

CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION establishing a process by which the City of Seattle will explore potential new progressive revenue sources, including an Employee Hours Tax, and evaluate a framework for investments related to those progressive revenue sources that would assist people, who are homeless or at high-risk of becoming homeless, in obtaining and retaining stable housing.

WHEREAS, Seattle is a city of great prosperity which has experienced tremendous growth of its economy and population; however, this growth and prosperity has directly contributed to the rapid increase in the number of individuals and families experiencing homelessness; and

WHEREAS, a national study published in the Journal of Urban Affairs established the correlation between increasing rent and homelessness. Some of the report findings include: (1) Washington State is the tenth most expensive state for renters; (2) the high cost of rental housing is driving increases in homelessness; and, (3) an increase of \$100 in median rent for an area results in a 15 percent (metro areas) and a 39 percent (nearby suburbs and rural areas) increase in homelessness.

WHEREAS, the Seattle Times recently wrote that “Seattle rents have soared 65 percent since 2010. The typical Seattle renter now pays about \$21,900 for rent over the course of a year, up from \$13,200 at the start of the decade.”¹ That same article also highlighted that the average two-bedroom apartment in the city costs \$2,000 a month for the first time in Seattle’s history and that “rents across the Puget Sound region are still rising faster than the historical norm, and the market remains hotter than most other U.S. cities.”

¹ See [“Seattle rent hikes slow amid apartment boom, but average two-bedroom tops \\$2,000”](#) (published 9/25/17).

WHEREAS, according to the 2017 Seattle/King County Point-In-Time Count there are at least 3,857 individuals living unsheltered in the City of Seattle in addition to at least 4,665 more individuals who are experiencing homelessness but are sheltered, for a total of no fewer than 8,522 individuals in our City who are experiencing homelessness on any given night; and

WHEREAS, in November of 2015, the Mayor of Seattle declared a “State of Emergency” regarding the issue of homelessness, which remains in effect. More than two years later, the City has not received additional support from Washington State or the Federal Government, and there are now roughly 38% more Seattle residents who are homeless and living unsheltered than just two years ago; and

WHEREAS, we recognize the City and the non-profit sector cannot address the twin crises of homelessness and lack of affordable housing on their own. In addition, existing resources at the city’s disposal, including state, county, federal and private resources, fail to meet the need in spite of the best efforts of many individuals and publicly- and privately-managed programs; and

WHEREAS, all sectors of our society must work together to address and resolve this State of Emergency, and to ensure that there are sufficient resources to realize Seattle’s and King County's commitment to making sure that few people experience homelessness, that when they do it is brief and does not happen again, and that racial disparities are eliminated. This collaborative effort requires the active engagement of interested and affected stakeholders, including non-profit organizations, affordable housing providers, faith and civic leaders, businesses, labor and community members; and

WHEREAS, the taskforce must include representatives from all these sectors and must solicit and consider the perspectives and ideas of members from all of these groups in developing recommendations that will assist the City of Seattle in identifying additional progressive revenue, and a framework for investments to assist people, who are homeless or at high-risk of becoming homeless, in obtaining and retaining stable housing; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:

Section 1. By December 15, 2017, the Seattle City Council, with input by the Mayor of Seattle, shall identify individuals and representatives of organizations to serve as members on a taskforce to explore potential new progressive revenue sources, including an Employee Hours Tax, and evaluate a framework for investments related to those progressive revenue sources that would assist people, who are homeless or at high-risk of becoming homeless, in obtaining and retaining stable housing. Members of the taskforce shall include subject matter experts, housing, health care, and homeless service providers, community organizations, civic leaders, business organizations, and small and large business owners. The Council shall select members of the taskforce with input from the Mayor. Two councilmembers will co-chair the taskforce.

Section 2. The members of the taskforce shall be convened with the task of developing recommendations for dedicated progressive revenue sources and a framework for investments related to those progressive revenue sources that would assist people, who are homeless or at high-risk of experiencing homelessness, in obtaining and retaining stable housing. The co-chairs of the taskforce must provide the Chair of the Affordable Housing, Neighborhoods and Finance Committee, or its successor committee, with the final taskforce report(s) of recommendations no later than February 26, 2018.

Section 3. The identified revenue source(s) should be generated urgently in a way that does not add cost burden to low- and middle-income people (such as a sales tax), but instead enables those benefiting from Seattle's economic growth to contribute to addressing our affordable housing and homelessness crises. The taskforce should identify all progressive revenue sources but prioritize identifying revenue sources that the Council can take action on without a vote of the people.

Section 4. The members of the taskforce should take the following into consideration as they develop and finalize their workplan and report(s):

- a. Identifying and evaluating additional progressive revenue sources for the Council's consideration;
- b. Evaluating an Employee Hours Tax (EHT), determining appropriate tax rates and possible exemption levels that will yield no less than \$25 million in revenue per year;
- c. A framework for investments of the revenue so raised that helps address the need for additional investments in homeless services, including shelter and outreach, and income-restricted affordable housing units, which is consistent with the following principles:
 - i. Expanding funding for program approaches that are most effective at assisting people, who are homeless or at high-risk of becoming homeless, in obtaining, maintaining and retaining housing.
 - ii. Prioritizing shelter and housing access for people living unsheltered and people who have the longest histories of homelessness, including those that face the greatest barriers to housing due to criminal history or drug use, and/or have serious and persistent disabilities.
 - iii. Orienting all aspects of the homeless response system towards exits to permanent housing.

iv. Working together urgently and boldly to implement meaningful solutions.

Section 5. By February 1, 2018, the Department of Finance and Administrative Services (FAS) shall provide the Council with an implementation plan and a fiscal note that provides the initial estimated cost associated with implementing an EHT.

Section 6. The Chair of the Affordable Housing, Neighborhoods and Finance Committee shall schedule a committee hearing at least twice per month between January 2017 and February 2017, to receive an oral update from representatives of the taskforce as to the status of their work. Upon delivery of the taskforce's report to the Council, the Chair of the Affordable Housing, Neighborhoods and Finance Committee shall schedule a committee hearing to provide the public with a briefing of the taskforce's final recommendations.

Adopted by the City Council the _____ day of _____, 2017,
and signed by me in open session in authentication of its adoption this _____ day of _____, 2017.



President _____ of the City Council

Filed by me this _____ day of _____, 2017.

Monica Martinez Simmons, City Clerk