



SEATTLE CITY COUNCIL

Legislative Summary

Res 31914

Record No.: Res 31914

Type: Resolution (Res)

Status: Adopted

Version: 2

Ord. no:

In Control: City Clerk

File Created: 09/19/2019

Final Action: 11/26/2019

Title: A RESOLUTION adopting a spending plan for the proceeds of the Seattle Transportation Network Company tax to provide support to affordable housing near frequent transit, transportation, and a driver conflict resolution center.

	<u>Date</u>
Notes:	Filed with City Clerk: 12/2/2019
	Mayor's Signature: 11/26/2019
Sponsors: Bagshaw	Vetoed by Mayor:
	Veto Overridden:
	Veto Sustained:

Attachments:

Uploaded By: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published: Yes No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	09/25/2019	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	10/14/2019	sent for review	Council President's Office			
1	City Council	10/21/2019	referred	Select Budget Committee			
1	Select Budget Committee	10/31/2019					
1	Select Budget Committee	11/06/2019					
1	Select Budget Committee	11/13/2019					
1	Select Budget Committee	11/19/2019	adopt as amended				Pass
<p>Action Text: The Committee recommends that City Council adopt as amended the Resolution (Res).</p> <p style="margin-left: 40px;">In Favor: 8 Chair Bagshaw, Member González , Member Harrell, Member Herbold, Member Juarez, Member O'Brien, Member Pacheco, Member Sawant</p> <p style="margin-left: 40px;">Opposed: 0</p>							

Legislative Summary Continued (Res 31914)

- 2 City Council 11/25/2019 adopted Pass
Action Text: The Resolution (Res) was adopted by the following vote, and the President signed the Resolution:
In Favor: 9 Councilmember Bagshaw, Councilmember González , Council
President Harrell, Councilmember Herbold, Councilmember Juarez,
Councilmember Mosqueda, Councilmember O'Brien, Councilmember
Pacheco, Councilmember Sawant
Opposed: 0
- 2 City Clerk 11/26/2019 submitted for Mayor
Mayor's signature
Action Text: The Resolution (Res) was submitted for Mayor's signature. to the Mayor
- 2 Mayor 11/26/2019 Signed
Action Text: The Resolution (Res) was Signed.
- 2 Mayor 12/02/2019 returned City Clerk
Action Text: The Resolution (Res) was returned. to the City Clerk
- 2 City Clerk 12/02/2019 attested by City Clerk
Action Text: The Resolution (Res) was attested by City Clerk.
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CITY OF SEATTLE

RESOLUTION 31914

A RESOLUTION adopting a spending plan for the proceeds of the Seattle Transportation Network Company tax to provide support to affordable housing near frequent transit, transportation, and a driver conflict resolution center.

WHEREAS, Seattle is one of the fastest-growing major cities in the country, gaining 100,000 new residents and more than 50,000 jobs in the last 20 years, and this growth is a boon to our economy and creates greater demand for our transportation system; and

WHEREAS, Seattle families' transportation-related spending is second only to their spending on housing, and a well-functioning transportation system that provides many alternatives to the expense of car ownership makes living and working in Seattle more affordable; and

WHEREAS, public transit provides affordable and critical transportation services to all consumers; and

WHEREAS, the Seattle streetcar network has seen an increase in ridership of 18 percent in 2018, totaling a combined system-wide ridership of 1,673,000 riders; and

WHEREAS, the Center City Streetcar Connector line will provide a critical link in the Seattle streetcar network, connecting residents and visitors to regional bus lines, ferries at Coleman Docks, and light rail connections; and

WHEREAS, existing sources of funding for affordable housing are insufficient to meet the needs of all individuals and families experiencing a housing cost burden; and

WHEREAS, investments in affordable housing provide access to opportunity for low-wage workers and their families, increase mobility from poverty, and foster inclusive communities accessible to all; and

1 WHEREAS, individuals and families making in the range of \$15 to \$25 per hour are especially
2 dependent on transit for commuting to centrally located destinations such as their jobs,
3 schools, grocery stores, libraries, and clinics; and

4 WHEREAS, co-locating affordable housing investments near transit infrastructure amplifies
5 investments' capacity to simultaneously address Seattle's mobility and affordability
6 challenges; and

7 WHEREAS, transportation network companies (TNCs) provide application dispatch services
8 that allow passengers to directly request the dispatch of drivers via the internet using
9 mobile interfaces such as smartphone applications; and

10 WHEREAS, TNCs are major hiring entities, with 31,676 TNC drivers issued permits by King
11 County in 2018 as recorded by the King County Department of Licensing; and

12 WHEREAS, in the pursuit of economic opportunity, many TNC drivers are immigrants and
13 people of color who have taken on debt or invested their savings to purchase and/or lease
14 vehicles and for-hire licenses; and

15 WHEREAS, TNC drivers who have access to a driver conflict resolution center for education
16 and representation in cases such as unwarranted deactivation will be more likely to
17 remain in their positions over time, and such experienced drivers will improve the safety
18 and reliability of the TNC services provided to passengers and thus reduce the safety and
19 reliability problems created by frequent turnover in the TNC industry; and

20 WHEREAS, research shows TNCs contribute to growing traffic congestion in large U.S. cities;
21 and

22 WHEREAS, over 24 million TNC trips were taken in Seattle in 2018, showing consistent growth
23 year over year; and

1 WHEREAS, The City of Seattle intends to exercise its taxing authority, as granted by the
2 Washington State Constitution and as authorized by the Washington State Legislature,
3 and impose a tax on TNCs operating in Seattle; and

4 WHEREAS, Mayor Durkan has proposed further investments in affordable housing near transit,
5 transportation, and a driver conflict resolution center using proceeds from a tax on TNC
6 companies providing 1,000,000 rides per quarter or more on a per-ride basis; and

7 WHEREAS, the purpose of this plan is to effectuate Seattle's vision to provide housing and
8 transit opportunities for all, and support drivers in the TNC community by bringing
9 educational tools and representation that is afforded to other sectors;

10 NOW, THEREFORE,

11 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE**
12 **MAYOR CONCURRING, THAT:**

13 Section 1. **Spending Plan.** The City shall use the proceeds of the transportation network
14 company (TNC) tax imposed by Chapter 5.39 of the Seattle Municipal Code to accelerate
15 affordable housing production for low-wage workers and their families at locations that are
16 within the frequent transit network, make investments in transportation, including transit, and
17 provide for workplace protections. Eligible expenditures include:

18 A. Funding of the administration of the TNC tax and regulations related to TNC
19 drivers up to \$2,000,000 in the first year and up to \$1,500,000 in the second, third, and fourth
20 years. Beginning in year five, this amount may increase each year, subject to appropriations, to
21 reflect the cost of administrating the TNC tax and regulations.

22 B. Up to \$3,500,000 per year shall fund a Driver Resolution Center to provide driver
23 resolution services and costs related to administering driver protections. Beginning in year five,

1 this amount may increase each year, subject to appropriations, to reflect the cost of operating a
2 Driver Resolution Center and costs related to administering driver protections.

3 C. After administrative costs related to the tax and regulations of TNC drivers, as
4 described in subsection A of this section, and after funding the Driver Resolution Center and
5 other driver protections as described in subsection B of this section, up to 50 percent of revenue
6 from the tax over its first six full years shall be used to finance acquisition, construction,
7 rehabilitation, operations, and maintenance of property to provide housing that serves low-
8 income households and provide for the housing needs of low-income households within the
9 frequent transit network, as defined by the Seattle Department of Transportation's Transit Master
10 Plan. The low-income housing funded hereby should serve renter households making up to 80
11 percent of the annual median family income, if the mean average of the rent and income
12 limitations for the entire projects does not exceed 60 percent of annual median family income,
13 and owner households making up to 80 percent of the annual median family income for the
14 statistical area or division thereof including Seattle, for which median family income is published
15 from time to time by the U.S. Department of Housing and Urban Development, or successor
16 agency, with adjustments according to household size in a manner determined by the Director of
17 Housing. Beginning in the seventh full year after adoption of this tax, up to \$5,000,000 (in 2020
18 dollars, indexed to reflect the rate of inflation) per year shall be used to provide operating
19 support for Office of Housing (OH)-funded housing affordable to households with incomes at or
20 below 30 percent of the median family income.

21 D. After administrative costs related to the tax and regulations of TNC drivers as
22 described in subsection A of this section, and after funding the Driver Resolution Center and
23 other driver protections as described in subsection B of this section, and after the funding for

1 affordable housing as described in subsection C of this section, the remainder of revenue
2 collected in the first six full years that the tax is imposed shall be used to support projects related
3 to transportation and transit, including, but not limited to, the Center City Streetcar Connector,
4 the purchase of transit service, additional support for the Sound Transit West Seattle and Ballard
5 Link Extensions, and a transportation assistance voucher program, as appropriated. Beginning in
6 the seventh full year after adoption of this tax, after the administrative costs, funding the Driver
7 Resolution Center, and after up to \$5,000,000 (in 2020 dollars, indexed to reflect the rate of
8 inflation) used to support for OH-funded housing affordable to households with incomes at or
9 below 30 percent of the median family income per year, the remainder of the net proceeds shall
10 be used to support projects related to transportation improvements and transit.

11 Section 2. Every year, or at such other intervals as the City Council may specify, the
12 Executive shall prepare a report to include total revenue collected per year and the cost of
13 administration of the tax and regulatory oversight related to the TNC tax.

14 Section 3. Accountability and Oversight Committees. For the purpose of overseeing the
15 funding for low-income housing with access to the frequent transit network, the Housing Levy
16 Oversight Committee shall provide a report to the City Council as to the progress of funding
17 received from the TNC tax. The Director of the Office of Housing, or the Director's designee,
18 will prepare and submit to the Oversight Committee, City Council, and Mayor an annual
19 progress report on the implementation of funds from the TNC tax.

20 For the purpose of overseeing the spending of tax proceeds related to transportation
21 improvements, the Levy to Move Seattle Oversight Committee (or its successor) shall oversee
22 and monitor the progress of funding received from the tax. The Director of the Department of
23 Transportation, or assigned designee, will prepare and submit to the Oversight Committee, City

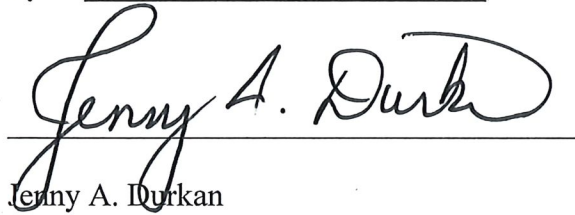
1 Council, and Mayor an annual report on the implementation of programs receiving funding from
2 the tax.

3 Adopted by the City Council the 25th day of NOVEMBER, 2019,
4 and signed by me in open session in authentication of its adoption this 25th day of
5 NOVEMBER, 2019.

6 

7 President _____ of the City Council

8 The Mayor concurred the 26th day of November, 2019.

9 
10 Jenny A. Durkan

11 Filed by me this 2nd day of December, 2019.

12 

13 Monica Martinez Simmons, City Clerk

14 (Seal)

