

March 13, 2018

MEMORANDUM

To: Councilmember Sally Bagshaw, Chair
Councilmember Lorena González, Vice Chair
Councilmember Bruce Harrell, Member
Councilmember Mike O'Brien, Alternate
Finance and Neighborhoods Committee

From: Erik Sund, Budget Coordinator
Council Central Staff

Subject: Report of the Progressive Revenue Task Force

This memo conveys the final report (Attachment 1) of the Progressive Revenue Task Force (PRTF) as directed by [Resolution 31782](#).

Resolution on Task Force and Process

In 2017, the Council unanimously passed [Resolution 31782](#) (Attachment 2) “establishing a process by which the City of Seattle will determine new progressive revenues including an Employee Hours Tax (EHT), expressing the City Council’s intent to impose such potential revenues, and expressing the Council’s intent to make investments with these revenues that would assist people who are homeless or at a high risk of becoming homeless in obtaining and retaining stable housing.”

The resolution directed that the Task Force should identify revenue sources that do not regressively burden low- and middle income people. It further specified that the Task Force should:

1. Evaluate an EHT that would be expected to generate between \$25 million and \$75 million of revenue for the City each year.
2. Identify and Evaluate other possible progressive revenue sources for the Council to consider.
3. Propose how the revenues raised should be used to provide homelessness services, including shelter, outreach, and income-restricted housing units.

Membership and Processes of the Task Force

The majority of the membership of the PRTF was established by early January 2018, with some additional members joining later in the month. The full membership of the PRTF is shown in the table below.

Name (Last, First)	Organization/ Employer	Representation Category
Adams, Jennifer A.	Bridge Care Center	Lived experience
Coak, Andrew	SEIU 1199NW, Downtown Emergency Services Center	Labor, service provider
Daugaard, Lisa	Public Defender Association	Service provider
Eisenberg, Ian	Uncle Ike's	Business
González, Lorena	City of Seattle	City Councilmember, Co-Chair
Grad, Samantha R.	UFCW 21	Labor
Harris-Talley, Kirsten	Progress Alliance of Washington	Subject matter expert, Co-Chair
Herbold, Lisa	City of Seattle	City Councilmember, Co-Chair
Little, Brianna	Real Change News	Service provider
Malone, Daniel K.	Downtown Emergency Services Center	Service provider
Mathews, Tom	Walsh Construction Company	Business
Maykut, Chris	Chaco Canyon Organic Café	Business
O'Toole, Courtney S.	Share/ Nickelsville	Lived experience
To, Tony	HomeSight	Service provider, Co-Chair
Wilson, Katie B.	Transit Riders Union	Subject matter expert
Winkler-Chin, Maiko	SCIDpda	Service provider
Wurtz, Jesiah	Café Red	Business

The PRTF met five times in early 2018 on the following dates: January 4, January 18, February 1, February 15, and March 1. The PRTF work program is included as Attachment 3 to this memo. The PRTF received briefings from the Council Central Staff on existing services funded by the City, the scale of need for affordable housing and related services, and various progressive tax policies, including an EHT, that might be recommended to the Council. Briefing materials prepared the Council Central Staff at the request of the Councilmembers belonging to the PRTF are collected as Attachment 4 to this memo.

In addition, the PRTF established two caucuses which met periodically to provide further PRTF members with opportunities for discussion of progressive tax options (the Revenue Caucus) and potential uses of progressive tax revenues (the Revenue Use Caucus). The

caucuses reported recommendations and alternatives to the PRTF for consideration. There was a joint meeting of both caucuses on February 22.

Task Force Recommendations

At its March 1 meeting, the PRTF approved a final report by a vote of 17 members in favor and none opposed. The PRTF report and its several appendices are included as Attachment 1 to this memo.

Attachment

cc: Kirstan Arestad, Director