

**From:** John Burbank  
**To:** [Herbold, Lisa; lisalouh@hotmail.com](mailto:lisalouh@hotmail.com)  
**Subject:** response to question  
**Date:** Monday, June 19, 2017 9:47:58 PM

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Question:

Why should the city spend \$10 million for start-up costs when we don't know if the ordinance will be found constitutional?

Answer:

Let's step back from that question and consider what you might say if we did not have any mechanisms or costs for implementation. Then you would rightly say, "how can you put this ordinance forward and have no mechanism for tax collection? That doesn't make any sense at all." And I would agree with you.

So, if we are going to have an ordinance, we must put in place an implementation method and pay for that. It is sort of like a start-up business: you have to make an investment in order to get a return. In this case, the investment on an ongoing basis will be about 3% of total revenue, which is a very good rate of return!

We don't know if the ordinance will be challenged. So we will proceed with implementation expeditiously. But if it is challenged, I believe that the implementation, along with the ordinance, as part of the ordinance, will be put on hold until the legal challenge is resolved. If that happens, then the costs for implementation will also be halted until the city gets a legal green light.

In short, it is the responsibility of the city to put in place implementation measures, and we are doing that. And if and when there is a legal challenge, the ordinance and the implementation costs will be put on hold until that challenge is resolved.

Hope this helps.

**From:** John Burbank  
**To:** [Herbold, Lisa](#); [Aldrich, Newell](#); [Claire Tonry](#); [Katie Wilson](#)  
**Cc:** [Aaron Keating](#); [Matthew Streib](#)  
**Subject:** SCC Blog responses  
**Date:** Thursday, June 15, 2017 9:38:56 PM  
**Attachments:** [SCC Blog responses.docx](#)

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Here you go. Including [the blog here](#) for context.

John

John R. Burbank  
Executive Director  
Economic Opportunity Institute  
603 Stewart St., Suite 715  
Seattle WA 98101

206-755-5969/cell  
206-529-6345/office

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