

1 **Amendment 1 to CB 119402**

2 **July 22, 2019**

3 **Sponsor: Councilmember Pacheco**

4  
5 *Description:*

6 Establish financial policies for 2020 that are consistent with the spending plan for STR Tax  
7 revenues included in the 2020 endorsed budget. Any surplus funds in 2020 would be directed  
8 to support EDI grants. In 2021 and beyond, the financial policies would:

- 9 1. Prioritize paying the debt service on bonds issued for affordable housing projects by  
10 directing the first \$2.2 million for this purpose;  
11 2. Direct the next \$6.0 million in revenues to the Equitable Development Initiative (EDI),  
12 including \$5 million for EDI grants and \$1 million for staffing and consultant services;  
13 3. Direct the next \$3.3 million to permanent supportive housing; and  
14 4. Direct any excess STR Tax revenues to EDI grants.

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16 This proposal is consistent with the 2020 endorsed budget and would not result in any budget  
17 shortfalls unless revenues come in below what is projected for 2020.

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19 *Notes:*

20 Double underlines in red text indicate new language to be added.

21 ~~Strikethroughs in red text~~ indicate language proposed to be removed.

22  
23 **Amendment**

24 Amend Section 5 to Council Bill 119544 as follows:

25 Section 2. The new Short-Term Rental Tax Fund shall receive revenues from the  
26 payments made to the City from the District from revenue collected from short-term rentals in  
27 Seattle. In accordance with HB 2015, the services funded by the proceeds of the short-term rental  
28 tax shall support investments in affordable housing programs and community-initiated equitable  
29 development projects, including but not limited to projects described in Resolution 31711. The  
30 proceeds shall be used as follows:

- 31 A. In 2020, the proceeds shall be used as follows:

1           1. The first \$~~54~~,000,000 of proceeds shall be directed to the Office of  
2 Planning and Community Development for grants made to organizations for investments in  
3 community-initiated equitable development projects. Grants made to organizations for  
4 community-initiated equitable development projects can be used for community capacity  
5 building and project development;

6           2. The next \$1,000,000 of proceeds shall be directed to the Office of  
7 Planning and Community Development for consultant services, administration, and project  
8 management to support the program that provides grants to organizations for investments in  
9 community-initiated equitable development projects

10           ~~B3.~~ The next \$2,200,000 of proceeds shall be directed to debt service  
11 payments on bonds issued for affordable housing projects until that debt is retired;

12           ~~C4.~~ The next \$3,300,000 of the proceeds shall be directed to the Human  
13 Services Department to support investments in permanent supportive housing;

14           ~~D.—The next \$1,069,000 of proceeds shall be directed to the Office of~~  
15 ~~Planning and Community Development for consultant services, administration, and project~~  
16 ~~management to support the program that provides grants to organizations for investments in~~  
17 ~~community-initiated equitable development projects; and~~

18           ~~E5.~~ Any remaining funds shall be directed to grants made to organizations for  
19 investments in community-initiated equitable development projects.

20           B. In 2021 and beyond, the proceeds shall be used as follows:

21           1. The first \$2,200,000 of proceeds shall be directed to debt service  
22 payments on bonds issued for affordable housing projects until that debt is retired;

1                   2. The next \$1,000,000 of proceeds shall be directed to the Office of  
2 Planning and Community Development for consultant services, administration, and project  
3 management to support the program that provides grants to organizations for investments in  
4 community-initiated equitable development projects;

5                   3. The next \$5,000,000 of proceeds shall be directed to the Office of  
6 Planning and Community Development for grants made to organizations for investments in  
7 community-initiated equitable development projects. Grants made to organizations for  
8 community-initiated equitable development projects can be used for community capacity  
9 development and project development;

10                   4. The next \$3,300,000 of the proceeds shall be directed to the Human  
11 Services Department to support investments in permanent supportive housing; and

12                   5. Any remaining funds shall be directed to grants made to organizations for  
13 investments in community-initiated equitable development projects.