:

- \$75,000: Scratch Cooking Assessment
- \$140,000: Water Bottle Filling Stations
- \$225,000: SBT Program Evaluation
- \$225,000: Fresh Bucks Program Expansion
- \$100,000: Community Advisory Board annual support

Please see the Incremental Changes section below for more detail on these items.

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Incremental Budget Changes

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	2020 Budget	FTE
Total 2020 Endorsed Budget	7,738,643	26.50
Add \$156,291 GF and 1.0 FTE Strategic Advisor 1 to OSE to support the Green New Deal Oversight Board and the climate action interdepartmental team	156,291	1.00
Citywide Adjustments for Standard Cost Changes	46,739	-
Request that OSE establish high-road contracting standards for electrical contractors	-	-
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	-	-
Council Provisos		
Increase support for the Green New Deal Oversight Board	136,291	1.00
Redirect Sweetened Beverage Tax to Support Food and Education Programs	765,000	-
Total Incremental Changes	\$4,897,042	4.00
Total 2020 Adopted Budget	\$12,635,685	30.50

Description of Incremental Budget Changes

Add \$156,291 GF and 1.0 FTE Strategic Advisor 1 to OSE to support the Green New Deal Oversight Board and the climate action interdepartmental team

Expenditures	\$156,291
Position Allocation	1.00

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This Budget Action adds \$159,291 GF in ongoing support to the Office of Sustainability and Environment (OSE). In September 2019, the Council passed Ordinance 125926, establishing the Green New Deal Oversight Board (Board) and creating an interdepartmental team (IDT) to implement climate actions. The legislation anticipated that both entities would be staffed by OSE, which does not currently have sufficient staff capacity to support either. This action provides staff support for the Board and IDT by adding \$116,291 GF for 1.0 FTE Strategic Advisor 1. It also adds \$40,000 GF to compensate Board members for whom participating on the Board presents a financial hardship; this amount assumes all 19 members qualify.

The Strategic Advisor position will provide administrative support for the Board and coordinate the efforts of the IDT, which will be comprised of representatives from the Department of Parks and Recreation, Seattle Department of Transportation, Office of Planning and Community Development, Seattle Department of Construction and Inspections, Office of Housing, Seattle Public Utilities, Seattle City Light, Office of Economic Development, Seattle Department of Human Resources, Office of Emergency Management, Department of Neighborhoods, the Mayor's Office, City Council, City Council Central Staff, and other departments as needed. The IDT will facilitate the development and creation of annual climate actions for all City departments that will collectively result in the elimination of climate pollutants by 2030, and measure progress towards this goal.

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.

Request that OSE establish high-road contracting standards for electrical contractors

This Statement of Legislative Intent requests that the Office of Sustainability (OSE) collaborate with the Office of Housing (OH) to establish high-road contracting standards for electric heat installers, as per the high-road standards and practices established by Resolution 31232 in 2010. Between 2010 and 2014, OSE administered a federally-funded Community Power Works program that offered loans and rebates for eligible energy efficiency improvements to homes. For this program, OSE developed a Community High-Road Agreement (HRA) workforce agreement focused on providing good jobs, equitable access, and quality work. The HRA encouraged living-wage jobs with benefits, training opportunities, and safety guarantees; ensured that all types of businesses and workers, including those in historically underrepresented groups, had access to the program's economic opportunities; and included quality assurance mechanisms to promote high-quality energy efficiency improvements.

The City has set a goal of decommissioning all underground residential oil tanks or replacing them with a modern tank by 2029 and is funding the conversion of oil heat systems to electric systems for eligible low-income households using the proceeds from the Heating Oil Tax, enacted by Ordinance 125934. These conversions will be administered by OH. OSE and OH should set up conditions for an HRA with electric heat installers contracted for these conversions. Additionally, OSE should explore the possibility of creating a list of electrical contractors who are willing to agree to an HRA and determine if the City can prioritize these contractors for City-funded projects.

OSE should submit a report to the Sustainability and Transportation Committee, or successor committee, the Council Central Staff Executive Director, and the Green New Deal Oversight Board by June 30, 2020.

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Baseline

Supplemental Budget Changes

Expenditures \$680,000

This change completes a true-up of the 2020 Adopted 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 agreements 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 agreements 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 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 supported by additional temporary staffing. This budget supports the initiative outlined in Ordinance 125934, imposing a tax of \$.236 on each gallon of heating oil. No budget was appropriated in the passage of Ordinance 125934. The tax will 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 2,700 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 the tax.

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

Ongoing Funding for Climate Director

Expenditures \$175,899

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 -

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.

Council Provisos

Increase support for the Green New Deal Oversight Board

Expenditures \$136,291

Position Allocation 1.00

This change adds General Fund appropriation for 1.0 FTE Strategic Advisor 1 to administer the Green New Deal Oversight Board, including \$20,000 to compensate Board members for whom participating on the Board presents a financial hardship. It also imposes the following budget proviso:

"Of the appropriation in the 2020 budget for the Office of Sustainability and Environment, \$20,000 is appropriated solely for compensation to Green New Deal Oversight Board members for whom participation on the Board presents a financial hardship and may be spent for no other purpose."

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Redirect Sweetened Beverage Tax to Support Food and Education Programs

Expenditures

\$765,000

This change reduces one-time Sweetened Beverage Tax (SBT) support for capital improvements in the P-Patch program in the Department of Neighborhood (DON) from \$3,000,000 to \$725,000, a \$2,275,000 decrease from the proposed budget. Individual department changes below are reflected in each department's budget section. The full \$2,275,000 decrease is shown below for reference, and directed to the following priorities:

- \$75,000 increase to the Office of Sustainability and Environment (OSE) for consultant services to assess scratch cooking infrastructure at Seattle Public Schools (SPS);
- \$300,000 increase to Seattle Parks and Recreation Department (SPR) and \$140,000 increase to OSE for installation of water bottle filling stations at community centers and Seattle Public Schools;
- \$735,000 increase to the Human Services Department (HSD) to provide micro-grants to food banks, meal program sites, and home childcare programs for kitchen equipment and supplies;
- \$225,000 increase to OSE for consultant services to develop an evaluation plan for all SBT-supported programs;
- \$100,000 increase to the Department of Education and Early Learning (DEEL) to provide grants to community-based organizations that work to provide diapers to families of diaper-aged children;
- \$375,000 increase to DEEL to evaluate how the City can facilitate connecting families with childcare providers and develop strategies and models based on best, promising, or emerging practices to address the lack of affordable and accessible childcare for infant and toddler care (0-3 years of age) from other jurisdictions;
- \$225,000 increase to OSE for an additional 450 Fresh Bucks vouchers, expanding access to a total of 6,450 vouchers; and,
- \$100,000 increase to OSE for consultant support to assist with the Community Advisory Board's annual report and other materials.

This Budget change also imposes the following budget proviso on DON:

"Of the appropriations in the 2020 budget for the Department of Neighborhoods, \$725,000 is appropriated for capital improvements for P-Patch gardens located within Healthy Food Priority Areas, as presented on page 22 of the Healthy Food Availability & Food Bank Network Report, published in February 2019, and may be spent for no other purpose. Furthermore, the Council anticipates that funding will be prioritized for gardens located within areas where all three factors - lower income, longer travel times to healthy food retailers, and higher percentage of unhealthy food retailers - are present."

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Expenditure Overview

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Adopted
Appropriations				
OSE - BO-SE-X1000 - Office of Sustainability and Environment				
00100 - General Fund	7,665,300	7,984,667	7,738,643	5,916,765
00155 - Sweetened Beverage Tax Fund	-	-	-	6,718,919
Total for BSL: BO-SE-X1000	7,665,300	7,984,667	7,738,643	12,635,685
 Department Total	 7,665,300	 7,984,667	 7,738,643	 12,635,685
 Department Full-Time Equivalents Total*	 26.50	 26.50	 26.50	 30.50

** 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 Adopted
00100 - General Fund	7,665,300	7,984,667	7,738,643	5,916,765
00155 - Sweetened Beverage Tax Fund	-	-	-	6,718,919
Budget Totals for OSE	7,665,300	7,984,667	7,738,643	12,635,685

Office of Sustainability and Environment

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 Adopted
Office of Sustainability and E	7,665,300	7,984,667	7,738,643	-
Office of Sustainability and Environment	-	-	-	12,635,685
Total	7,665,300	7,984,667	7,738,643	12,635,685
Full-time Equivalents Total*	26.50	26.50	26.50	30.50

**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*

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 Adopted
Office of Sustainability and E	7,665,300	7,984,667	7,738,643	-
Full Time Equivalents Total	26.50	26.50	26.50	-

Office of Sustainability and Environment

Expenditures/FTE	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Adopted
Office of Sustainability and Environment	-	-	-	12,635,685
Full Time Equivalents Total	-	-	-	30.50