

CITY OF SEATTLE

RESOLUTION _____

..title

A RESOLUTION establishing an ad hoc task force regarding new progressive revenues including an Employee Hours Tax and priorities for investments to be funded with these revenues.

..body

WHEREAS, Seattle is a city of great prosperity that has experienced tremendous growth of its economy and population; however, this growth and prosperity has directly contributed to the rapid increase in the number of individuals and families experiencing homelessness; and

WHEREAS, a national study published in the *Journal of Urban Affairs* established the correlation between increasing rent and homelessness. Some of the report findings include: (1) Washington is the tenth most expensive state for renters; (2) the high cost of rental housing is driving increases in homelessness; and, (3) an increase of \$100 in median rent for an area results in a 15 percent (metro areas) and a 39 percent (nearby suburbs and rural areas) increase in homelessness; and

WHEREAS, our state and local governments have been unduly and unnecessarily reliant on regressive taxes such as sales and property taxes with Washington State having the most regressive tax structure in the nation; and

WHEREAS, our regressive tax system deepens poverty, diminishes opportunity for low and middle-income families, and disproportionately impacts marginalized communities including the lesbian, gay, bisexual and transgender community and communities of color; and

1 WHEREAS, the U.S. Internal Revenue Service defines a progressive tax as one that “takes a
2 larger percentage of income from high-income groups than from low-income groups and
3 is based on the concept of ability to pay;” and

4 WHEREAS, without progressive revenue tools, Seattle is in a weak position to respond to
5 federal budget cuts proposed by the Trump administration, which could eliminate
6 millions of dollars per year in funding to address Seattle’s housing and homelessness
7 crisis; and

8 WHEREAS, the *Seattle Times* recently wrote that “Seattle rents have soared 65 percent since
9 2010. The typical Seattle renter now pays about \$21,900 for rent over the course of a
10 year, up from \$13,200 at the start of the decade”¹; and

11 WHEREAS, Seattle’s average rent has now surpassed average rents in large urban cities such as
12 Los Angeles, Virginia Beach, Honolulu, and New York² and on December 7, 2017, the
13 *Seattle Times* wrote that data from the U.S. Census Bureau shows that “Seattle is—for the
14 first time—among the five most expensive big cities for renters”; and

15 WHEREAS, on November 2, 2015, the Mayor of Seattle issued a Proclamation of Civil
16 Emergency related to homelessness; on November 3, 2015, the City Council adopted
17 Resolution 31630 ratifying and confirming the Mayoral Proclamation of Civil
18 Emergency; and more than two years later the civil emergency remains in effect and the
19 City has not received additional support from Washington State or the federal
20 government, and there are now roughly 38 percent more Seattle residents who are

¹ See “Seattle rent hikes slow amid apartment boom, but average two-bedroom tops \$2,000” (published 9/25/17), https://www.seattletimes.com/business/real-estate/seattle-rent-hikes-slow-amid-apartment-boom-but-average-two-bedroom-tops-2000/?utm_source=email&utm_medium=email&utm_campaign=article_left_1.1.

² <https://www.seattletimes.com/business/real-estate/seattle-rent-hikes-slow-amid-apartment-boom-but-average-two-bedroom-tops-2000/>

1 homeless and living unsheltered than just two years ago with at least 3,857 individuals
2 living unsheltered in Seattle, in addition to at least 4,655 more who are homeless but
3 sheltered, and a housing gap for individuals in Seattle with between zero and 30 percent
4 Area Median Income (AMI) of 17,161 units in 2016 and projected to grow to 27,481
5 units by 2030; and

6 WHEREAS, the City's Housing Affordability and Livability Agenda is projected to create
7 approximately 6,000 new housing units affordable to households with between zero to 30
8 percent AMI over the next ten years, which will still leave a severe shortage of housing
9 for low-income residents who are either currently unhoused or at risk of becoming
10 unhoused; and

11 WHEREAS, The City of Seattle (City) and the non-profit sector cannot address the twin crises of
12 homelessness and lack of affordable housing on their own, and existing resources at the
13 City's disposal - including state, county, federal, and private resources - have been
14 inadequate despite the best efforts of many individuals and publicly- and privately-
15 managed programs; and

16 WHEREAS, a collaborative effort of interested and affected stakeholders, including non-profit
17 organizations, affordable housing providers, faith and civic leaders, businesses, labor, and
18 community members is necessary to address and resolve the civil emergency related to
19 homelessness, to ensure that there are sufficient resources to realize Seattle's and King
20 County's commitment to making sure that no person experiences homelessness, that if
21 one does, it is rare, brief and only a one-time occurrence, and that disparities related to
22 race, gender identity and sexual orientation are eliminated; and

1 WHEREAS, on December 5, 2017, Mayor Jenny Durkan and Councilmembers Sally Bagshaw
2 and Teresa Mosqueda joined King County Executive Dow Constantine, Auburn
3 Mayor Nancy Backus, other regional elected officials, and representatives of social
4 service providers, affordable housing developers, and business leaders to announce the
5 formation of a regional “One Table” task force to determine the needs, recommended
6 solutions, and recommended resources to address the growing homelessness problem;
7 and

8 WHEREAS, the City Council adopted Resolution 31782 on November 20, 2017, establishing a
9 taskforce, with a scope that is distinct from that of One Table in its focus on potential
10 new progressive revenue sources, including an Employee Hours Tax (EHT); it will also
11 identify investments to be paid for using those progressive revenue sources that would
12 assist people who are homeless or at high risk of becoming homeless in obtaining and
13 retaining stable housing; and

14 WHEREAS, Resolution 31782 contemplated that the Council would select Co-Chairs and task
15 force members through a separate future resolution; NOW, THEREFORE,

16 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:**

17 Section 1. The ad hoc task force established in Resolution 31782 (“task force”) shall be
18 co-chaired by Councilmember Lorena González (Chair of the Gender Equity, Safe Communities
19 & New Americans Committee), Councilmember Lisa Herbold (Chair of the Civil Rights,
20 Utilities, Economic Development and Arts Committee), Tony To (Executive Director,
21 HomeSight) and Kirsten Harris-Talley (Former Councilmember and Program Director, Progress
22 Alliance of Washington).

1 Section 2. In addition to the Co-Chairs (who shall be full voting members of the task
2 force), the task force shall include 12 members who represent people with lived experience of
3 homelessness, representatives from business, labor, and service providing agencies as well as
4 subject matter experts.

5 Section 3. The members of the task force shall include the following individuals:

- 6 (a) Jennifer Adam, Lived experience of homelessness
- 7 (b) Andrew Coak, Labor Representative
- 8 (c) Lisa Daugaard, Subject Matter Expert
- 9 (d) Ian Eisenberg, Business Representative
- 10 (e) Samantha Grad, Labor Representative
- 11 (f) Brianna Little, Service Provider
- 12 (g) Daniel K. Malone, Service Provider
- 13 (h) Tom Mathews, Business Representative
- 14 (i) Fernando Mejia-Ledesma, Business Representative
- 15 (j) Courtney O’Toole, Lived Experience of Homelessness
- 16 (k) Katie B. Wilson, Subject Matter Expert
- 17 (l) Maiko Winkler-Chin, Service Provider

18 Section 4. Council requests that the task force provide its recommendations by February
19 26, 2018.

20 Section 5. If a task force Co-Chair or member is no longer able to serve during the period
21 the task force remains active, the Council intends to appoint any replacements through its routine
22 appointment process.

1 Section 6. Due to the expedited timeline, a draft work plan shall be available for task
2 force members to approve at the first task force meeting in early January 2018.

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