

## SUMMARY and FISCAL NOTE\*

| <b>Department:</b> | <b>Dept. Contact/Phone:</b> | <b>CBO Contact/Phone:</b> |
|--------------------|-----------------------------|---------------------------|
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*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### **1. BILL SUMMARY**

**Legislation 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.

**Summary and background of the Legislation:** This legislation adopts a plan for how the proceeds from the proposed Seattle Transportation Network Company tax (TNC tax) will be used:

- First, the plan funds the setup and ongoing costs of administering and collecting the TNC tax and regulations related to TNC drivers by the Department of Finance and Administrative Services (FAS). In the first year that cost is up to \$2,000,000 and in the second and beyond \$1,500,000, indexed for inflation beginning in the fifth year.
- The plan funds up to \$3,500,000 per year for a Driver Resolution Center that provides resolution services to TNC drivers and TNCs, which may include services such as providing a venue for drivers to contest deactivation by a TNC. This Center will be administered by a neutral, third-party non-profit organization and be funded in the Department of Finance and Administrative Services and/or the Office for Labor Standards, with support and evaluation funding provided within this part of the spending plan.
- The proceeds remaining after expenses the above two items shall be split during the first six full years of tax collection. Up to half of the proceeds shall go to the Office of Housing (OH)'s Low-Income Housing Fund to finance acquisition, construction, rehabilitation, operations and maintenance of property to provide housing that serves low-income households and proves for the housing needs of low-income households with the frequent transit network as defined by the Seattle Department of Transportation's Transit Master Plan. The remainder of the proceeds shall be used to support projects related to transportation and transit, including the Center City Streetcar.
- Beginning in the seventh full year of collection, the funds will be spent as follows:
  1. Ongoing costs of administering and collecting the TNC tax and regulations related to TNC drivers by FAS as described above. (up to \$1,500,000, indexed for inflation)
  2. Costs for operations of the Driver Resolution Center, as described above. (up to \$3,500,000)
  3. Operating support for OH-funded housing affordable to households with incomes at or below 30% of the Median Income. (up to \$5,000,000)

4. Projects related to transportation improvements and transit (remainder of the tax proceeds).

## 2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project?       Yes  No

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget?       Yes  No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?  
No.

Is there financial cost or other impacts of *not* implementing the legislation?  
No.

## 4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?  
The Department of Finance and Administrative Services (FAS), the Office of Labor Standards (OLS), Seattle Department of Transportation (SDOT) and Office of Housing (OH) will receive the funds described in the spending plan once the tax is collected and appropriation authority is transferred from Finance General to the appropriate departments.
- b. Is a public hearing required for this legislation?  
No.
- c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?  
No.
- d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?  
No.
- e. Does this legislation affect a piece of property?  
No.
- f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

The resolution adopts a spending plan for the proceeds of the Seattle Transportation Network Company (TNC) tax to provide support to affordable housing near frequent transit,

transportation, and a driver conflict resolution center and other driver protections. People of color are disproportionately affected by rising costs associated with housing affordability and access to transportation. In addition, the Driver Resolution Center will provide resolution services to TNC drivers and TNCs, which may include services such as providing a venue for drivers to contest deactivation by a TNC. Many drivers are people of color and/or immigrants.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

The resolution adopts a spending plan for the proceeds of the Seattle Transportation Network Company tax to support affordable housing near frequent transit, transportation, and a driver conflict resolution center and other driver protections. Evaluation plans will be developed as the City studies the minimum wage for drivers.

**List attachments/exhibits below:**