Seattle Transportation Benefit District Governing Board

Agenda - Special Meeting
Thursday, July 10, 2014
2:00 p.m.

BOARD MEMBERS:

Tom Rasmussen, Chair	**Bruce Harrell, Member**
Jean Godden, Vice-Chair	**Nick Licata, Member**
Sally Bagshaw, Member	**Mike O'Brien, Member**
Tim Burgess, Member	**Kshama Sawant, Member**
Sally J. Clark, Member	**Glen Lee, Treasurer**

Phone:	206-233-5005	**Location:**	Seattle City Hall Council Chamber
Email:	seattletbd@seattle.gov		600 4th Avenue
Website:	www.seattle.gov/stbd		Seattle, WA 98104
Meeting Listen Line:	206-684-8566		

I. Call to Order

II. Roll Call

III. Approval Minutes

IV. Approval of Agenda

V. Public Comment

VI. Report of the Seattle Transportation Benefit District Governing Board

	Item	Title
1.	Resolution 12	**Of the Seattle Transportation Benefit District concerning a voter-approved vehicle license fee and sales and use tax to fund Metro Transit service in Seattle; creating a rebate program for low-income individuals applicable to the vehicle license fee; providing for annual reports to the public; submitting a ballot measure regarding transit funding to the qualified electors of the Seattle Transportation Benefit District at an election to be held on November 4, 2014; requesting that the King County Director of Elections call a special election in conjunction with the November 4, 2014 general election and submitting the proposition to Seattle Transportation Benefit District voters; requesting that the King County Prosecutor prepare a ballot title; requesting that the Seattle City Attorney prepare an explanatory statement for King County's local voters' pamphlet; and appointing a committee to prepare pro and con statements for King County's local voters' pamphlet.**

The Council's Chambers and offices are physically accessible; translation services provided on request. Call 206-684-8888 (TDD: 206-233-0025) for further information.

BRIEFING, DISCUSSION, AND POSSIBLE VOTE

Presenters: Dan Eder and Calvin Chow, Seattle City Council Central Staff

Supporting document:

a. *Resolution Summary and Proposed Options*
b. *Presentation on Potential Ballot Measure and Options*

VII. Other Business

VIII. Adjournment

SEATTLE TRANSPORTATION BENEFIT DISTRICT

RESOLUTION __

A RESOLUTION of the Seattle Transportation Benefit District concerning a voter-approved vehicle license fee and sales and use tax to fund Metro Transit service in Seattle; creating a rebate program for low-income individuals applicable to the vehicle license fee; providing for annual reports to the public; submitting a ballot measure regarding transit funding to the qualified electors of the Seattle Transportation Benefit District at an election to be held on November 4, 2014; requesting that the King County Director of Elections call a special election in conjunction with the November 4, 2014 general election and submitting the proposition to Seattle Transportation Benefit District voters; requesting that the King County Prosecutor prepare a ballot title; requesting that the Seattle City Attorney prepare an explanatory statement for King County's local voters' pamphlet; and appointing a committee to prepare pro and con statements for King County's local voters' pamphlet.

WHEREAS, statewide voter approved tax cut initiatives, a prolonged recession, and declined sales tax revenues, combined with failed efforts to provide funding relief at state and regional levels, have led King County Metro Transit ("Metro" or "Metro Transit") to propose significant bus service cuts in Seattle; and

WHEREAS, the Revised Code of Washington (RCW), Chapter 36.73, provides for the establishment of transportation benefit districts by cities and counties and authorizes those districts to levy and impose various taxes and fees to generate revenues to support transportation improvements that benefit the district and that are consistent with state, regional or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels; and

WHEREAS, City of Seattle Ordinance 123397 created the Seattle Transportation Benefit District (Transportation District) for preserving and maintaining transportation infrastructure, improving public safety, implementing elements of the Seattle Transportation Strategic Plan and other planning documents, investing in bicycle, pedestrian, freight mobility and transit enhancements and providing people with choices to meet their mobility needs; and

WHEREAS, the City of Seattle and the Transportation District entered into an interlocal agreement in 2011 delineating roles and responsibilities and coordinating efforts to pursue each municipal corporation's individual, joint and mutual rights and obligations related to transportation needs of the City of Seattle; and

WHEREAS, the Transportation District has the legal authority to fix and impose up to a one hundred dollar vehicle fee under RCW 82.80.140 with approval of a majority of district voters; and

WHEREAS, the Transportation District has the legal authority to fix and impose up to a two-tenths of one percent sales and use tax within the district under RCW 82.14.0455 with approval of a majority of district voters; and

WHEREAS, the Transportation District cannot impose a voter approved sales and use tax that exceeds a period of ten years, unless incurred for indebtedness or extended by an affirmative public vote in accordance with RCW 82.14.0455; and

WHEREAS, local transit service in the City of Seattle is provided by King County Metro Transit (Metro), a county public transportation agency; and

WHEREAS, since the economic downturn in 2008 and the resulting reduction in sales and use tax collections, Metro has experienced funding shortfalls that threaten to substantially reduce available services; and

WHEREAS, since 2009, Metro has cut costs, improved operational efficiency, tapped reserve funds, deferred scheduled maintenance that would have preserved reliability, found new revenue sources, and raised passenger fares four times in four years, with a fifth fare increase planned for 2015; and

WHEREAS, Metro and local officials have sought different local funding authority from the state legislature; and

WHEREAS, in 2011, the Metropolitan King County Council passed a two-year congestion reduction charge to help bridge Metro's funding gap and maintain service while the state legislature considered transportation funding options; and

WHEREAS, the two-year congestion reduction charge expires in June 2014; and

WHEREAS, in June 2013, the state legislature failed to act on a proposed transportation package that would have provided additional funding for Metro, along with many other transportation improvements; and

WHEREAS, following the state legislature's failure to address the Metro funding gap, Metro announced that it was facing a shortfall of about $75 million per year beginning mid-2014, and that in the absence of additional funding, it would be forced to cut up to 550,000 hours of bus service by the end of 2015; and

WHEREAS, in an attempt to avoid service cuts, the Metropolitan King County Council voted to introduce a ballot measure, Proposition 1, to fund Metro's shortfall via a one-tenth of one percent sales and use tax increase in King County and a $60 vehicle fee on all vehicles within the county; and

WHEREAS, in April 2014, the ballot measure failed by a vote of King County residents, despite support from a large majority of voters in Seattle; and

WHEREAS, transit service is critical for maintaining regional mobility and regional economic vitality; and

WHEREAS, the City is now growing rapidly and in need of more transit service, and a reduction in Metro services would be particularly detrimental to low-income and disabled people who rely on transit, and such a reduction in Metro services would adversely affect the City's traffic conditions, economy and quality of life; and

WHEREAS, the Transportation District intends to enter into an interlocal agreement with the City of Seattle to govern the respective functions of the two entities, including execution and administration of service purchase agreements with Metro Transit, regional partnership agreements, ongoing assessment of countywide transit service allocations, administration of the low-income rebate programs along with other functions necessary to implement this proposition consistent with the intent of voters;

NOW THEREFORE,

BE IT RESOLVED BY THE SEATTLE TRANSPORTATION BENEFIT DISTRICT:

Section 1. The Seattle Transportation Benefit District (Transportation District) Transit Ballot Measure

The City Clerk is directed to certify promptly to the Director of Records and Elections of King County, Washington, as ex officio Supervisor of Elections, a copy of this Resolution and the proposition to be submitted at the November 4, 2014, general election in the form of a ballot title as follows, or as modified by the King County Prosecuting Attorney pursuant to his duties under RCW 29A.36.071:

SEATTLE TRANSPORTATION BENEFIT DISTRICT

PROPOSITION NO. 1

The Seattle Transportation Benefit District's Proposition 1 concerns increased funding for Metro Transit service.

If approved, this proposition would fund Metro Transit service benefitting the City of Seattle, by preventing planned service cuts and, if funds allow, enhancing transit service, at least until state or regional authorities provide replacement revenues. The measure

would authorize up to a 0.1% sales and use tax for ten years, and an annual vehicle license fee up to an additional $60 per registered vehicle, with a $20 rebate for low-income individuals, all as proposed in Resolution 12.

Should this proposition be approved?

Yes

No

Section 2. Designation of Committee to Draft Statement in Support.

Pursuant to RCW 29A.32.280, the following three persons are designated to be on the committee to draft for the King County local voters' pamphlet the argument advocating passage of Transportation District Proposition 1:

_____

_____

_____

Section 3. Designation of Committee to Draft Statement in Opposition.

Pursuant to RCW 29A.32.280, the following three persons are designated to be on the committee to draft for the King County local voters' pamphlet the argument advocating defeat of Transportation District Proposition 1:

_____

_____

Section 4. Explanatory Statement

The City Attorney's Office, in accordance with the agreement between the Transportation District and the City of Seattle, is requested to draft an explanatory statement for the King County local voters' pamphlet.

Section 5. Use of revenues.

The funds raised by this proposition ("Proposition 1 Revenues") will only be used for the Transportation Improvements described in this resolution and the associated administrative costs. Proposition 1 Revenues will first be used to pay any required administrative costs to the state Department of Licensing and state Department of Revenue, the budgeted administrative costs of the Transportation District, including but not limited to elections costs, and the estimated cost of the Transportation District's low-income rebate program for vehicle license fees, as described in Section 6 of this Resolution.

Up to three million dollars of the Proposition 1 Revenues will be used to support mutually agreeable regional partnerships with other King County cities, transit agencies, transportation benefit districts or employers who jointly contribute to the cost of preserving bus routes that enter or terminate service within the City of Seattle.

Remaining Proposition 1 Revenues will first be used to fund Metro Transit service hours on routes with more than 80 percent of their stops within City of Seattle limits for the purpose of preventing planned service cuts and providing service levels within the City of

Seattle comparable to what was provided by Metro Transit following its September 2014 service changes. Any further remaining revenues may then be used to address overcrowding, reliability, and service frequency within the City of Seattle through the purchase of additional Metro Transit service, generally consistent with the Seattle Transit Master Plan and Metro's Service Guidelines.

Section 6. Low-Income Vehicle License Fee Rebates.

The vehicle license fee shall be subject to a rebate program consistent with RCW 36.73.067, under which qualified low-income individuals as defined in RCW 36.73.015 will be eligible, upon application, to receive a twenty-dollar rebate for each vehicle for which an individual pays the full vehicle fee.

Section 7. No Supplanting of Existing Funding for Transit Service

Before funding any Metro Transit service, the Transportation District anticipates that there will be an interlocal agreement funding transit service in Seattle at levels comparable to those in place following the September 2014 service changes. The Transportation District intends for this interlocal agreement to ensure that the Proposition 1 Revenues will not supplant other funding for any routes partially or completely operating within Seattle that Metro Transit would otherwise provide in accordance with the adopted Metro Transit Service Guidelines.

Section 8. Oversight

The Transportation District shall issue an annual report to the public that describes Metro Transit's provision of transit service in Seattle and countywide, including service funded

by Proposition 1 Revenues and whether supplantation has occurred. The report will also analyze the impacts of service reductions, increases or changes approved by the Metropolitan King County Council or Metro Transit in Seattle.

The Transportation District Board anticipates that the City will appoint a public oversight committee to oversee spending of Transportation District revenues collected under this Resolution.

Section 9. Term.

In the event that the Washington State legislature enacts legislation that grants new authorization for county transportation revenues, King County imposes and collects revenues under such legislation or under any pre-existing authority, and King County restores Seattle service, the Transportation District Board will then hold a public hearing and consider a resolution to repeal or reduce the taxes and fees imposed by this resolution in an amount equal to the funding for the newly restored Seattle service. Alternatively, the Transportation District Board may submit a new proposition to the voters to propose uses for these revenues.

In accordance with RCW 82.14.0455, the Transportation District's Proposition 1 sales and use tax revenues may not be collected beyond a period of ten years.

Adopted by the Seattle Transportation Benefit District the _____ day of _____, 2014, and signed by me in open session in authentication of its adoption this _____ day of _____, 2014.

_____

Chair _____ of the Seattle Transportation District Board

Filed by me this _____ day of _____, 2014.

_____

Monica Martinez Simmons, Seattle City Clerk

(Seal)

SEATTLE TRANSPORTATION BENEFIT DISTRICT
PUBLIC COMMENT SIGN-UP SHEET

Meeting: STBD
Date: Thursday, July 10, 2014

NOTICE: Public Comment must pertain to items on the STBD Agenda. The Public Comment period is up to 20 minutes, and individual speakers are provided up to 2 minutes. The complete Public Comment Rules are available for review upon request.

Speakers acknowledge the Public Comment Rules and agree to observe them. Thank you for attending.

	PRINT NAME* (*Please print legibly.*)	ADDRESS (OPTIONAL)	PHONE OR EMAIL(OPTIONAL)	IDENTIFY ITEM YOU WISH TO ADDRESS
1.	Jess Spear			Sawant/Licata amendment
2.	Katie Wilson		katie@transitriders.org	Sawant/Licata Amendment
3.	WINFIELD HUTTON			Parking tax & students; Limit on sale of rich homes
4.	SATYA VATTI			Transit cuts
5.	~~Feeza Jihan~~			
6.	Pauline Van Senus	6515 - 18th Ave NE Seattle		Transit
7.	Lee Colleton			Transit cuts
8.	Mason Taylor	11725 23rd Ave NE		pro Sawant/Licata amendment
9.	Kailyn Nicholson			Sawant/Licata amendment
10.	Dan Merlin	Seattle		funding metro
11.	Emanuel da Silva			Sawant/Licata Amendment

* PURSUANT TO RCW 42.56, INFORMATION ON THIS SIGN-UP SHEET IS A PUBLIC RECORD

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12.	Lorraine Carlucci		lcarlucci51647@yahoo.com	Sawant/Licata amendment
13.	~~ROB JOHNSON~~			~~FCC~~ TRANSIT MEASURE
14.	Noam Gaster	1511 E. Alder	206 307 5934	Sawant / Licata amendment
15.				
16.				
17.				
18.				
19.				
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22.				
23.				

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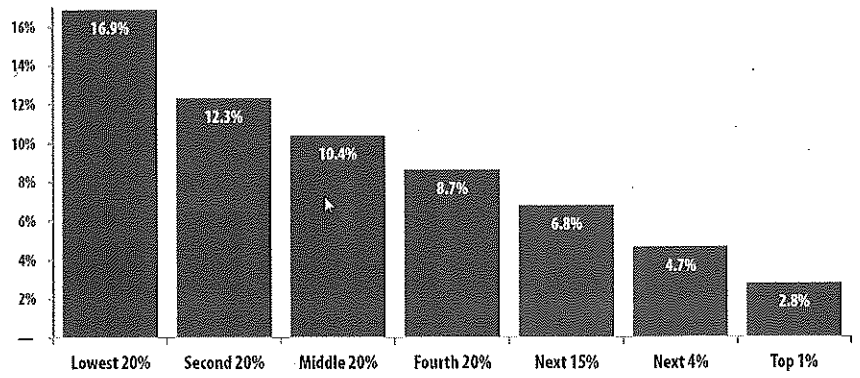
Taxes!
Who pays?

Kshama Sawant 7/10/2014

Washington State & Local Taxes

#1 of the Terrible 10

Shares of family income for non-elderly taxpayers

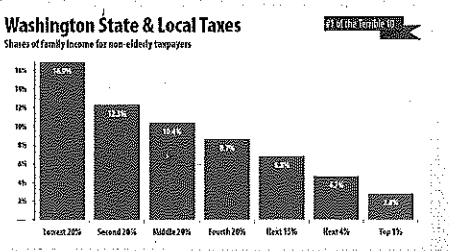


Source: Institute of Taxation and Economic Policy, 2013

The Problem

Kshama Sawant 7/10/2014

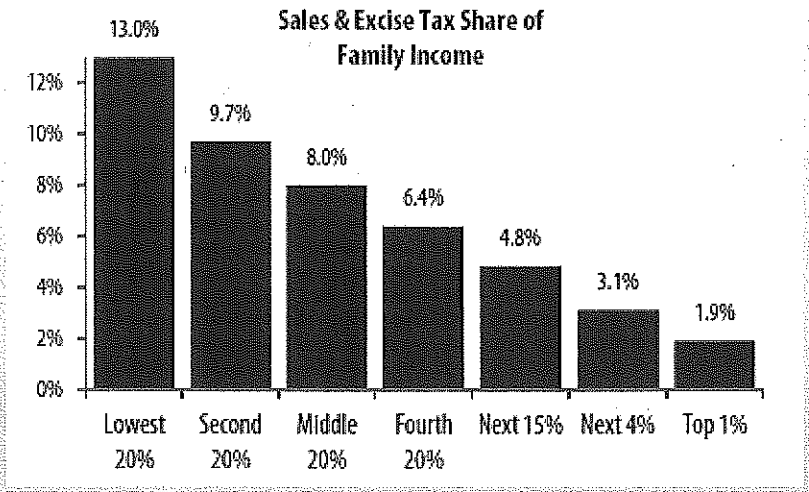
- Poor and working class people pay way more than their fair share of the taxes in Seattle.
- Rich people have a much lower tax rate than everyone else.



- The tax rate for the weathiest 1% of the population is 2.8% of their income.
- The tax rate for the bottom 20% of the population is 16.9% of their income.

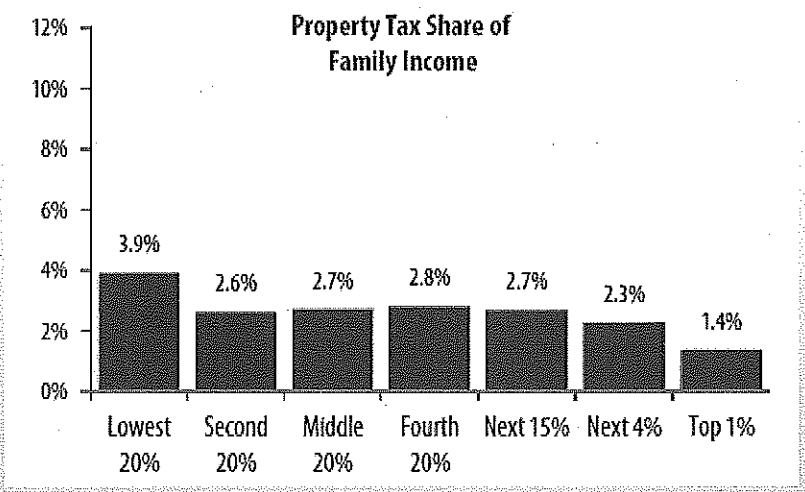
What that means

Kshama Sawant 7/10/2014

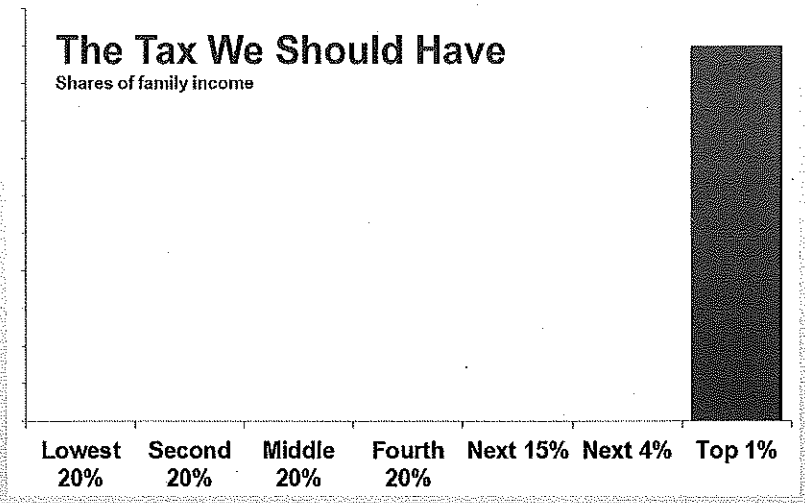


Sales Tax -The worst and most regressive tax we have-

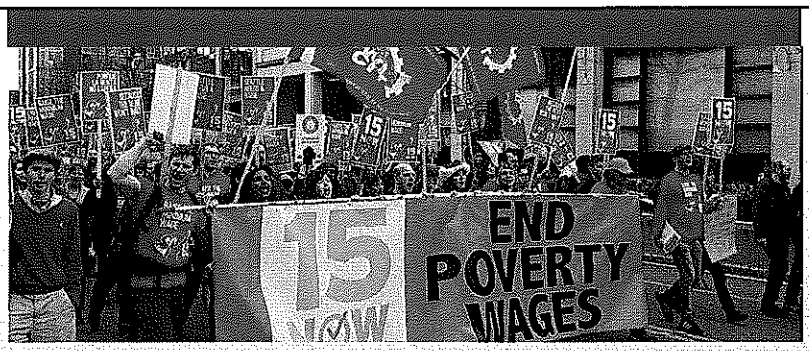
Kshama Sawant 7/10/2014



Property Tax -Still regressive, but less extreme



Millionaires Tax -The most progressive tax-



- To win a millionaires tax will require a mass movement even bigger and stronger than 15 Now.
- We will have to defeat big business in Olympia and in City Hall both.
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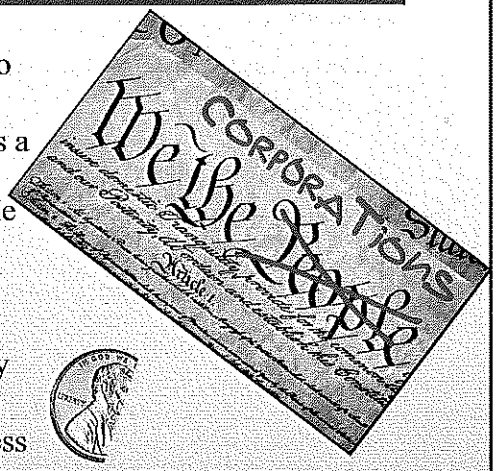
Millionaires Tax

Kshama Sawant 7/10/2014

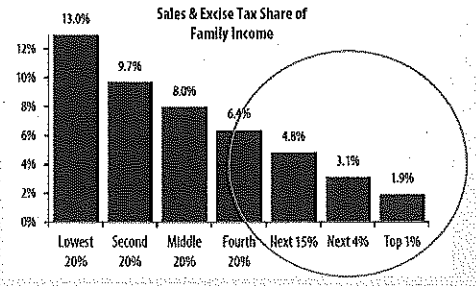
- Big business pays almost no taxes in Seattle.
- The Employee Hours Tax is a progressive tax, because it does not tax workers and the poor.
- Unfortunately, it is a small tax.
- Businesses only have to pay $16.68/employee per year.
- It should be more so business could pay its fare share.



Employee Hours Tax -A progressive tax-

Kshama Sawant 7/10/2014

- Sales taxes tax things everyone buys.
- Luxury taxes are sales taxes, but on things that only some people buy.

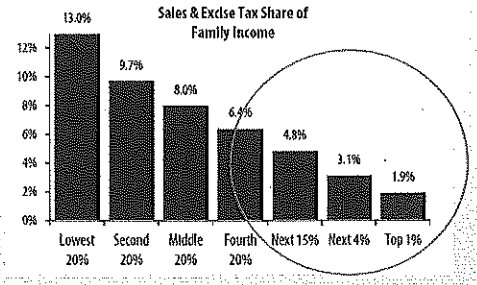


- We can make sales taxes more progressive if we can tax things that rich people are more likely to buy.
- It is not great, but it makes sales taxes less bad.

Luxury Taxes -A more progressive sales tax-

Kshama Sawant 7/10/2014

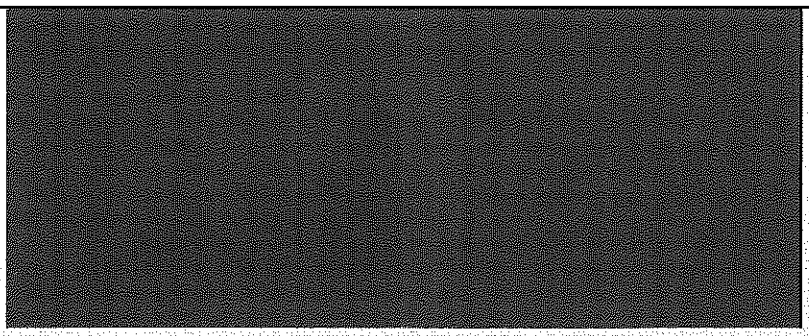
- Poor and working class people are less likely to park in expensive parking lots than rich and middle class people.



- This is not as progressive as the employee hours tax or the millionaires tax.
- However it will cost poor and working class people less in the end.

Commercial Parking Tax

Kshama Sawant 7/10/2014



Save Metro the Progressive Way

Save Metro the Progressive Way

FAQ about Kshama and Nick's Proposal on Averting Cuts to Seattle Metro Services

What is the current proposal being considered by the Transportation Benefit District (TBD) to save Metro?

City Councilmembers, as the Transportation Benefit District board, are currently considering putting a measure on the ballot to save Metro services in Seattle. The proposal from the Mayor is essentially a Seattle-specific version of King County Proposition 1, which failed county-wide in April but was voted for by a majority of Seattle voters.

Like King County Proposition 1, the TBD ballot measure, if passed by voters in November, will help avert cuts by raising revenue through a vehicle license fee and a 0.1% increase in the sales tax. The vehicle licensing fee and the increase in the sales tax would be put to voters on the November ballot.

Both the vehicle license fee and the sales tax increase are regressive ways of raising revenue - meaning they hit lower-income and middle-income households the hardest.

What is Kshama and Nick's proposal? How is it different than the TBD proposal?

The Sawant-Licata plan amends the proposed measure by replacing the regressive sales tax increase with a reinstated Employee Hours Tax on businesses, and by increasing the tax paid by commercial parking lot operators from 12.5 percent to 17.5 percent. The revenue generated from these sources together would be $21 million, the same as would be raised by the 0.1% sales tax increase.

The Employee Hours Tax would be a very modest tax of $16.68 per employee per year, with small businesses exempted. It is estimated that $8 million can be raised from this tax. The remaining $13 million will be raised through an increase in the Commercial Parking Tax, paid by parking lot operators, from 12.5% to 17.5%.

How will businesses be affected by the Employee Hours Tax? Is there any truth to the claim by corporations that the Employee Hours Tax will penalize businesses or otherwise negatively impact job creation?

Only businesses that make more than $100,000 a year in taxable revenue would pay the Employee Hours Tax. In other words, the smallest businesses, those that are already exempt from the city and state B&O tax, would not have to pay the Employee Hours Tax.

A tax of $16.68 a year for each full time employee comes to $1.39 per month, or just 0.8 cents per hour. The Seattle Metropolitan Chamber of Commerce has claimed that the Employee Hours Tax is a tax on jobs and will lead to layoffs and reduced job creation. But at a rate of **less than one cent an hour**, there is no basis for this claim.

The real question is: Why shouldn't profit-making businesses pay to support a publicly funded infrastructure that benefits them directly? Roughly 40% of downtown workers use Metro to commute to work. Businesses, not poor and working people, should shoulder more of the burden for a transportation system that gets employees to work.

Corporations always claim that any progressive measure, whether it is progressive taxation, mandatory paid sick leave or an increase in the minimum wage, will adversely affect them. In reality, no such correlations are found. We won $15/hour in Seattle despite business opposition because working people, the labor movement, and activists built a movement to fight for it. We need a similar involvement by all of you in order to be able to put enough pressure on the political establishment to pass our progressive proposal.

Will the Employee Hours Tax affect employees?

The Employee Hours Tax **will not** affect employees. The business itself will pay $16.68 per full time employee per year, which comes to $1.39 per month, or less than a penny per hour.

The University of Washington administration claims an increase in the commercial parking fee will need to be passed on to students and staff. Is this claim justified?

Such claims are nothing new. UW administration said the same thing in 2010 when there was talk of an increase in the commercial parking rates. Since payments from commercial parking help fund the U-Pass, UW said that an increase in parking rates would penalize low-income students.

Those who care about social and economic justice, especially UW students, faculty, and staff, should demand that UW absorb the full cost of the parking rate increase, which is a small fraction of what the university spends on paying its executives (current president Michael Young has a compensation package greater than $800,000) and on large projects such as the $50 million basketball training facility. Large institutions that have generous endowments, such as the University of Washington, are fully capable of absorbing the full increase in commercial parking rates.

As Kshama told The Stranger, "This comes down to a political battle: whether the council is interested in pushing back against that sort of bullying...and saying no, UW is totally capable of weathering that sort of impact."

If the Sawant-Licata plan is approved by the Council, what is the process for raising funds to save Metro?

The following steps are involved:

- City Councilmembers (as the TBD board) vote to amend the TBD ballot measure to remove the increase in the sales tax
- Only the vehicle license fee goes on the November ballot
- The City Council votes to raise revenues for Seattle's Metro services by passing the Employee Hours Tax and the increase in Commercial Parking Tax

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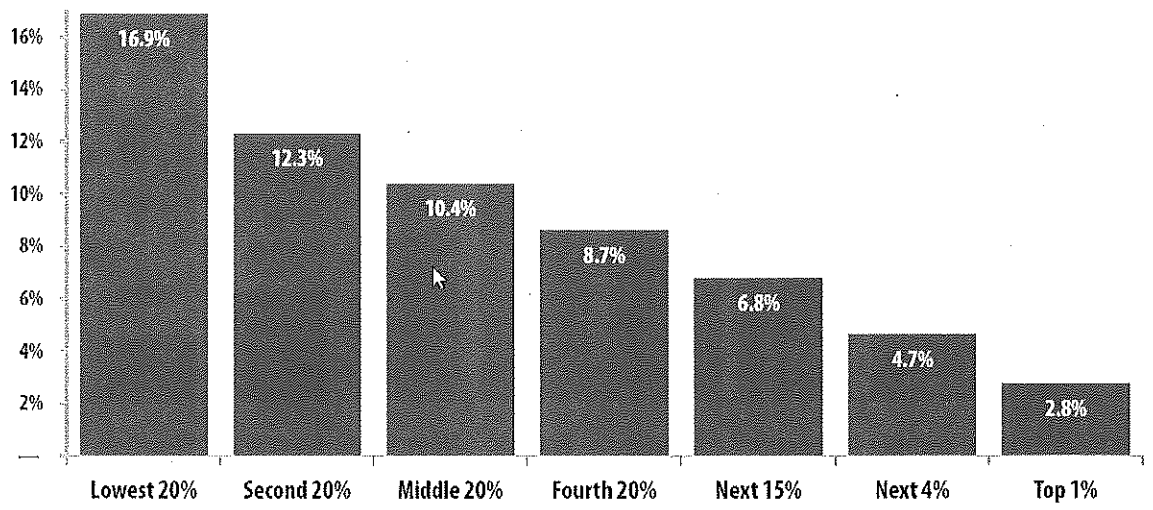

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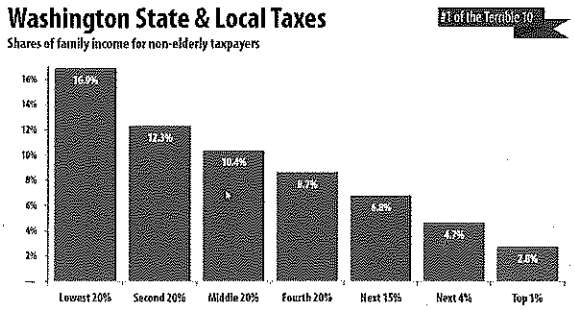

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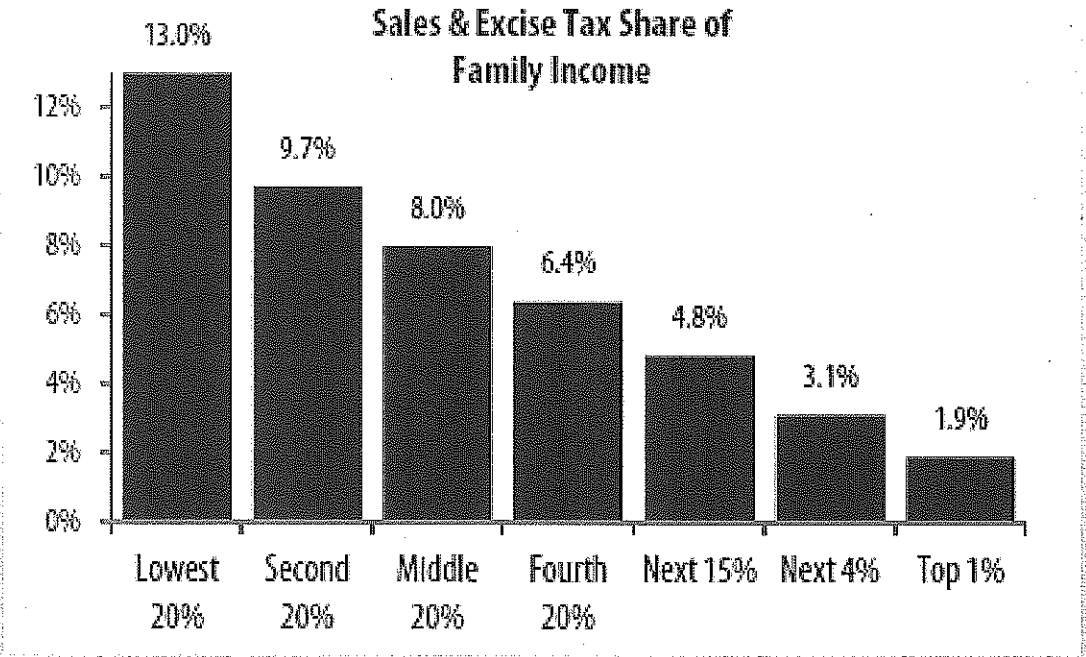

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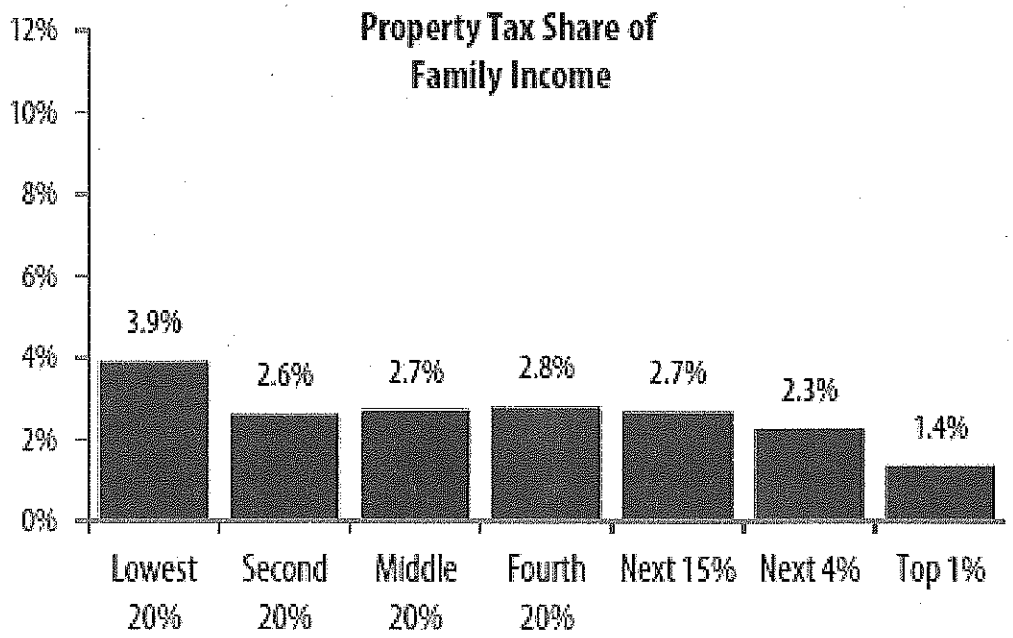

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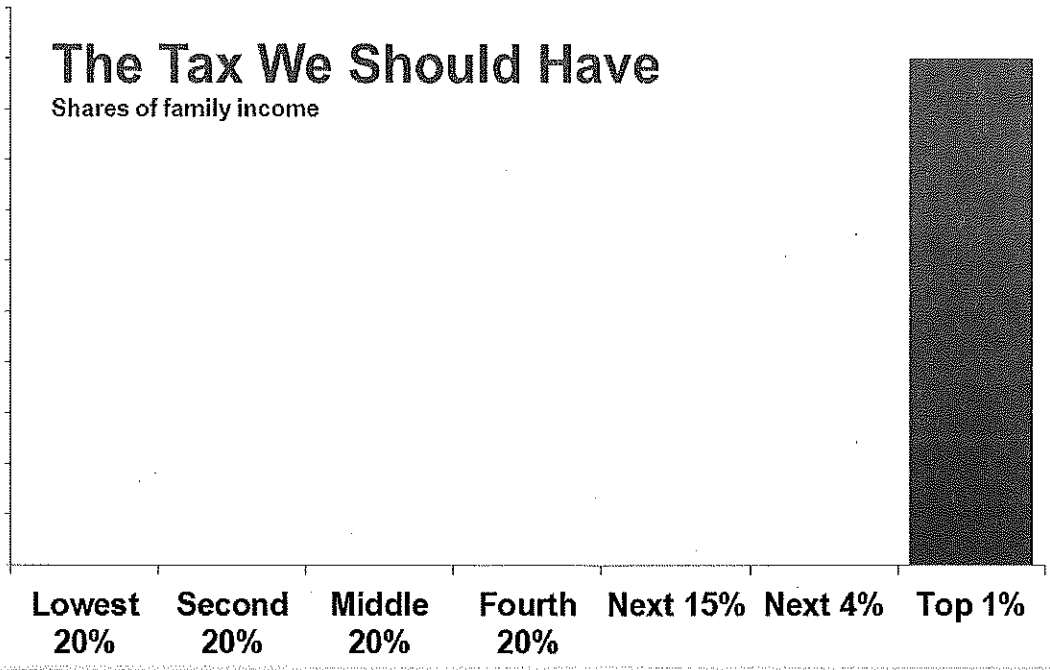
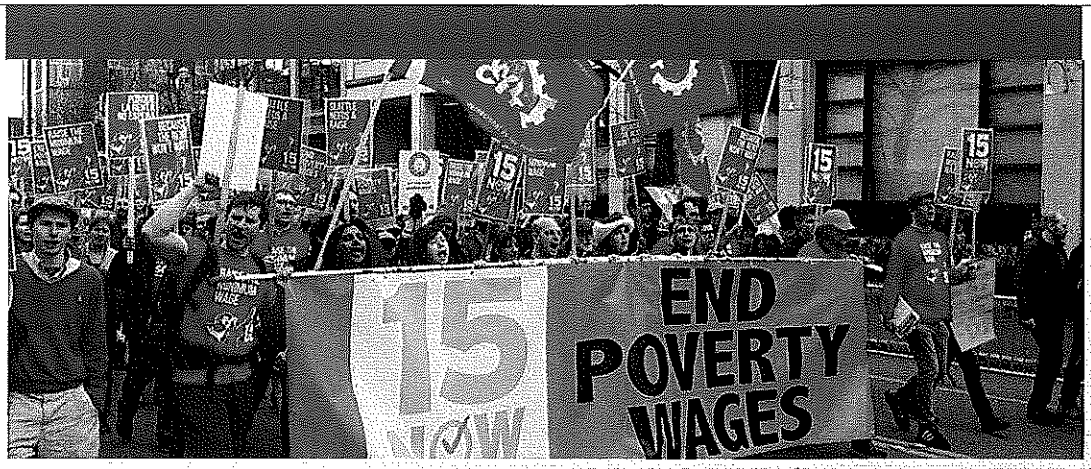


Millionaires Tax –The most progressive tax-



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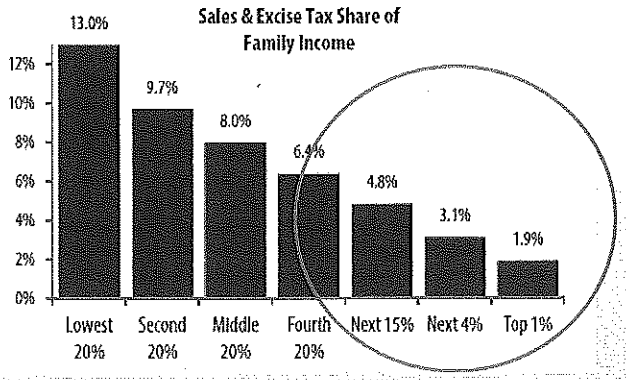
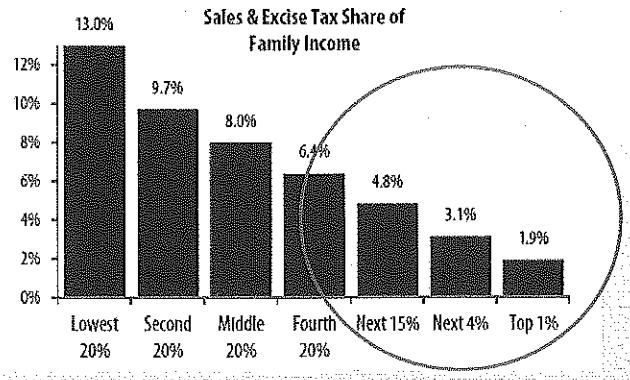


- We can make sales taxes more progressive if we can tax things that rich people are more likely to buy.
- It is not great, but it makes sales taxes less bad.

Luxury Taxes -A more progressive sales tax-

- Poor and working class people are less likely to park in expensive parking lots than rich and middle class people.



- This is not as progressive as the employee hours tax or the millionaires tax.
- However it will cost poor and working class people less in the end.

Commercial Parking Tax

Save Metro the Progressive Way

FAQ about Kshama and Nick's Proposal on Averting Cuts to Seattle Metro Services

What is the current proposal being considered by the Transportation Benefit District (TBD) to save Metro?

City Councilmembers, as the Transportation Benefit District board, are currently considering putting a measure on the ballot to save Metro services in Seattle. The proposal from the Mayor is essentially a Seattle-specific version of King County Proposition 1, which failed county-wide in April but was voted for by a majority of Seattle voters.

Like King County Proposition 1, the TBD ballot measure, if passed by voters in November, will help avert cuts by raising revenue through a vehicle license fee and a 0.1% increase in the sales tax. The vehicle licensing fee and the increase in the sales tax would be put to voters on the November ballot.

Both the vehicle license fee and the sales tax increase are regressive ways of raising revenue - meaning they hit lower-income and middle-income households the hardest.

What is Kshama and Nick's proposal? How is it different than the TBD proposal?

The Sawant-Licata plan amends the proposed measure by replacing the regressive sales tax increase with a reinstated Employee Hours Tax on businesses, and by increasing the tax paid by commercial parking lot operators from 12.5 percent to 17.5 percent. The revenue generated from these sources together would be $21 million, the same as would be raised by the 0.1% sales tax increase.

The Employee Hours Tax would be a very modest tax of $16.68 per employee per year, with small businesses exempted. It is estimated that $8 million can be raised from this tax. The remaining $13 million will be raised through an increase in the Commercial Parking Tax, paid by parking lot operators, from 12.5% to 17.5%.

How will businesses be affected by the Employee Hours Tax? Is there any truth to the claim by corporations that the Employee Hours Tax will penalize businesses or otherwise negatively impact job creation?

Only businesses that make more than $100,000 a year in taxable revenue would pay the Employee Hours Tax. In other words, the smallest businesses, those that are already exempt from the city and state B&O tax, would not have to pay the Employee Hours Tax.

A tax of $16.68 a year for each full time employee comes to $1.39 per month, or just 0.8 cents per hour. The Seattle Metropolitan Chamber of Commerce has claimed that the Employee Hours Tax is a tax on jobs and will lead to layoffs and reduced job creation. But at a rate of **less than one cent an hour**, there is no basis for this claim.

The real question is: Why shouldn't profit-making businesses pay to support a publicly funded infrastructure that benefits them directly? Roughly 40% of downtown workers use Metro to commute to work. Businesses, not poor and working people, should shoulder more of the burden for a transportation system that gets employees to work.

Corporations always claim that any progressive measure, whether it is progressive taxation, mandatory paid sick leave or an increase in the minimum wage, will adversely affect them. In reality, no such correlations are found. We won $15/hour in Seattle despite business opposition because working people, the labor movement, and activists built a movement to fight for it. We need a similar involvement by all of you in order to be able to put enough pressure on the political establishment to pass our progressive proposal.

Will the Employee Hours Tax affect employees?

The Employee Hours Tax **will not** affect employees. The business itself will pay $16.68 per full time employee per year, which comes to $1.39 per month, or less than a penny per hour.

The University of Washington administration claims an increase in the commercial parking fee will need to be passed on to students and staff. Is this claim justified?

Such claims are nothing new. UW administration said the same thing in 2010 when there was talk of an increase in the commercial parking rates. Since payments from commercial parking help fund the U-Pass, UW said that an increase in parking rates would penalize low-income students.

Those who care about social and economic justice, especially UW students, faculty, and staff, should demand that UW absorb the full cost of the parking rate increase, which is a small fraction of what the university spends on paying its executives (current president Michael Young has a compensation package greater than $800,000) and on large projects such as the $50 million basketball training facility. Large institutions that have generous endowments, such as the University of Washington, are fully capable of absorbing the full increase in commercial parking rates.

As Kshama told The Stranger, "This comes down to a political battle: whether the council is interested in pushing back against that sort of bullying...and saying no, UW is totally capable of weathering that sort of impact."

If the Sawant-Licata plan is approved by the Council, what is the process for raising funds to save Metro?

The following steps are involved:

- City Councilmembers (as the TBD board) vote to amend the TBD ballot measure to remove the increase in the sales tax
- Only the vehicle license fee goes on the November ballot
- The City Council votes to raise revenues for Seattle's Metro services by passing the Employee Hours Tax and the increase in Commercial Parking Tax

July 16, 2014

Dear Seattle Transportation Benefit District Board Members:

This spring, the Transit Riders Union critically supported and actively campaigned for King County's Proposition 1. This was a difficult decision for our organization, and for many of our allies, because sales tax and flat car tab fees are deeply regressive and unfair funding mechanisms. We swallowed this bitter pill because we knew that King County had no better options to prevent service cuts.

The City of Seattle, however, does have more progressive options. We urge you to remove the sales tax increase and, acting as the City Council, pass an Employee Hours Tax and a Commercial Parking Fee increase. As you know, Washington State has the most regressive tax system in the nation. Olympia has failed us again and again; as the elected representatives of the people of Seattle, you now have the opportunity and the moral obligation to show local leadership in reversing this situation.

We have yet to hear any good reasons why the amendment put forward by Councilmembers Sawant and Licata should not be passed. The Employee Hours Tax amounts to less than a penny per employee hour; the Commercial Parking Fee increase, in addition to being more progressive than a flat car tab fee, will encourage public transit use and decrease congestion in Seattle's urban core. We understand that the Chamber of Commerce is opposed to an Employee Hours Tax and that the University of Washington is opposed to a Commercial Parking Fee Increase. But these are not good reasons – this is merely political pressure from powerful organizations. *We challenge the TBD Board Members to offer reasons why they do not support choosing the most progressive available funding options for Metro.*

The only argument we have heard so far that holds any water is Councilmember Rasmussen's statement at the Seattle TBD meeting on July 10, 2014 that "We're going to need all the funding options available to us for transit and transit service." It is true that the proposed resolution and amendments being considered would only generate enough funding to "stop the bleeding," and our public transit needs go far beyond this.

If Sawant and Licata's proposal is not adopted by the Transportation Benefit District, the Employee Hours Tax and Commercial Parking Tax could still be passed by the City Council to expand and improve services. Among many other possibilities, additional funding might be used to:

- Restore the rest of Seattle's endangered service;
- Increase, improve and modernize Night Owl service;
- Add much-needed service hours in underserved and transit-dependent areas of the city;
- Contribute to the chronically underfunded Human Services Ticket Program;
- Contribute to King County's new low income reduced fare program to buy down the reduced fare from $1.50 to $1.00 or $1.25, as would have happened had Proposition 1 passed.

Transit Riders Union
P.O. Box 20723 | Seattle, WA 98102 | 206-651-4282 | contact@transitriders.org
www.transitriders.org

If the Seattle TBD Board elects to ask voters to approve yet another regressive sales tax increase, in addition to a flat vehicle license fee, at the very least the business community should also be required to contribute to maintaining and improving the public transit system that gets their workers to work and without which commerce cannot function, and a Commercial Parking Fee increase should also be passed to generate additional funding.

The Transit Riders Union and our allies need to know that the Council is serious about spreading the burden of funding our basic infrastructure to at least this extent. Without this assurance, it may be difficult for our membership to support the regressive funding mechanisms that will likely be on the November ballot.

With this in mind, we ask all the councilmembers to provide us with written answers to the following questions. We would appreciate a response before the July 23 Finance and Culture Committee Meeting at which the Employee Hours Tax and Commercial Parking Fee increase will first be considered. Thank you for taking time to share your thoughts on these issues with your consituents.

Sincerely,

Katie Wilson
TRU general secretary

QUESTIONS

1. If you do not support removing the sales tax increase in favor of more progressive funding options, what are your reasons?

2. Do you agree with CM Rasmussen that "we're going to need all the funding options available to us for transit and transit service"?

3. If the Seattle TBD Boards passes the Mayor's proposed resolution with the sales tax included, will you support also passing an Employee Hours Tax on business?

4. If the Seattle TBD Boards passes the Mayor's proposed Resolution with the sales tax included, will you support also increasing the Commercial Parking Fee?

5. Will you vote for the Employee Hours Tax and/or the Commercial Parking Fee increase at the July 23, 2014 committee meeting?

6. If the Employee Hours Tax and/or the Commercial Parking Fee increase are not passed this summer, will you work actively to ensure their passage by the end of this year?

Transit Riders Union
P.O. Box 20723 | Seattle, WA 98102 | 206-651-4282 | contact@transitriders.org
www.transitriders.org

TO THE BOARD MEMBERS OF THE SEATTLE TRANSPORTATION BENEFIT DISTRICT:

I hereby call a Seattle Transportation Benefit District (STBD) Governing Board meeting, in the Seattle City Council Chamber, 600 4TH Avenue, 2nd Floor, on Thursday, July 10, 2014, at the hour of 2:00 p.m. The STBD meeting will follow as soon as possible and no later than 24 hours from the scheduled meeting.

Signed: _____ x
Tom Rasmussen, Chair, STBD Governing Board

Dated at Seattle, Washington

This 30th day of June, 2014

SERVICE ACKNOWLEDGED:	WILL BE ATTENDING:		
	BAGSHAW	YES	NO
	BURGESS	YES	NO
	CLARK	YES	NO
	GODDEN	YES	NO
	HARRELL	YES	NO
	LICATA	YES	NO
	O'BRIEN	YES	NO
x	RASMUSSEN	YES	NO
	SAWANT	YES	NO

TO THE BOARD MEMBERS OF THE SEATTLE TRANSPORTATION BENEFIT DISTRICT:

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Tom Rasmussen, Chair, STBD Governing Board

Dated at Seattle, Washington

This 30th day of June, 2014

SERVICE ACKNOWLEDGED:	WILL BE ATTENDING:		
	BAGSHAW	YES	NO
	BURGESS	YES	NO
	CLARK	YES	NO
	GODDEN	YES	NO
	HARRELL	YES	NO
	LICATA	YES	NO
	O'BRIEN	YES	NO
x	RASMUSSEN	YES	NO
	SAWANT	YES	NO

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Dated at Seattle, Washington

This 30th day of June, 2014

SERVICE ACKNOWLEDGED:	WILL BE ATTENDING:		
	BAGSHAW	YES	NO
	BURGESS	YES	NO
	CLARK	YES	NO
	GODDEN	YES	NO
Bruce A. Harrell	HARRELL	YES	NO
	LICATA	YES	NO
	O'BRIEN	YES	NO
x	RASMUSSEN	YES	NO
	SAWANT	YES	NO

TO THE BOARD MEMBERS OF THE SEATTLE TRANSPORTATION BENEFIT DISTRICT:

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Tom Rasmussen, Chair, STBD Governing Board

Dated at Seattle, Washington

This 30th day of June, 2014

SERVICE ACKNOWLEDGED:	WILL BE ATTENDING:		
	BAGSHAW	YES	NO
	BURGESS	YES	NO
	CLARK	YES	NO
	GODDEN	YES	NO
	HARRELL	YES	NO
X	LICATA	YES	NO
	O'BRIEN	YES	NO
X	RASMUSSEN	YES	NO
	SAWANT	YES	NO

TO THE BOARD MEMBERS OF THE SEATTLE TRANSPORTATION BENEFIT DISTRICT:

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Dated at Seattle, Washington

This 30th day of June, 2014

SERVICE ACKNOWLEDGED:	WILL BE ATTENDING:		
	BAGSHAW	YES	NO
	BURGESS	YES	NO
	CLARK	YES	NO
	GODDEN	YES	NO
	HARRELL	YES	NO
	LICATA	YES	NO
	O'BRIEN	YES	NO
x	RASMUSSEN	YES	NO
	SAWANT	YES	NO

TO THE BOARD MEMBERS OF THE SEATTLE TRANSPORTATION BENEFIT DISTRICT:

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Dated at Seattle, Washington

This 30th day of June, 2014

SERVICE ACKNOWLEDGED:	WILL BE ATTENDING:		
	BAGSHAW	YES	NO
	BURGESS	YES	NO
	CLARK	YES	NO
	GODDEN	YES	NO
	HARRELL	YES	NO
	LICATA	YES	NO
	O'BRIEN	YES	NO
x	RASMUSSEN	YES	NO
	SAWANT	YES	NO

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Tom Rasmussen, Chair, STBD Governing Board

Dated at Seattle, Washington

This 30th day of June, 2014

SERVICE ACKNOWLEDGED:	WILL BE ATTENDING:		
_____	BAGSHAW	YES	NO
_____	BURGESS	YES	NO
_____	CLARK	YES	NO
_____	GODDEN	YES	NO
_____	HARRELL	YES	NO
_____	LICATA	YES	NO
_____	O'BRIEN	YES	NO
x _____	RASMUSSEN	YES	NO
_____	SAWANT	YES	NO

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Signed: _____ x
Tom Rasmussen, Chair, STBD Governing Board

Dated at Seattle, Washington

This 30th day of June, 2014

SERVICE ACKNOWLEDGED:	WILL BE ATTENDING:			
SGB	BAGSHAW	YES	(NO)	Out of Town
	BURGESS	YES	NO	
	CLARK	YES	NO	
	GODDEN	YES	NO	
	HARRELL	YES	NO	
	LICATA	YES	NO	
	O'BRIEN	YES	NO	
x	RASMUSSEN	(YES)	NO	
	SAWANT	YES	NO	

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Dated at Seattle, Washington

This 30th day of June, 2014

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	BAGSHAW	YES	NO
	BURGESS	YES	NO
	CLARK	YES	NO
	GODDEN	YES	NO
	HARRELL	YES	NO
	LICATA	YES	NO
	O'BRIEN	YES	NO
x	RASMUSSEN	YES	NO
	SAWANT	YES	NO