



City of Seattle
Mayor Jenny A. Durkan

May 16, 2018

Monica Martinez Simmons
Seattle City Clerk
600 4th Avenue, 3rd Floor
Seattle, WA 98124

Dear Ms. Martinez Simmons,

Today I signed Council Bill 119250, which authorizes a new Employee Hours Tax to raise revenues for homelessness services and the production of new affordable housing units. I am returning the accompanying Resolution 31810, which prescribes a spending plan for the revenues, without my signature or concurrence.

While I generally agree that proceeds should go toward the services as outlined in Section 1 of Resolution 31810, there are a number of issues regarding the proposed five-year spending plan attached to the legislation that need to be discussed and addressed with Council. I am confident that the differences can be worked out collaboratively, including:

- During last year's budget process, before I took office, Council funded approximately \$3.3 million in one-time funding for 2018 for transitional and supportive housing. The proposed spending plan does not continue this funding, which means 184 permanent supportive housing and transitional housing units would go offline at the end of the year. In addition, there is another \$2.7 million in one-time funding that continues hundreds of shelter beds through the end of the year. In fact, because of shelter beds going offline it is estimated that the spending plan as is would result in a net loss of 214 shelter beds. We cannot afford as a City to have fewer safe places for people as we build housing over a period of years.
- In addition, the resolution has a number of items relating to the Executive's implementation of the legislation that reflect policy issues not yet discussed or resolved with Council, including issues related to accountability and oversight.

I look forward to collaborating with Councilmembers on addressing the ongoing emergency in our City and most effectively prioritizing the spending of this new revenue. Over the past two weeks, the Executive and Legislative branches came together to find common ground on Council Bill 119250. I am confident that we will be able to do it again, forging a shared path forward to achieve our common purpose, in the months ahead.

Sincerely,


Jenny A. Durkan
Mayor of Seattle