

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

..title

AN ORDINANCE establishing a spending plan for proposed use of the proceeds generated from the payroll expense tax authorized by the ordinance introduced as Council Bill 119810 establishing an oversight committee; and adding a new Section 3.35.100 to the Seattle Municipal Code.

..body

WHEREAS, the City Council (“Council”) adopted the ordinance introduced as Council Bill 119810, authorizing the collection of a new payroll expense tax (“payroll tax”) to be imposed beginning January 2021; and

~~WHEREAS, the new payroll tax is anticipated to generate about \$173 million in proceeds in 2021 with a goal of generating about \$200 million on an annual basis, as shown in the spending plan included as Attachment 1 to this ordinance; and~~

WHEREAS, on November 2, 2015, the Mayor issued a Proclamation of Civil Emergency to address the homelessness crisis in the City of Seattle; and

WHEREAS, on November 3, 2015, the City Council adopted Resolution 31630, ratifying and confirming the Mayoral Proclamation of Civil Emergency; and

WHEREAS, the Civil Emergency to address the homelessness crisis is still in effect today; and

WHEREAS, on March 11, 2020, the World Health Organization announced that the novel coronavirus (COVID-19) is officially a global pandemic; and

WHEREAS, on February 29, 2020 the Washington Governor issued Proclamation 20-05, proclaiming a state of emergency for all counties throughout the state of Washington in response to new cases of COVID-19; and

1 WHEREAS, on March 13, 2020 the President of the United States declared a national state of  
2 emergency in response to the COVID-19 pandemic; and

3 WHEREAS, on March 25, 2020 the Washington Governor issued Proclamation 20-25,  
4 prohibiting all people in Washington State from leaving their homes and all non-essential  
5 businesses in Washington State from conducting business (“Stay Home – Stay Healthy  
6 Proclamation”); and

7 WHEREAS, these actions are appropriate for public health reasons but result in severe economic  
8 impacts on families and individuals in Seattle; and

9 WHEREAS, these impacts are felt most strongly by people with low incomes who have become  
10 unemployed or had their work hours severely reduced; and

11 WHEREAS, the affordable housing crisis, homelessness emergency, and now the COVID-19  
12 pandemic and related economic and unemployment emergencies, in Seattle are deeply  
13 impacting the lives of people throughout Seattle and the region and disproportionately  
14 harms people of color, immigrants, the LGBTQ community, indigenous peoples’  
15 communities, disabled community members, and women, who already struggle against  
16 entrenched inequality; and

17 WHEREAS, average rents in Seattle rose 69 percent between 2010 and 2018, far beyond the rate  
18 of inflation and more than double the national average; and

19 WHEREAS, more than 4,280 students in Seattle Public Schools are homeless or have unstable  
20 housing; and

21 WHEREAS, even before the COVID-19 emergency, thousands of Seattle renters faced eviction  
22 threats every year, and in September 2018, the Seattle Women’s Commission and the  
23 King County Bar Association jointly published *Losing Home: The Human Cost of*

1           *Eviction in Seattle*, finding that more than half of Seattle renters receiving eviction  
2           notices in 2017 owed one month’s rent or less, and most tenants who are evicted become  
3           homeless; and

4 WHEREAS, the *Losing Home* report found that evictions in Seattle fall disproportionately on  
5           women and people of color, with people of color constituting about 35 percent of renters,  
6           and nearly 52 percent of evictions involved people of color; and

7 WHEREAS, the October 2019 Report and Recommendations of the King County Regional  
8           Affordable Housing Task Force found that 156,000 affordable homes were needed  
9           immediately and another 88,000 affordable homes by 2040 to ensure that no low-income  
10          or working households were cost burdened; and

11 WHEREAS, the 2019 point-in-time count of people experiencing homelessness in King County  
12          estimates there are 11,199 individuals experiencing homelessness in the region; and

13 WHEREAS, the Third Door Coalition proposal advocates for the creation of 6,500 permanent  
14          supportive housing units as a proven solution for meeting the housing and services needs  
15          of those who are chronically homelessness; and

16 WHEREAS, the City recognizes the importance of using a “Housing First” approach in the  
17          development of permanent housing for those experiencing homelessness that prioritizes  
18          providing access to low or no barrier housing for such persons; and

19 WHEREAS, in addition to increasing investments to support programs that provide housing  
20          security and that increase the supply of affordable housing, the Council is committed to  
21          pursuing additional strategies, such as changes to development regulations and permit  
22          review processes, to reduce the time and costs of building affordable housing; and

1 WHEREAS, in October 2016, the Council adopted, with the Mayor concurring, Resolution  
2 31712, endorsing community principles for green jobs, defining a green job as one that  
3 preserves or enhances environmental health as well as the economic and social well-  
4 being of people and communities, centers on communities most negatively impacted by  
5 climate change, and pays a living wage while providing career pathways; and

6 WHEREAS, the City Council adopted Resolution 31895 establishing a Green New Deal for  
7 Seattle; and

8 WHEREAS, Resolution 31895 envisioned the need to establish a dedicated revenue source in  
9 order to implement Green New Deal strategies, including creating more permanently  
10 affordable housing, located near transit hubs, green space, and neighborhood amenities to  
11 reduce dependence on private vehicles and strengthening green building standards for  
12 new construction to minimize emissions while maximizing energy efficiency; and

13 WHEREAS, the Council is committed to advancing strategies to improve job quality for the  
14 local work force, including investing in labor-management trainings and partnering with  
15 other entities committed to implementing and adopting innovative workforce strategies;  
16 and

17 WHEREAS, the new tax will generate significant funds that will increase the construction and  
18 preservation of new permanently affordable housing units for low-income households to  
19 address the housing affordability and homelessness crisis, will contribute to reducing  
20 Seattle's climate pollution, and will in the process support living-wage jobs, and in doing  
21 so will help the City make the necessary changes to shift Seattle's economy to be more  
22 equitable and ecologically sustainable; and

1 WHEREAS, the City is committed to eliminating racial inequities through implementation of the  
2 Race and Social Justice Initiative; and

3 WHEREAS, Resolution 31577, adopted in May 2015, affirmed that The City of Seattle’s core  
4 value of racial and social equity is one of the foundations on which the Comprehensive  
5 Plan is built, and defined “equitable development” as public and private investments,  
6 programs, and policies in neighborhoods to meet the needs of marginalized people and  
7 reduce disparities; and

8 WHEREAS, Ordinance 125173, passed in October 2016, amended the Seattle Comprehensive  
9 Plan to increase its emphasis on race and social equity, and affirm the conclusions of the  
10 Seattle 2035 Equity Analysis that was part of the City’s overall analysis of the Plan; and

11 WHEREAS, Resolution 31711, adopted in September 2016, identified the Equitable  
12 Development Initiative as a key component of implementing Ordinance 125173 and  
13 approved the Equitable Development Implementation Plan and the Equitable  
14 Development Financial Investment Strategy to advance the public purposes of  
15 community stability, cohesion, and affordability; and

16 WHEREAS, the City’s Equitable Development Initiative supports community driven projects  
17 that promote economic opportunities for marginalized populations and enhance  
18 community cultural anchors, affordable housing development, health services, child care  
19 services, and other community services that support the needs of diverse populations in  
20 areas at risk of displacement; and

21 WHEREAS, the Equitable Development Initiative receives annual funding of \$5 million from  
22 the short-term rental tax, but this funding is insufficient to support the number of current  
23 projects in development and additional future projects; and

1 WHEREAS, on March 18, 2019, the City Council adopted Resolution 31870, committing to  
2 taking future actions to mitigate displacement impacts on marginalized communities,  
3 including communities of color and low-income communities, particularly in  
4 neighborhoods identified as at high risk of displacement by the Growth and Equity  
5 Analysis. One action called for was to identify a permanent and consistent source of  
6 funding for the Equitable Development Initiative, beyond the \$5 million per year  
7 expected to be generated through the short-term rental tax, with a long-term goal of \$20  
8 million annually; and

9 WHEREAS, the new payroll tax will generate significant funds to address identified inequities  
10 and to respond to the economic and public health impacts caused by the COVID-19  
11 pandemic that are anticipated to persist beyond 2020; NOW, THEREFORE,

12 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

13 Section 1. Findings. The City Council finds that:

14 A. On March 3, 2020, the Mayor proclaimed that a civil emergency exists in the City of  
15 Seattle related to the COVID-19 virus.

16 B. On March 11, 2020, the Governor of Washington State and the Local Health Officer  
17 for Public Health – Seattle & King County issued parallel orders prohibiting gatherings of 250  
18 people or more for social, spiritual and recreational activities in King County.

19 C. On March 13, 2020, the Governor of Washington state issued an emergency order  
20 announcing all K-12 schools in Washington to be closed from March 17, 2020 through June 19,  
21 2020 to combat the spread of the disease.

22 D. On March 13, 2020, the President of the United States declared a national emergency  
23 to allow the government to marshal additional resources to combat the virus.

1 E. On March 23, 2020, the Governor of Washington State issued an emergency order  
2 (“the Stay Home, Stay Safe” order) announcing that “[a]ll people in Washington State shall  
3 immediately cease leaving their home or place of residence except: (1) to conduct or participate  
4 in essential activities, and/or (2) for employment in essential business services.”

5 F. As of June 11, 2020, the Washington State Department of Health confirmed 25,171  
6 cases of COVID-19 and 1,204 deaths caused by the virus in Washington State, with 8,611  
7 confirmed cases and 586 deaths caused by the virus in King County.

8 G. The COVID-19 crisis has had a significant impact on the local economy impacting the  
9 retail, restaurant, construction, gig economy, and other industries resulting in layoffs and reduced  
10 work hours for a significant percentage of this workforce and loss of income for small  
11 businesses. These impacts are being felt most strongly by low income workers, people of color,  
12 immigrants, and members of the LGBTQIA community, who have become unemployed or had  
13 their work hours severely reduced and will have both immediate and long-term impacts.

14 H. There are at least 38,000 businesses in the City of Seattle employing a minimum of  
15 655,000 individuals. Since the Governor of Washington closed or limited operations of many  
16 businesses in the state beginning in March, the statewide unemployment rate went from 5.1  
17 percent in March to 15.4 percent in April. This equates to 199,000 individuals in March, and  
18 610,000 individuals in April who are unemployed. In the Seattle/ Bellevue/Everett area, the  
19 unemployment rate went from 5.6 percent in March to 14.5 percent in April. This equates to  
20 96,000 individuals in March and 248,000 individuals in April who are unemployed. Rising  
21 unemployment will put more and more Seattle households, particularly low-income households,  
22 in financial peril.

1 I. Providing financial assistance to small business owners and operators is necessary to  
2 prevent small businesses from having to close permanently due to the hardship associated with  
3 government-mandated full or partial closure of their businesses, or requirements to implement  
4 new businesses practices and physical modifications to the business to meet public health  
5 guidance, during and after the COVID-19 crisis. Such assistance shall provide economic benefits  
6 to the public by saving or creating jobs, moderating impacts to local tax revenue by supporting  
7 continue operations of small businesses and ensuring that businesses can modify operations as  
8 necessary to comply with public health guidance.

9 J. Federal and state assistance is inaccessible to many people with low-incomes, to many  
10 small businesses, and is being delayed for many others, and will not be sufficient to meet their  
11 basic needs during the COVID-19 public health and financial crisis. In addition, federal  
12 assistance provided to small businesses may not allow flexibility in terms of non-payroll costs  
13 that can be covered, timeline for expending funds, etc. Therefore, additional and immediate  
14 financial support to small businesses and people with low-incomes is necessary to help meet  
15 their basic needs and to help minimize impacts to public health as well as the local economy.

16 K. The economic impacts from the COVID-19 emergency are drastic and immediate but  
17 are also expected to last much longer than the civil shut-down emergency itself.

18 L. Data from the 2012-2016 American Community Survey (ACS) shows that: over  
19 60,000 households in Seattle with incomes at or below 80 percent of AMI are cost burdened,  
20 paying more than 30 percent of their income for rent and utilities; and 29,000 households with  
21 incomes at or below 50 percent of area AMI are severely cost burdened, paying over 50 percent  
22 of their income for rent and utilities, and, as a result, are at potential risk of homelessness.

1 M. The COVID-19 emergency poses a serious threat to the housing stability of  
2 households who are unable to pay rent due during the crisis and is expected to impact the ability  
3 for people to be securely housed beyond 2020.

4 N. Spending on equitable development investments, including the community-identified  
5 and City-approved projects included in the Equitable Development Financial Investment  
6 Strategy, achieves a clear public purpose in advancing the City’s core value of racial and social  
7 equity through fostering the development and improvement of physical and social assets serving  
8 communities, economic development, education, and workforce training programs, and other  
9 public benefits.

10 O. The spending plan is being tailored to address both the shorter (2021) and longer-term  
11 (2022 and beyond) basic human health and public health needs created by the multiple and  
12 overlapping crises, which include the long-running affordable housing and homelessness crisis,  
13 food insecurity, and loss of childcare and small businesses through the community, which has  
14 now been greatly exacerbated and complicated by the COVID-19 pandemic and related  
15 economic and unemployment crises.

16 P. Investments in the programs and services described in this ordinance will help  
17 counteract the economic and health impacts caused by the COVID-19 crisis by investing in low-  
18 income communities, small businesses, and other services that will continue to be needed in  
19 2021 and beyond by people who saw significant reductions in income due to employment  
20 changes and business closures or reductions stemming from the crisis.

21 Q. The City’s Adopted 2020 Budget fully appropriates all available municipal revenues  
22 to address the many and varied needs of the community.

1 R. At an April 22 presentation to the Select Budget Committee, the City Budget Director  
2 stated that a “Rapid Recovery” in City General Fund finances from the COVID 19 civil  
3 emergency would result in a \$100 million or 7 percent reduction in General Fund revenues  
4 available for City spending priorities in 2020, and further stated that a “Slow Recovery” scenario  
5 would result in a \$186 million or 13 percent reduction in General Fund revenues and about \$113  
6 million reduction in other general government revenues in 2020, for a total reduction of about  
7 \$300 million in 2020.

8 S. The City will impose a new payroll tax through Council Bill 119810 that is expected to  
9 provide new and sufficient revenues to allow the City, in 2021, to replenish emergency funds  
10 used in 2020 to make public assistance available to households most impacted by the COVID-19  
11 civil emergency and to provide resources to maintain services and provide longer terms solutions  
12 to address the inequities exacerbated by the COVID-19 crisis.

13 Section 2. Proceeds from the new payroll tax imposed by the ordinance introduced as  
14 Council Bill 119810 may only be used as described in subsections 2.A and 2.B of this ordinance  
15 ~~and summarized in Attachment 1 to this ordinance~~. The programs funded in this spending plan  
16 may be used to provide assistance to low income people who live or work in Seattle. The  
17 Council intends to adopt by resolution or through adoption of the annual budget, spending details  
18 by year and program area to provide: (1) specific allocations of funds for each program area  
19 based on the anticipated annual revenue from the payroll tax authorized by the ordinance  
20 introduced as Council Bill 119810; and (2) programmatic details such as incomes levels served  
21 by proposed housing investments. The spending plan may be amended from time to time by the  
22 City Council by ordinance.

1 A. In 2021, ~~the first \$86 million may be used~~ to replenish the City’s Emergency Fund and  
2 Revenue Stabilization Fund balance that was reduced in 2020 to fund programs that address the  
3 economic impacts caused by COVID-19. Any remaining proceeds from the payroll tax are  
4 intended to be used as follows:

5 1. ~~Up to five percent may be used to~~ To administer the payroll tax authorized by the  
6 ordinance introduced as Council Bill 119810 and to administer the investments described in  
7 subsections 2.A.2 and 2.A.3 of this ordinance. ~~If less than five percent of remaining funds is~~  
8 ~~needed for implementation and administration, any remaining funds may be used for other~~  
9 ~~programs and services described in subsections 2.A.2 through 2.A.4 of this ordinance.~~

10 2. ~~Seventy-five percent may be used to~~ To (1) provide continuity of services and  
11 programs administered or supported by the City prior to the COVID-19 crises that, absent the  
12 support from the payroll tax revenue, would see a reduction in funding; and (2) funding to  
13 support increased costs and the expansion of services and programs administered or funded by  
14 the City that support low-income communities, immigrant and refugee communities, people  
15 experiencing homelessness or housing insecurity, people experiencing food insecurity, and to  
16 fund other City programs and services that address the needs of low-income households and  
17 small businesses. It is the Council’s intent that funding is prioritized for investments in services  
18 and programs that service lower-income neighborhoods.

19 3. ~~Twenty percent may be used to~~ To continue some funding for extend funding for  
20 ~~the~~ programs and services that received funding in 2020 as described in the ordinance introduced  
21 as Council Bill 119812.

22 B. In all subsequent years, the proceeds from the payroll tax will be allocated as  
23 described in the resolution intended by this section or through adoption of the annual budget and

1 ~~further~~ described in an implementation plan adopted by the City Council biennially, with the first  
2 plan adopted in 2021 for spending in years 2022 and 2023. The intent is to ~~allocate funding as~~  
3 ~~follows use the proceeds from the payroll tax authorized by the ordinance introduced as Council~~  
4 ~~Bill 119810 as follows:~~

5 1. ~~Up to five percent of the proceeds may be used to~~To administer the payroll tax  
6 authorized by the ordinance introduced as Council Bill 119810 and to administer the investments  
7 described in subsections 2.B.2 through 2.B.4~~5~~ of this ordinance. ~~If less than five percent of~~  
8 ~~remaining funds are needed for administration, any remaining funds may be used for other~~  
9 ~~programs and services described in subsections 2.B.2 through 2.B.4 of this ordinance.~~

10 2. Housing and services. ~~Sixty-five percent of the proceeds may be used t~~To  
11 support (1) capital costs associated with the construction or acquisition of ~~rental~~ housing for low-  
12 income households, including but not limited to people with disabilities, the elderly, low-wage  
13 working people, homeless individuals and families, and families with children; (2) operating and  
14 services costs of rental housing serving households at or below 30 percent of area median  
15 income (AMI); ~~and~~ (3) associated infrastructure to support the ongoing operations costs for the  
16 housing, such as maintenance, retrofitting, and energy efficient upgrades to support the housing;  
17 ~~and (4) rental assistance programs. Of the proceeds proposed for housing and services, the~~  
18 ~~Council intends that 70 percent will support housing serving households with incomes at or~~  
19 ~~below 30 percent of AMI and 30 percent will support housing serving households with incomes~~  
20 ~~at or below 50 percent of AMI, provided that such projects include units serving some~~  
21 ~~households at or below 30 percent of AMI~~

1           It is the Council’s intent that new construction of housing projects funded with  
2 this tax will be built consistent with the City’s Housing Funding Policies as adopted by  
3 Ordinance 119531, or as may be amended. These include, but are not limited to:

4           a. Requirements and goals that advance labor equity outcomes, such as:  
5 the payment of prevailing wages, apprenticeship utilization, and employment of Women and  
6 Minority Owned Businesses. Imposing additional requirements including, but not limited to:  
7 preferred entry to apprenticeship programs, requirements for pre-apprenticeship, mentoring or  
8 other training programs, and utilization of workers from economically distressed areas, will be  
9 considered for new construction housing projects based on the results of the evaluation of the 2<sup>nd</sup>  
10 and Mercer housing pilot project, expected in mid-2021. The implementation plan that will be  
11 adopted by the City Council in 2021 will guide spending for 2022 and 2023, and may impose  
12 further labor equity-related requirements for new construction projects and recommend any  
13 needed amendments to the City’s Housing Funding Policies to impose such requirements.

14           b. Prioritize projects that advance equitable development goals and  
15 address displacement, including those proposed or supported by local, community-based, non-  
16 profit organizations that are culturally relevant and historically rooted, particularly when the  
17 project site is in an area that is at high risk for displacement.

18           c. Utilize well-located publicly owned properties to achieve cost savings  
19 for affordable housing development through reduced or no-cost land transfers, favorable  
20 purchase terms, and efficient funding and disposition processes.

21           3. ~~Ten percent of the proceeds may be used t~~To support the Equitable  
22 Development Initiative (EDI). Funding may be used to support community-initiated equitable  
23 development projects that advance economic mobility and opportunity, prevent residential,

1 commercial, and cultural displacement, build on local cultural assets, promote transportation  
2 mobility and connectivity, develop healthy and safe neighborhoods, and enable equitable access  
3 to all neighborhoods. ~~Funds would be appropriated to the Office of Planning and Community  
4 Development and allocated through the EDI's existing established funding process for awarding  
5 EDI grants. This funding may be used to support both the non-housing and affordable housing  
6 components of EDI projects. Investments in EDI projects that include an affordable housing  
7 component will be prioritized.~~

8 4. ~~Twenty percent of the proceeds may be used t~~To support local businesses and  
9 tourism to spur the local economic recovery, and to provide economic stability for the city's  
10 workforce. ~~Investments will prioritize programs and services that diversify the local economy  
11 and improve job quality, including investing in labor management training programs and  
12 partnerships with organizations whose work focuses on innovative workforce strategies that  
13 support and create jobs with strong pay and benefits. This will include:~~

14 a. ~~At least \$650,000 in 2022 to contract with an organization with  
15 expertise and experience in developing a plan and can act as a catalyst to launch programs and  
16 services that will help transition a just local economy that provides stable, safe, and healthy  
17 family sustaining jobs. The Council expects that, in 2021, the Executive will convene a group  
18 that includes, but is not limited to, representatives from City departments, labor organizations,  
19 and small businesses, to develop the scope of work and to select a firm to carry out this work in  
20 2022.~~

21 b. ~~Any remaining funds will be used to invest in individuals' businesses, activities  
22 that promote and support business districts and tourism, and to support business organizations  
23 focused on retaining and growing the workforce, including job training programs that provide a~~

~~path to careers that provide family sustaining wages and benefits. Preference will be given to businesses and business organizations who provide a safe, healthy, and economically beneficial working environment for its employees by providing the following, including but not limited to: codes of conduct, health care benefits, educational benefits, retirement benefits, living wage standards, and entering into a labor peace agreement with employees.~~

5. For investments that advance Seattle’s Green New Deal as described in Resolution 31895. Investments should be prioritized in communities historically most harmed by economic, racial, and environmental injustice.

Section 3. On or before June 30, 2021, the Executive is requested to submit an Implementation Plan for the payroll tax spending for years 2022 and beyond to the City Council that includes:

- A. Specific spending proposal for years 2022 and beyond;
- B. Proposed outcomes for each funded program or service;
- C. How the programs or services will be implemented (i.e., responsible department, funding processes, etc.);
- D. Proposed policies for implementing funded programs or services;
- E. Recommended modifications to the City’s Housing Funding policies imposing new labor equity outcomes for new construction housing projects, if appropriate; and
- F. Proposal for the detailed roles and responsibilities for the Oversight Committee described in Section 5 of this ordinance.

The Executive, with the support of the Seattle Office for Civil Rights, will conduct racial equity analysis on the proposed implementation plan prior to submittal to the City Council. The completion of this analysis should not delay submittal of the Implementation Plan by June 30,

1 2021. The Executive is expected to work cooperatively with the City Council in the development  
2 of this implementation plan to ensure it is consistent with the proposed spending plan.

3 Section 4. A new Section 3.35.100 is added to the Seattle Municipal Code as follows:

4 **3.35.100 Payroll Tax Oversight Committee**

5 A. There is established an Oversight Committee for the purpose of providing oversight on  
6 the services and programs supported by the payroll tax and the impacts of this tax on the number  
7 of jobs and businesses in the City, and other data that directly relates to measuring the impact of  
8 this tax on the City's economy. The Oversight Committee shall provide an annual report that  
9 provides this information to the Mayor and the City Council. The Oversight Committee shall  
10 consult with the Coalition of City Unions, Small Business Advisory Council, Housing Levy  
11 Oversight Committee, the Green New Deal Oversight Board and other oversight bodies that  
12 monitor programs and services similar to those supported by the payroll tax. The Committee may  
13 elect officers and establish rules of procedure, including what shall constitute a quorum. The  
14 Director of Neighborhoods or such other department head as may be designated by the Mayor  
15 shall provide the Committee such information as is necessary for the Committee to determine the  
16 status of individual programs and projects.

17 B. The Oversight Committee shall consist of nine voting members, appointed to positions  
18 number 1 through 9.

19 1. Position 1 shall be a City employee appointed by the Mayor or designee;  
20 position 2 shall be a City employee appointed by the City Council; positions 3 through 9 shall be  
21 persons outside City government. Positions 3, 5, and 7 shall be appointed by the Mayor.  
22 Positions 4, 6, 8 and 9 shall be appointed by the City Council.

23 2. Positions 3 and 4 shall represent labor.

1                   3. Positions 5 and 6 shall represent business.

2                   4. Positions 7 and 8 shall represent community organizations that reflect the  
3 diversity of the City.

4                   5. Position 9 shall represent communities that will benefit from the proposed  
5 spending.

6                   6. The appointing authority may remove any member who is absent from two or  
7 more consecutive meetings without cause.

8                   C. No more than three committee members appointed by the Mayor and no more than  
9 two committee members appointed by the City Council shall be an officer, director, board  
10 member, trustee, partner, or employee of an entity that receives or competes for funding under  
11 this ordinance; or be a member of the immediate family of, or an individual residing with, an  
12 officer, director, board member, trustee, partner, or employee of an entity that receives or  
13 competes for funding under this ordinance; or be a person seeking or having an arrangement  
14 concerning future employment with an entity that receives or competes for funding under this  
15 ordinance. For the purposes of this Section 3.35.100, an individual's "immediate family" means  
16 the individual's spouse, domestic partner, child, child of a spouse or domestic partner, sibling-in-  
17 law, parent, parent of a spouse or domestic partner, a person for whom the individual acts as a  
18 guardian, or a person claimed as a dependent on the individual's most recent federal income tax  
19 return. Subject to the preceding sentence and applicable law, an individual serving as an officer,  
20 director, board member, trustee, partner, or employee of an entity that receives or competes for  
21 funding under this ordinance, or who has an interest in such an entity, shall not thereby be  
22 disqualified from serving on the Committee, but shall fully disclose any such relationships and  
23 shall not vote on any matter in which the interest of such entity is directly involved.

1 D. Upon the resignation, retirement, death, incapacity, or removal of a member, the  
2 authority appointing such member may appoint a replacement for the balance of the term.

3 E. The initial terms of positions 1, 3, 5, 7, and 9 shall be two years; the initial terms of  
4 positions 2, 4, 6, and 8 shall be three years; all subsequent terms shall be three years. Any  
5 vacancy in an unexpired term shall be filled in the same manner as the original appointment. A  
6 member whose term is ending may continue on an interim basis as a member with voting rights  
7 until such time as a replacement for that position has been appointed by the City Council or  
8 confirmed by the City Council.

9 F. Members shall serve without pay, except that members may request compensation of  
10 \$50 per hour served if participating on the committee presents a financial hardship. Upon such  
11 request, the Director of Neighborhoods is authorized to expend funds in the Department of  
12 Neighborhood's budget for this purpose. No money may be expended for services rendered prior  
13 to a request being filed with the Director.

14 Section 5. Severability. The provisions of this ordinance are declared to be separate and  
15 severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of  
16 this ordinance, or the invalidity of its application to any person or circumstance, does not affect  
17 the validity of the remainder of this ordinance or the validity of its application to other persons or  
18 circumstances.

1 Section 6. This ordinance shall take effect and be in force 30 days after its approval by  
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by a 3/4 vote of all the members of the City Council the \_\_\_\_\_ day of  
5 \_\_\_\_\_, 2020, and signed by me in open session in authentication of its  
6 passage this \_\_\_\_ day of \_\_\_\_\_, 2020.

7 \_\_\_\_\_

8 President \_\_\_\_\_ of the City Council

9 Approved by me this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

10 \_\_\_\_\_

11 Jenny A. Durkan, Mayor

12 Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

13 \_\_\_\_\_

14 Monica Martinez Simmons, City Clerk

15 (Seal)

16 **Attachments:**

17 ~~Attachment 1—Proposed Spending Plan~~