

SEATTLE CITY COUNCIL

600 Fourth Ave. 2nd Floor
Seattle, WA 98104



Journal of the Proceedings of the Seattle City Council

Tuesday, February 7, 2017

2:00 PM

Special Meeting

Council Chamber, City Hall
600 Fourth Avenue
Seattle, WA 98104

Full Council

Bruce Harrell, Council President

Sally Bagshaw

Tim Burgess

M. Lorena González

Lisa Herbold

Rob Johnson

Debora Juarez

Mike O'Brien

Kshama Sawant

Chair Info: 206-684-8804; bruce.harrell@seattle.gov

A. CALL TO ORDER

The City Council of The City of Seattle met in Special Session in the Council Chamber in City Hall in Seattle, Washington, on February 7, 2017, pursuant to the provisions of the City Charter. The meeting was called to order at 2:04 p.m., with Council President Harrell presiding.

B. ROLL CALL

Present: 9 - Bagshaw, Burgess, González , Harrell, Herbold, Johnson, Juarez, O'Brien, Sawant

C. ADOPTION OF INTRODUCTION AND REFERRAL CALENDAR

[IRC 98](#) February 7, 2017 (updated meeting date; 2/6/17)

Motion was made, duly seconded and carried, to adopt the proposed Introduction and Referral Calendar (IRC) by the following vote:

In Favor: 9 - Bagshaw, Burgess, González , Harrell, Herbold, Johnson, Juarez, O'Brien, Sawant

Opposed: None

D. APPROVAL OF THE AGENDA

Motion was made, duly seconded and carried, to adopt the proposed Agenda.

E. APPROVAL OF THE JOURNAL

There were no Minutes presented for approval.

F. PRESENTATIONS

There were none.

G. PUBLIC COMMENT

By unanimous consent Council Rule XI.C.1 was suspended to allow public comment at the Special Full Council meeting.

The Native American Leadership Group addressed the Council regarding Agenda item 1, Council Bill 118905.

Paul Wagner addressed the Council regarding Agenda item 1, Council Bill 118905.

Matt Remle addressed the Council regarding Agenda item 1, Council Bill 118905.

Rachel Heaton addressed the Council regarding Agenda item 1, Council Bill 118905.

Olivia One Feather addressed the Council regarding Agenda item 1, Council Bill 118905.

Nikkita Oliver addressed the Council regarding Agenda item 1, Council Bill 118905.

Jessica Dominy-Brown addressed the Council regarding Agenda item 1, Council Bill 118905.

Millie Kennedy addressed the Council regarding Agenda item 1, Council Bill 118905.

Pamela Masterman-Stearns addressed the Council regarding Agenda item 1, Council Bill 118905.

Nicholas S. Henry addressed the Council regarding Agenda item 1, Council Bill 118905.

LaVerne A. Wise addressed the Council regarding Agenda item 1, Council Bill 118905.

Craig Luckenbach addressed the Council regarding Agenda item 1, Council Bill 118905.

Mary Paterson addressed the Council regarding Agenda item 1, Council Bill 118905.

Sasha Somer addressed the Council regarding Agenda item 1, Council Bill 118905.

Ramy Khalil addressed the Council regarding Agenda item 1, Council Bill 118905.

Dina Burstein addressed the Council regarding Agenda item 1, Council Bill 118905.

Alex Tsimmerman addressed the Council regarding a non-Agenda item.

Queen Pearl addressed the Council regarding a non-Agenda item.

Holly Eckart addressed the Council regarding a non-Agenda item.

Laura Ingalls-Wilder addressed the Council regarding Agenda item 1, Council Bill 118905.

Bowe Samantha Odise addressed the Council regarding Agenda item 1, Council Bill 118905.

Judy Gibbs addressed the Council regarding Agenda item 1, Council Bill 118905.

Paula Revere addressed the Council regarding a non-Agenda item.

Raymond King Fisher addressed the Council regarding Agenda item 1, Council Bill 118905.

Merle Adler addressed the Council regarding Agenda item 1, Council Bill 118905.

Sara Lippele addressed the Council regarding Agenda item 1, Council Bill 118905.

Kate Magean addressed the Council regarding Agenda item 1, Council Bill 118905.

H. PAYMENT OF BILLS

[CB 118906](#) **AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.**

Motion was made and duly seconded to pass Council Bill 118906.

The Motion carried, the Council Bill (CB) was passed by the following vote, and the President signed the Bill:

In Favor: 9 - Bagshaw, Burgess, González , Harrell, Herbold, Johnson, Juarez, O'Brien, Sawant

Opposed: None

I. COMMITTEE REPORTS

AFFORDABLE HOUSING, NEIGHBORHOODS, AND FINANCE COMMITTEE:

1. [CB 118905](#) **AN ORDINANCE relating to strengthening The City of Seattle’s policies for conducting City business with partners that are committed to fair business practices; adding Chapter 20.46 to the Seattle Municipal Code; amending the revised City of Seattle Investment Policies adopted by Resolution 31525; and requesting the Mayor and Director of Finance and Administrative Services to take certain actions, including not renewing the Contract for Bank Depository Services with Wells Fargo Bank beyond the initial term and refraining from making new investments in Wells Fargo securities for a period of three years.**

The Committee recommends that Full Council pass as amended the Council Bill (CB).

In Favor: 8 - Burgess, Herbold, Johnson, O’Brien, Bagshaw, González , Sawant, Juarez

Opposed: None

ACTION 1:

Motion was made by Councilmember González, duly seconded and carried, to amend Council Bill 118905, Section 2.E, as shown in the strike through and underlined language below:

E. “Unfair business practices” shall mean a system or pattern of acts or practices that a relevant federal or Washington state enforcement agency has found to be discriminatory, deceptive, fraudulent, or abusive ~~(as those or similar terms) may be defined in under the any applicable~~ Washington or federal Consumer consumer protection laws ~~Protection Act chapter 19.86 RCW or an applicable federal consumer protection law relating to the subject matter of the Contract)~~ or that have violated a relevant criminal statute, as evidenced by a public enforcement order or judgement, settlement with the enforcement agency or other formal finding by the relevant enforcement agency with regulatory enforcement

authority under the applicable consumer protection law, or criminal conviction.

ACTION 2:

Motion was made by Councilmember González, duly seconded and carried, to amend Council Bill 118905, by substituting the 5th and 6th recitals, as shown in the strike through and underlined language below:

WHEREAS, in 2016, it was widely reported that Wells Fargo employees after creating may have created over 2,000,000 millions of unauthorized bank and credit card accounts, without the knowledge or consent of ordinary consumers. These allegations were the subject of Congressional Hearings in the U.S. Senate's Committee on Banking, Housing and Urban Affairs on September 20, 2016, and in the House of Representatives' Financial Services Committee on September 29, 2016. On September 4, 2016, the Consumer Financial Protection Bureau ("CFPB") placed Wells Fargo under a Consent Order ("Order") related to its unfair consumer practices. In the Order, the CFPB found that Wells Fargo "opened, among other potentially fraudulent accounts, 1,534,280 deposit accounts that may not have been authorized and that may have been funded through simulated funding, or transferring funds from consumers' existing accounts without their knowledge or consent." The CFPB also found that Wells Fargo "terminated roughly 5,300 employees for engaging in Improper Sales Practices." —However, the Order also found that Wells Fargo, "set sales goals and implemented

sales incentives, including an incentive-compensation program, in part to increase the number of banking products and services that its employees sold to its customers,..." and these employees engaged in this behavior to satisfy the demands of Wells Fargo's incentive compensation program. Since September 2016, former Wells Fargo employees have filed a multi-billion dollar class action (case number BC634475 in the California Superior Court) lawsuit claiming they were wrongfully terminated for failing to meet unreasonable quotas while not engaging in improper sales practices. That class action lawsuit has not been resolved; CNN Money reported on September 8, 2016, that Wells Fargo National Bank ("Wells Fargo") "fired 5,300 employees over the last few years related to the shady behavior," and Vanity Fair reported on January 24, 2017, that those employees "were thrown under the bus for the scandal while management walked away scot free;" and-

WHEREAS, In the Public Interest ("ITPI"), a non-profit research and policy center, issued 's-a report in November 2016 entitled, "The Banks That Finance Private Prison Companies."ITPI's stated commitment is to equip "citizens, public officials, advocacy groups, and researchers with information, ideas, and resources on best practices in government contracting and other types of public-private agreements." -ITPI is a project of Partnership for Working Families, which is "a national network of leading regional advocacy organizations who support innovative solutions to our nation's economic and environmental problems." The

national network includes reputable and well-respected organizations
such as Puget Sound Sage based in Seattle. (November 2016) stated,
“Wells Fargo is complicit with private prison companies in contributing to
and enabling mass incarceration and the criminalization of immigration”
and expounded how Wells Fargo provides financial services to GEO
Group, which owns and operates the Northwest Detention Center, a
private prison detention center located in Tacoma, Washington, and
utilized to detain near immigrants and refugees, from all over the state
including Seattle, who are undergoing removal proceedings. -According
to the ITPI report, GEO Group depends on “debt financing to conduct
their day-to-day business operations and acquire smaller companies.”
An analysis of U.S. Securities and Exchange Commission (SEC) filings
over the past 10 years, which is detailed in ITPI’s report “The Banks
That Finance Private Prison Companies,” shows that Wells Fargo has
played a leading role in financing these debts”; incarcerating immigrant
detainees; and

ACTION 3:

Motion was made by Councilmember Herbold, duly seconded and carried, to amend Council Bill 118905, by substituting the 8th recital as shown in the underlined language below:

Whereas, According to U.S. Securities & Exchange Commission
(SEC) filings by the Energy Transfer family of companies (Energy
Transfer Partners, L.P. (ETP); Energy Transfer Equity, LP; and Sunoco

Logistics Partners LP) on February 10, 2015, February 17, 2015, and May 7, 2015, Wells Fargo maintains \$347 million in total credit facility commitments to these companies building the Dakota Access Pipeline, serves as the administrative agent for a \$3.75 billion line of credit held by ETP, and according to SEC filings on June 18, 2015 and January 11, 2017, Wells Fargo Securities, LLC underwrote \$450 million in bonds in 2015 and \$72 million in bonds so far in 2017 for ETP, all in support of the Dakota Access Pipeline project opposed by nearly 200 Indian Nations and environmental organizations, with police response to project opponents and journalists including arrest, use of rubber bullets, tear gas, pepper spray, and fire hoses in freezing weather.

ACTION 4:

Motion was made and duly seconded to pass Council Bill 118905 as amended.

The Motion carried, the Council Bill (CB) was passed as amended by the following vote, and the President signed the Bill:

In Favor: 9 - Bagshaw, Burgess, González , Harrell, Herbold, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Councilmember Herbold left the Council Chamber at 3:28 p.m.

2. [CF 314368](#) **Documents relating to Wells Fargo Bank, Social Responsibility and Fair Business Practices.**

The Committee recommends that Full Council file the Clerk File (CF).

In Favor: 8 - Burgess, Herbold, Johnson, O'Brien, Bagshaw, González , Sawant, Juarez

Opposed: None

By unanimous consent, Councilmember Burgess stated that at the request of Councilmember Herbold, a supplemental document entitled, Department of Justice, Wells Fargo improper mortgage lending practices Stipulation and Settlement (Case 1.12-cv-07527-JMF), was added to the record.

The Clerk File (CF) was filed by the following vote:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

3. [Res 31731](#) **A RESOLUTION designating the Mount Baker McClellan Street Redevelopment Opportunity Zone pursuant to RCW 70.105D.150(1) and making findings in support of such designation.**

The Committee recommends that Full Council adopt the Resolution (Res).

In Favor: 3 - Burgess, Herbold, Johnson

Opposed: None

The Resolution was adopted by the following vote, and the President signed the Resolution:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

4. [Appt 00567](#) **Appointment of Doug Ito as member, 2016 Housing Levy Oversight Committee, for a term to December 31, 2019.**

The Committee recommends that Full Council confirm the Appointment (Appt).

In Favor: 3 - Burgess, Herbold, Johnson

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

5. [Appt 00568](#) **Appointment of Ann T. Melone as member, 2016 Housing Levy Oversight Committee, for a term to December 31, 2018.**

The Committee recommends that Full Council confirm the Appointment (Appt).

In Favor: 3 - Burgess, Herbold, Johnson

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

6. [Appt 00569](#) Appointment of Leslie Brinson Price as member, 2016 Housing Levy Oversight Committee, for a term to December 31, 2023.

The Committee recommends that Full Council confirm the Appointment (Appt).

In Favor: 3 - Burgess, Herbold, Johnson

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

7. [Appt 00570](#) Appointment of Kristin Pula as member, 2016 Housing Levy Oversight Committee, for a term to December 31, 2019.

The Committee recommends that Full Council confirm the Appointment (Appt).

In Favor: 3 - Burgess, Herbold, Johnson

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

8. [Appt 00571](#) **Appointment of Alice Shobe as member, 2016 Housing Levy Oversight Committee, for a term to December 31, 2018.**

The Committee recommends that Full Council confirm the Appointment (Appt).

In Favor: 3 - Burgess, Herbold, Johnson

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

9. [Appt 00572](#) **Appointment of Doug Vann as member, 2016 Housing Levy Oversight Committee, for a term to December 31, 2018.**

The Committee recommends that Full Council confirm the Appointment (Appt).

In Favor: 3 - Burgess, Herbold, Johnson

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

10. [Appt 00573](#) Appointment of Kelly A. Rider as member, 2016 Housing Levy Oversight Committee, for a term to December 31, 2019.

The Committee recommends that Full Council confirm the Appointment (Appt).

In Favor: 3 - Burgess, Herbold, Johnson

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

EDUCATION, EQUITY, AND GOVERNANCE COMMITTEE:

11. [Appt 00577](#) Reappointment of Eileen M. Norton as member, Seattle Ethics and Elections Commission, for a term to December 31, 2019.

The Committee recommends that Full Council confirm the Appointment (Appt).

In Favor: 3 - Harrell, González , Juarez

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

12. [Appt 00588](#) **Reappointment of Brendan W. Donckers as member, Seattle Ethics and Elections Commission, for a term to December 31, 2019.**

The Committee recommends that Full Council confirm the Appointment (Appt).

In Favor: 3 - Harrell, González , Juarez

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - Bagshaw, Burgess, González , Harrell, Johnson, Juarez, O'Brien, Sawant

Opposed: None

Absent(NV): 1 - Herbold

J. ADOPTION OF OTHER RESOLUTIONS

There were none.

K. OTHER BUSINESS

There was none.

L. ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned at 3:54 p.m.

Jodee Schwinn, Deputy City Clerk

Signed by me in Open Session, upon approval of the Council, on February 21, 2017.

Bruce Harrell, President of the City Council

Monica Martinez Simmons, City Clerk