

**PLACE HOLDER FOR LOGO AND CONTACT INFO**

**INITIATIVE PETITION FOR SUBMISSION TO THE SEATTLE CITY COUNCIL. To City Council of the City of Seattle:**

We, the undersigned registered voters of The City of Seattle, State of Washington, propose and ask for the enactment as an ordinance of the measure known as Initiative Measure No. .... entitled:

(here set forth the established ballot title of the measure)

Should this measure be enacted into law?

Yes

No

a full, true and correct copy of which is included herein, and we petition the Council to enact said measure as an ordinance; and, if not enacted within forty-five (45) days from the time of receipt thereof by the City Council, then to be submitted to the qualified electors of The City of Seattle for approval or rejection at the next regular election or at a special election in accordance with Article IV, Section 1 of the City Charter; and each of us for himself or herself says: I have personally signed this petition; I am a registered voter of The City of Seattle, State of Washington, and my residence address is correctly stated.

**WARNING:** [Ordinance 94289](#) provides as follows: Section 1. It is unlawful for any person 1. To sign or decline to sign any petition for a City initiative, referendum, or Charter amendment, in exchange for any consideration or gratuity or promise thereof; or 2. To give or offer any consideration or gratuity to anyone to induce him or her to sign or not to sign a petition for a City initiative, referendum, or Charter amendment; or 3. To interfere with or attempt to interfere with the right of any voter to sign or not to sign a petition for a City initiative, referendum, or Charter amendment by threat, intimidation or any other corrupt means or practice; or 4. To sign a petition for a City initiative, referendum, or Charter amendment with any other than his or her true name, or to knowingly sign more than one (1) petition for the same initiative, referendum or Charter amendment measure, or to sign any such petition knowing that he or she is not a registered voter of The City of Seattle. Section 2. Any person violating any of the provisions of this ordinance shall upon conviction thereof be punishable by a fine of not more than Five Hundred Dollars (\$500) or by imprisonment in the City Jail for a period not to exceed six (6) months, or by both such fine and imprisonment.

	<b>Petitioner's Signature</b>	<b>Printed Name</b>	<b>Residence Address Street and Number</b>	<b>Date Signed</b>
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AN ORDINANCE forming a Public Development Authority to develop, own, and maintain social housing developments; providing it startup resources; authorizing and adopting its charter; and establishing how it shall conduct its affairs.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF SEATTLE.

This initiative will establish the “Seattle Social Housing Developer,” a Public Development Authority (PDA) responsible for developing, owning, and maintaining social housing in Seattle. Social housing is publicly owned, publicly financed, mixed-income housing, removed from market forces and speculation, and built with the express aim of housing people equitably and affordably. Under public control and oversight, social housing is sustainable and remains affordable in perpetuity. The housing developed under this ordinance shall be permanently protected for public use, dedicated to workforce and community housing, and will thereby increase the supply of permanent, truly affordable housing for Seattle residents. While social housing is a newer model

for addressing housing affordability in the United States, it spans multiple countries and continents, including but not limited to: Toronto, Britain, Singapore, France, Vienna, and Uruguay.

NOW, THEREFORE, THE CITY OF SEATTLE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

**Section 1: Authority Created – City Liability Limited.**

A. Authority Created. A public development authority to be known as the Seattle Social Housing Developer (“Social Housing Developer” or “Public Developer”) is hereby created to develop, own, and maintain social housing developments in the City of Seattle and for all related lawful purposes or public functions within the limits of the City of Seattle and outside of the City to the extent provided by state law.

B. City Liability Limited. The Public Developer is an independent legal entity exclusively responsible for its own debts, obligations, and liability. All liabilities it incurs shall be satisfied exclusively from its own assets and credit; no creditor or other persons shall have any recourse to the assets, credit or services of the City on account of any debts, obligations, liability, acts, or omissions of the Public Developer.

**Section 2. Name.** The name of the public authority shall be the Seattle Social Housing Developer.

**Section 3. Definitions.**

“Board” or “Board of Directors” means the group of persons vested with the management of the affairs of the Public Developer, which shall have the same meaning as “council” under Seattle Municipal Code 3.110.

“Charter” means the articles of organization of the Public Developer adopted by this ordinance and all subsequent Amendments thereto.

“City” means the City of Seattle, Washington.

“City Council” means the legislative authority of the City.

“Restorative justice” means a process of allowing tenants who are causing harm in the community to address root causes; avoiding any behaviors that take autonomy away from someone who is harming community in any way; ultimately striving to restore all parties to the state prior to the harm.

“The Public Developer” or “Social Housing Developer” means the Seattle Social Housing Developer.

“Social Housing Development” or “Development” means one or more buildings that are built or acquired by the Public Developer and used for social housing.

“State” means the State of Washington.

**Section 4. Powers—Generally.** Except as otherwise limited by the State Constitution, state statutes, this ordinance, or the Charter, the Public Developer shall have and may exercise all lawful power necessary or convenient to carry out the purposes for which the Public Developer is organized.

**Section 5. Limitations.**

A. The Public Developer is subject to the limitations established by the State Constitution, state statutes, this ordinance, and the Charter.

B. Chapter 3.110 of the Seattle Municipal Code does not apply to the Public Developer except to the extent stated in the Charter. The Public Developer shall be governed by this ordinance and by the Charter.

**Section 6. Charter.** The Charter, attached hereto and incorporated herein, is hereby approved. Upon the effective date of this ordinance, the Charter shall be issued in duplicate originals, each bearing the City seal attested by the City Clerk. One original shall be retained by the City Clerk and filed as a public record; a duplicate original shall be provided to the Public Developer. The City Clerk shall give notice of the issuance of the Charter to the Secretary of State.

**Section 7. Board of Directors.** A board of directors (the "Board of Directors" or "Board") is hereby established to govern the affairs of the Public Developer, and shall be composed as set forth in the Charter. All corporate powers of the Public Developer shall be exercised by or under the authority of the Board and the business, property and affairs of the Public Developer shall be managed under the direction of the Board, except as may be otherwise provided for by law or in the Charter.

**Section 8. Organization Meeting.** The City Council shall call a meeting of the Board, to occur within thirty (30) days after selection of the Board members, giving at least seven (7) days advance written notice to each Board member, unless waived in writing. At such a meeting, the Board shall organize itself and begin the process of adopting bylaws, which shall be adopted within ninety (90) days after the initial meeting of the Board.

**Section 9. Audits and Inspections.** The Public Developer shall, at any time during normal business hours and as often as the City Council or the State Auditor may deem necessary, make available to the City Council and the State Auditor for examination all of its financial records, and perform audits. The City Council and State Auditor shall have no right, power or duty to supervise the daily operations of the Public Developer, but shall exercise its audit and inspection power and other powers under the ordinance and Charter for the purpose of correcting any deficiency and assuring that the purposes of the Public Developer are reasonably accomplished.

**Section 10. Insurance.** The Public Developer shall maintain in full force and effect public liability insurance in an amount sufficient to cover potential claims for bodily injury, death or disability and for property damage, which may arise from or be related to projects and activities of the Public Developer, provided, however, the City may, pursuant to a lease or contract with the Public Developer, agree to provide all or part of such insurance.

**Section 11. Ancillary Authority.** The Mayor, City Council, appropriate City committees, and City Clerk are granted all such power and authority as reasonably necessary or convenient to enable them to administer this ordinance efficiently and to perform the duties imposed in this ordinance.

**Section 12. City Startup Support.** The City shall provide the Public Developer limited in-kind assistance as necessary for the first 18 months of startup, including but not limited to office space, staffing, supplies, insurance and bonding, and legal services. This in-kind support shall include hiring and retaining the Public Developer's chief executive officer and chief financial officer. This in-kind support shall not derive from any existing housing funding or reduce any City support for other housing projects. The City Council will decide the amount of subsequent City support for the Public Developer, which may include funds from any source available to do so including, without limitation, the general fund, grant funds, and by issuing Councilmanic Revenue Bonds.

**Section 13. Use of Surplus City Land for Housing.** Whenever the City considers the sale or gift of public lands for a private or non-public use, it shall prepare a feasibility study to consider whether such public lands should be transferred to the Public Developer for social housing. The City Council shall evaluate the feasibility study and the housing needs of the City before transferring such public land for private or non-public use. The Public Developer may also request that real or other property held by any public agency within the city limits of Seattle which is unused, under-used or surplus, be made available to the Public Developer for social housing.

**Section 14. City Council Authority.** This ordinance does not concern homelessness housing and nothing in this ordinance may be interpreted to interfere with or exercise the City Council's powers under RCW Chapter 43.185(C) or other state laws. Should a court determine that any provision of this measure does so, the voters intend for such provision to be null and void and severable, and for the remainder of this ordinance to continue in full force.

**Section 15. Severability.** The provisions of this Chapter are declared to be separate and severable. If any clause, sentence, paragraph, section, or portion of this ordinance, or the application thereof to any person or circumstances, is held to be invalid, it shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

## EXHIBIT A

### CHARTER OF THE SEATTLE SOCIAL HOUSING PUBLIC DEVELOPMENT AUTHORITY

ARTICLE I. NAME. The name of this corporation shall be the Seattle Social Housing Developer ("Public Developer")

ARTICLE II. PURPOSE, DIRECTIVES, AND GOALS.

(1) The core mission of the Seattle Social Housing Developer shall be to develop, own, and maintain social housing developments, as well as lease units of said developments.

(2) In carrying out its purpose, the Public Developer MUST adhere to the following:

1. The housing MUST be owned exclusively by the Public Developer;
2. To the extent possible, all developments MUST contain housing units that accommodate a mix of household income ranges, including extremely low-income (0-30% Area Median Income ("AMI")), very low-income (30-50% AMI), low-income (50-80% AMI), and moderate-income (80-120% AMI), and a mix of household sizes. If the Public Developer takes over a building, existing residential tenants will not be displaced, and these targets will be achieved as tenants turnover in the building;
3. Tenancy MUST not be revoked based on changes to household income;
4. Rental rates MUST be dedicated to permanent affordability and set based on the amount needed for operations, maintenance, and loan service on the building or development containing the unit;
5. Residents MUST be afforded opportunities for restorative justice conflict resolution prior to being subject to eviction procedures;
6. Developments MUST be permanently protected from being sold or transferred to a private entity or public-private partnership;
7. Residents MUST have opportunities to participate directly and meaningfully in decision-making; and
8. New developments MUST meet green building and Passive House Standards.

(3) In carrying out its purpose, and to the extent legally allowed, the Public Developer should strive to achieve the following goals:

1. The Public Developer should use a lottery-based, minimal barrier application process, free of required rental references, co-signers, background checks, and application fees, and which does not discriminate based upon citizenship or immigration status;
2. The Public Developer should provide housing to those who live or work in Seattle;

3. The Public Developer should explore tenant unit ownership options as modeled by international social housing models;
4. The Public Developer should retrofit acquired buildings to meet Passive House Retrofit Standards under the EnerPHit Retrofit Plan and meet Americans with Disabilities Act standards;
5. The Public Developer should limit rent to no more than 30% of income;
6. New developments should include daycare, communal kitchens, affordable co-op working spaces, and/or common areas;
7. The Public Developer should construct new developments using union labor; and
8. The Public Developer should establish a labor harmony agreement.

#### ARTICLE III. AUTHORITY AND LIMIT ON LIABILITY.

Section 1. Legal Authority. The Social Housing PDA is a public corporation organized pursuant to RCW 35.21.660, RCW 35.21.670, and RCW 35.21.730-.755. This Charter is subject to the constitutions and laws of the United States and the State of Washington and regulations adopted under those laws. Chapter 3.110 of the Seattle Municipal Code does not apply to the Public Developer and this Charter except to the extent stated herein. As a public corporation organized under said State and local laws, it is a political subdivision of the State with an area of operation limited to the City of Seattle.

Section 2. Limit on Liability. All liabilities incurred by the Public Developer shall be satisfied exclusively from the assets and properties of the Public Developer and no creditor or other person shall have any right of action against the City of Seattle on account of any debts, obligations or liabilities of the Public Developer.

Section 3. Mandatory Disclaimer. The following disclaimer shall be posted in a prominent place where the public may readily see it in the Public Developer's principal and other offices. It shall also be printed or stamped on all contracts, bonds, and other documents that may entail any debt or liability by the Public Developer. The Public Developer is organized pursuant to RCW 35.21.660, 35.21.670, and 35.21.730-.755. RCW 35.21.750 provides as follows: "[A]ll liabilities incurred by such public corporation, commission, or authority shall be satisfied exclusively from the assets and properties of such public corporation, commission, or authority and no creditor or other person shall have any right of action against the city, town, or county creating such corporation, commission or authority on account of any debts, obligations, or liabilities of such public corporation, commission, or authority."

ARTICLE IV. DURATION. The duration of the Public Developer shall be perpetual.

ARTICLE V. POWERS. The Public Developer shall have all powers available to public corporations under state and local law. In addition, the Public Developer is empowered to perform all manner and types of community services and activities relating to the purpose of the Social Housing PDA utilizing local, state, federal, or private funds, or real property.

ARTICLE VI. LIMITS. The Public Developer, in all activities and transactions, shall be limited as set forth in SMC 3.110.080 at the time of enactment. In addition, the Public Developer shall not issue shares of stock, pay dividends, or make loans, and shall remain the sole owner of all of its assets, and the Public Developer shall not merge with another corporation or organization unless the developments being transferred continue to be governed in perpetuity according to the requirements of this Charter.

#### ARTICLE VII. THE SOCIAL HOUSING PDA BOARD.

Section 1. The permanent management of the Social Housing Developer shall rest with the Board. There shall be thirteen (13) members:

1. Seven (7) members shall be initially appointed by the Seattle Renters' Commission, which is hereby given such authority. The initial seven (7) members appointed by the Seattle Renters' Commission shall include at least one (1) member who has experienced housing insecurity; at least one (1) member who has experienced financial eviction; and at least one (1) member who has been displaced. In addition, they shall represent a range of incomes, including three (3) members living at 0-50% AMI; two (2) members living at 50-80% AMI; two (2) members living at 80-100% AMI. The Seattle Renters' Commission shall appoint replacements, except that once the Public Developer has begun operation of social housing, the positions will be appointed by and filled with residents of social housing ("Constituency").
2. One (1) member shall be a rank-and-file union member appointed by the Martin Luther King, Jr. County Labor Council, which shall also appoint replacements.
3. One (1) member shall be a leader from a community organization that provides housing to marginalized communities. El Centro De La Raza shall appoint the first member to fill this position. The Board shall select replacements for this position after a public call for self-nominations.
4. Two (2) members shall be appointed by the City Council and one (1) member shall be appointed by the Mayor. As terms expire, the City Council and Mayor shall appoint the replacements for their appointed members. Of the members appointed by the Mayor and City Council, there must be members with expertise in public housing finance, urban planning, and nonprofit housing development.
5. One (1) member with expertise in green development appointed by the Green New Deal Oversight Board, which shall also appoint replacements.

Section 2. These persons and entities must appoint the first members of the Board within 60 days of the effective date of this Ordinance, and shall promptly appoint a replacement upon the expiration of members' terms or when a replacement is otherwise required. Board members must have a commitment to the goals of social housing.

Section 3. The terms of members of the Board shall be four years, except for the initial designation of Board positions to achieve staggered terms, as described below. No person shall serve more than eight (8) consecutive years on the Board. At the first meeting of the Board, the Board positions shall be divided into three categories, by random drawing. The first three names drawn shall be in Category One. The term of office of Category One positions shall be that which most closely coincides with the second anniversary of the formation of the permanent Board. The second three names drawn shall be in Category Two. The term of office for Category Two shall be that which most closely coincides with the third anniversary of the formation of the permanent Board. The remaining members shall be in Category Three. Their term of office shall be that which most closely coincides with the fourth anniversary of the formation of the permanent Board.

Section 4. The Board may create committees by resolution with a minimum of three (3) members and a maximum of six (6) members.

Section 5. Board Concurrence Required. The requirement for Board concurrence shall be that established by SMC 3.110.200, except that the donation of money, property, and assets is prohibited. The Board is prohibited from gifting money, property, or assets belonging to the Public Developer.

Section 6. Board Review. The Board shall meet at least once each month. The Board shall review monthly statements of income and expenses which compare budgeted expenditures to actual expenditures. The Board shall also review balance sheets each month. The Board shall review all such information at open public meetings, the minutes of which shall specifically note such reviews, and include such information. If possible, all Board meetings shall be broadcast and, except for executive or closed sessions authorized under RCW 42.30.110 or RCW 42.30.140, all Board meetings shall be public and transparent. All public records of the Board and the Public Developer may be requested in accordance with RCW Chapter 42.56 and may not be withheld unless exempt or confidential under state law.

Section 7. Quorum Defined. A quorum to commence a Board meeting shall be no fewer than seven (7) members of the Board.

Section 8. Officers and Division of Duties. The Board shall have at least four (4) or more officers. The initial officers shall be the Chair, Vice-Chair, Secretary, and Treasurer. Officers shall be elected from among the members of the Board by the Board for a term of one year, and members of the Board may serve additional terms as officers if elected by the Board.

Section 9. Removal of Board Members. If any Board member resigns, or becomes ineligible to serve, or misses three (3) or more consecutive Board meetings or two-thirds ( $\frac{2}{3}$ ) of scheduled Board meetings in six (6) consecutive months, they shall be replaced, unless the absences have been excused by the Board. The replacement member shall be selected in the same manner as the departing Board member.

Section 10. The Public Developer shall, at a minimum, pay Board members representing residents, community organizations, and the labor representative for their time conducting Board business, as well as providing them with staff support as needed for them to successfully serve. The Board may choose to pay other members for their time.

#### ARTICLE VIII. CONSTITUENCY.

Section 1. Composition. Once the Public Developer begins operation of social housing, the Constituency of the Social Housing PDA shall consist of residents living within its developments and shall be governed by this Article. The Rules and Regulations shall provide for meetings, including notice, quorum, and other provisions dealing with the Constituency. The Constituency must have regularly scheduled meetings and an annual meeting when it elects position(s) to the Board.

Section 2. The concurrence of the Constituency shall also be required on the following matters: (1) any proposed amendments to the Charter; (2) any proposed amendments to the Rules and Regulations of the Social Housing PDA if said amendment deals with matters which are within the power and responsibility of the Constituency as set forth in this section; (3) proposed amendments to the provisions of the Rules and Regulations governing procedures for meetings of the Constituency; (4) annually fixing the compensation of Board members and adopting Board reimbursement policies; and (5) selection of an independent auditor. Such concurrence shall require an affirmative vote of a majority of the constituents voting on the issue.

Section 3. The Constituency shall elect a person or persons to serve on the Board in seven (7) of the thirteen (13) positions as provided herein and any Rules and Regulations adopted by the Constituency. If no candidate receives a majority affirmative vote, a run-off election between the top two candidates shall be held not later than one month following the first election.

Section 4. Each multifamily social housing development owned by the Public Developer shall form a governance council. The Board shall establish appropriate size limitations for governance councils based on the size of the developments that they represent.

A governance council shall have the following powers and responsibilities:

- (a) Host regular meetings to gather feedback and perspective of residents.
- (b) Provide the resident perspective to property management.
- (c) Represent the interests of the development in biannual meetings with the board.
- (d) Determine how to spend the building or development's allotted annual budget for common room amenities and social events.
- (e) Participate in the approval of renovation projects.
- (f) Other responsibilities as determined by the Board.

A governance council and the Board may consult with a mission-driven nonprofit corporation or community land trust with appropriate experience for the purpose of establishing managerial policies and practices that align with the requirements of social housing and the need to provide suitable renter protections.

#### ARTICLE IX. MEETINGS.

Section 1. Open Public Meetings. All Board meetings shall be open to the public to the extent required by RCW 42.30.010, et seq. Efforts to open meetings above and beyond the letter of the law are to be encouraged and applauded.

Section 2. Parliamentary Authority. The Board may adopt rules of procedure to govern its meetings and the meetings of any subcommittee or committee of the Board. Such rules of procedure shall be consistent with the Charter and state and local law.

Section 3. Minutes. Meeting minutes shall be made publicly available.

#### ARTICLE X. RULES AND REGULATIONS.

The Board shall adopt Rules and Regulations to govern the Public Developer that are consistent with this Charter.

#### ARTICLE XI. AMENDMENTS TO CHARTER.

Amendments to the Charter shall be recommended by the Board, and take effect upon City Council approval.

#### ARTICLE XII. RECORDS AND REPORTING REQUIREMENTS.

Records and reporting requirements shall be governed by SMC 3.110.390, 3.110.400, and 3.110.410 as existing on the date this ordinance was enacted.

#### ARTICLE XIII. COMMENCEMENT.

The Public Developer shall come into existence upon the certification of passage of this initiative.

#### ARTICLE XIV. DISSOLUTION.

Dissolution of the Public Developer shall be in the form and manner required by law, City ordinance, and the Rules and Regulations. Upon dissolution of the Public Developer and the winding up of its affairs, all of the rights, assets and property of the Public Developer shall pass to and be distributed according to the terms of binding agreements or to a qualified entity specified in SMC 3.110.490.

#### ARTICLE XV. MISCELLANEOUS.

Section 1. Bonding. The members of the Board and any other officers or officials with the responsibility for handling accounts and finances shall file fidelity bonds in an amount determined adequate and appropriate by the Board. The Public Developer shall pay the premium for such bonds. The Public Developer shall identify these officers and officials and the amounts of their bonds in its annual report.

Section 2. Safeguarding of Funds. The Public Developer's funds shall be deposited into a depository acceptable to the Mayor and be otherwise safeguarded pursuant to such instructions as the Mayor may from time to time issue.

Section 3. Insurance. The Public Developer shall maintain in full force and effect liability insurance in an amount sufficient to cover potential claims for bodily injuries, death or disability, and for property damage, which may arise from or be related to its projects and activities. The Public Developer shall also maintain appropriate insurance to protect staff, officers, and Board members.

Section 4. Code of Ethics. No official or employee of the Public Developer shall engage in conduct prohibited under state or local law. Uncompensated officials and employees designated compensated employees shall annually by April 15 file statements of economic interest as required under SMC 3.110.570. The Board shall enforce the provisions of SMC 3.110.580. Additionally, all final Board determinations under SMC 3.110.580 shall be provided to the Seattle Ethics and Elections Commission for its information. The City Board of Ethics, in its discretion, may comment on any determinations and provide its comments to the Social Housing PDA Council.

Section 5. Discrimination Prohibited. Neither Board, Constituency, nor governance council membership may be directly or indirectly based upon or limited by age, race, color, religion, sex, national origin, marital status, sexual orientation, gender identity, political ideology, or the physical handicap of a capable person. Use of City funds shall be subject to the requirements of SMC 20.46 (City Contracting—Fair Business Practices).

Section 6. Severability. If any part of this Charter is found by a court to be illegal or unconstitutional, according to either the Federal or State Constitution or laws, the remaining parts shall remain in force. The Charter shall be interpreted in the broadest sense in order that the Social Housing PDA may carry out its mandate.