



SEATTLE CITY COUNCIL

Legislative Summary

CB 119376

Record No.: CB 119376

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125718

In Control: City Clerk

File Created: 08/30/2018

Final Action: 11/26/2018

Title: AN ORDINANCE relating to the taxation of sweetened beverages; amending Ordinance 125324 to amend the uses of the proceeds of the Sweetened Beverage Tax.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Bagshaw

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

☐ Yes

☐ No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	09/24/2018	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	10/22/2018	sent for review	Council President's Office			
1	Council President's Office	10/24/2018	sent for review	Select Budget Committee			
1	City Council	10/29/2018	referred	Select Budget Committee			
Action Text: The Council Bill (CB) was referred. to the Select Budget Committee							
Notes:							
1	Select Budget Committee	10/30/2018					
1	Select Budget Committee	11/07/2018					
1	Select Budget Committee	11/14/2018	pass				Pass
Action Text: The Committee recommends that City Council pass the Council Bill (CB).							
Notes:							

In Favor: 9 Chair Bagshaw, Member González , Member Harrell, Member Herbold,
Member Johnson, Member Juarez, Member Mosqueda, Member O'Brien,
Member Sawant

Opposed: 0

1 City Council 11/19/2018 passed Pass

Action Text: The Council Bill (CB) was passed by the following vote, and the President signed the Bill:

Notes:

In Favor: 9 Councilmember Bagshaw, Councilmember González , Council
President Harrell, Councilmember Herbold, Councilmember Johnson,
Councilmember Juarez, Councilmember Mosqueda, Councilmember
O'Brien, Councilmember Sawant

Opposed: 0

1 City Clerk 11/21/2018 submitted for Mayor
Mayor's signature

1 Mayor 11/26/2018 Signed

1 Mayor 11/26/2018 returned City Clerk

1 City Clerk 11/26/2018 attested by City Clerk

Action Text: The Ordinance (Ord) was attested by City Clerk.

Notes:

CITY OF SEATTLE

ORDINANCE 125718

COUNCIL BILL 119376

AN ORDINANCE relating to the taxation of sweetened beverages; amending Ordinance 125324 to amend the uses of the proceeds of the Sweetened Beverage Tax.

WHEREAS, the City imposed a tax on the business of distributing sweetened beverages to raise revenue to fund services that promote healthy food choices, expand access to healthy and affordable food, reduce disparities in social, developmental, and education readiness and learning for children, assist high school graduates to enter college, and expand services for the birth-to-five population and their families; and

WHEREAS, the City initially projected in 2017 that the revenues received from the tax would decline starting in 2019; and

WHEREAS, the City now projects that revenues will be higher than initially projected and that the revenues will increase over time rather than decrease; and

WHEREAS, Section 3 of Ordinance 125324 requires that, for the first five years after the tax was imposed, 20 percent of the revenues be dedicated for one-time uses including (a) one-time costs necessary to enable the administration of the tax, (b) up to \$5,000,000 in total contribution to an endowment for the Seattle Colleges 13th Year Promise Scholarship program, (c) up to \$1,500,000 in total as funding for job retraining and placement programs for workers adversely impacted by the tax, and (d) funding for capital projects to construct or enhance classroom facilities for use by the Seattle Preschool Program; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 3 of Ordinance 125324 is hereby amended as follows:

Section 3. Services funded by the proceeds of the beverage tax are intended to expand access to healthy and affordable food, close the food security gap, promote healthy nutrition choices, reduce disparities in social, developmental, and education readiness and learning for children, assist high school graduates enter college, and expand services for the birth-to-five population and their families.

A. For the first five years that the tax is collected, ~~((20 percent))~~ a portion of the net proceeds shall be used to fund one-time expenditures to administer the tax, in support of education, and for training programs. Eligible expenditures include, in order of priority:

1. One-time costs necessary to enable the administration of the tax;
2. Up to \$5,000,000 in total as a contribution to an endowment for the Seattle Colleges 13th Year Promise Scholarship program;
3. Up to \$1,500,000 in total as funding for job retraining and placement programs for workers adversely impacted by the tax; and
4. Funding for capital projects to construct or enhance classroom facilities for use by the Seattle Preschool Program.

The portion of the net proceeds that shall be used for the above eligible expenditures shall be as follows: 20 percent in the first year; and 10 percent in each of the second, third, fourth, and fifth years of collections.

Beginning in the sixth year of collections, ~~((the 20 percent set aside under this subsection A shall cease and))~~ all net proceeds from the tax collected shall be for programs defined in subsection B of this section.

1 B. ~~((The remainder of))~~ Except as required by subsection A of this section,
2 net proceeds from the beverage tax shall be used to support, in order of priority:

3 1. Expanding access to healthy and affordable food, closing the food
4 security gap, and promoting healthy food choices through programs including, but not
5 limited to:

6 a. Community-based investments to expand food access, such
7 as food banks and meal programs;

8 b. Fresh Bucks and Fresh Bucks to Go;

9 c. Implementation of the Seattle Food Action Plan;

10 d. Public health and nutrition programs targeted to assist
11 persons experiencing diabetes and obesity;

12 e. Public awareness campaigns to highlight the impact of
13 sugar-sweetened beverages on health outcomes and increase education about healthy
14 food and beverages; and

15 f. Capital investments to promote healthy choices, such as
16 water bottle filling stations in schools and community centers.

17 2. Evidence-based programs that improve the social, emotional,
18 educational, physical, ~~((health,))~~ and mental health ~~((for))~~ of children, especially those
19 services that seek to reduce the disparities in outcomes for children and families based on
20 race, gender, or other socioeconomic factors and to prepare children for a strong and fair
21 start in kindergarten.

22 3. Administration of assessing and collecting the tax.

1 4. Ensuring resources for the Office of Sustainability and the
2 Environment and the Sweetened Beverage Tax Community Advisory Board.

3 5. The cost of program evaluations conducted by the Office of the
4 City Auditor under subsection 5.B of this ordinance, including costs borne by other City
5 departments in facilitating such evaluations.

6 In the annual City budget or by separate ordinance, the City's legislative authority
7 shall from year to year determine the services and funding allocations that will most
8 effectively achieve the goals and outcomes in accordance with chapter 35.32A RCW.

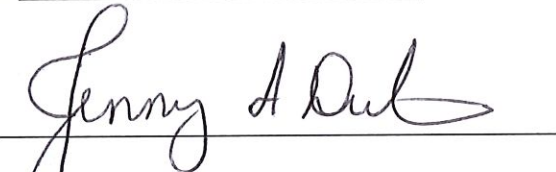
Section 2. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 19th day of November, 2018,
and signed by me in open session in authentication of its passage this 19th day of November, 2018.



President _____ of the City Council

Approved by me this 26th day of November, 2018.



Jenny A. Durkan, Mayor

Filed by me this 26th day of NOVEMBER, 2018.



Monica Martinez Simmons, City Clerk

(Seal)

STATE OF WASHINGTON -- KING COUNTY

--SS.

368335

No.

CITY OF SEATTLE, CLERKS OFFICE

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:125697-125727 ORDINANC

was published on

12/11/18

The amount of the fee charged for the foregoing publication is the sum of \$569.50, which amount has been paid in full.



Subscribed and sworn to before me on

12/11/2018

Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

The full text of the following legislation, passed by the City Council on November 19, 2018, and published below by title only, will be mailed upon request, or can be accessed at <http://seattle.legistar.com>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Ordinance 125697

Council Bill 119409

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Ordinance 125698

Council Bill 119390

AN ORDINANCE authorizing, in 2018, acceptance of funding from non City sources (commonly known as the 3rd quarter grant acceptance ordinance); authorizing the heads of the Executive Department, Department of Education and Early Learning, Seattle Fire Department, and Seattle Department of Transportation to accept specified grants, private funding, and subsidized loans and to execute, deliver, and perform corresponding agreements; and ratifying and confirming certain prior acts.

Ordinance 125699

Council Bill 119391

AN ORDINANCE amending Ordinance 125493, which amended the 2018 Budget (Ordinance 125475), including the 2018-2023 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; adding new projects; revising project allocations for certain projects in the 2018-2023 CIP; creating exempt positions; amending existing CIP project descriptions; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Ordinance 125700

Council Bill 119381

AN ORDINANCE relating to Seattle Center parking charges; amending Section 17.19.010 of the Seattle Municipal Code.

Ordinance 125701

Council Bill 119382

AN ORDINANCE relating to the Seattle Center Department; modifying the Seattle Center Fee Range Schedule authorized by Section 17.16.015 of the Seattle Municipal Code, and repealing Attachment A to Ordinance 125199.

Ordinance 125702

Council Bill 119385

AN ORDINANCE relating to fees charged by the Seattle Animal Shelter; and amending Chapter 9.26 of the Seattle Municipal Code.

Ordinance 125703

Council Bill 119384

AN ORDINANCE relating to regulatory business and professional license fees; adjusting business and professional license fees associated with the regulated activities of public parking lots and garages, used goods, adult entertainment, and marijuana; and amending Seattle Municipal Code Sections 6.48.020, 6.204.080, 6.270.060, and 6.500.080.

Ordinance 125704

Council Bill 119386

AN ORDINANCE related to fees and charges for permits and activities of the Seattle Department of Construction and Inspections, related fees by other departments, and technical corrections; amending Sections 22.900B.010, 22.900B.020, 22.900C.010, 22.900D.010, 22.900D.090, 22.900D.100, 22.900D.110, 22.900D.140,

22.900D.160, 22.900E.020, 22.900E.030, 22.900E.040, 22.900E.050, 22.900E.060, 22.900F.010, 22.900G.010, and 22.900G.015 of the Seattle Municipal Code.

Ordinance 125705

Council Bill 119387

AN ORDINANCE related to the Rental Registration and Inspection Ordinance program, administered by the Seattle Department of Construction and Inspections; adding Seattle Municipal Code (SMC) Sections 22.900H.070 and 22.900H.080; and amending SMC Sections 22.214.040, 22.214.050, 22.900H.020, 22.900H.030, 22.900H.050, and 22.900H.060.

Ordinance 125706

Council Bill 119388

AN ORDINANCE relating to street and sidewalk use; amending the Street Use Permit Fee Schedule authorized by Section 15.04.074 of the Seattle Municipal Code; removing street vacation fees from the Seattle Municipal Code in conformity with the new Street Use Permit Fee Schedule; and amending Section 15.62.030 of the Seattle Municipal Code.

Ordinance 125707

Council Bill 119389

AN ORDINANCE relating to the Building and Construction Codes, Subtitle VI, Fire Code; adding, deleting, and revising various Seattle Fire Department permit, certificate, inspection, and plan review fees and related provisions; and amending Sections 15.35.010, 22.602.010, 22.602.045, 22.602.050, 22.602.070, and 22.602.090 of the Seattle Municipal Code.

Ordinance 125708

Council Bill 119383

AN ORDINANCE relating to the Department of Parks and Recreation; establishing the 2019-2020 fee schedule for the use of park properties and other park and recreation facilities and services; and superseding previous park and recreation fee schedules.

Ordinance 125709

Council Bill 119349

AN ORDINANCE relating to the City Light Department; amending rates, terms, and conditions for the use and sale of electricity supplied by the City Light Department for 2019 and 2020; and amending Sections 21.49.020, 21.49.030, 21.49.052, 21.49.055, 21.49.057, 21.49.058, 21.49.060, 21.49.065, and 21.49.085 of the Seattle Municipal Code.

Ordinance 125710

Council Bill 119350

AN ORDINANCE relating to the City Light Department; amending Section 21.49.086 of the Seattle Municipal Code to create Net Wholesale Revenue targets for 2019 and 2020 consistent with those assumed in the City Light 2019-2024 Strategic Plan approved by the City Council via Resolution 31819.

Ordinance 125711

Council Bill 119394

AN ORDINANCE relating to the electric system of The City of Seattle; adopting a system or plan of additions and betterments to and extensions of the existing municipal light and electric power generation, transmission, and distribution system of the City; authorizing the issuance and sale of municipal light and power revenue bonds for the purposes of providing funds to pay part of the cost of carrying out that system or plan, providing for the reserve fund requirement (if any), and paying the costs of issuance of the bonds; providing parameters for the bond sale terms including conditions, covenants, and other sale terms; describing the lien of the bonds and authorizing their issuance as either senior lien parity bonds or as junior lien bonds; and ratifying and confirming certain prior acts.

Ordinance 125712

Council Bill 119395

AN ORDINANCE relating to the drainage and wastewater system of The City of Seattle; amending Ordinance 125454 to increase the authorized principal amount of drainage and wastewater revenue bonds to be issued for the purposes of paying all or part of the cost of carrying out the system or plan of additions and betterments to and extensions of the existing drainage and wastewater system; making certain other technical amendments to Ordinance 125454 and Exhibit B thereto; and ratifying and confirming certain prior acts.

Ordinance 125713

Council Bill 119396

AN ORDINANCE relating to the municipal water system of The City of Seattle; adopting a system or plan of additions and betterments to and extensions of the existing municipal water system; authorizing the issuance and sale of water system revenue bonds in one or more series for the purposes of paying part of the cost of carrying out that system or plan, providing for the reserve requirement, and paying the costs of issuance of the bonds; providing parameters for the bond sale terms including conditions, covenants, and other sale terms; describing the lien of the bonds; creating certain accounts of the City relating to the bonds; and ratifying and confirming certain prior acts.

Ordinance 125714

Council Bill 119397

AN ORDINANCE relating to the municipal water system of The City of Seattle; authorizing the issuance and sale, from time to time in multiple series, of water system revenue bonds for the purpose of carrying out the current or advance refunding of all or a portion of the City's outstanding water system revenue bonds pursuant to an approved refunding plan, providing for the reserve requirement, and paying the administrative costs of carrying out such refundings and paying costs of issuance of those Refunding Parity Bonds; describing the lien of those Refunding Parity Bonds; providing parameters for the bond sale terms including conditions, covenants, and other sale terms; rescinding the authorization to issue any future Refunding Parity Bonds under Ordinance 121939 (as amended by Ordinance 122837, as amended and restated by Ordinance 124339, and as further amended by Ordinance 125183); authorizing the Director of Finance to enter into agreements providing for the disposition of the Refunding Parity Bond proceeds; and ratifying and confirming certain prior acts.

Ordinance 125715

Council Bill 119393

AN ORDINANCE relating to contracting indebtedness; authorizing and providing for the issuance and sale of limited tax general obligation bonds to pay all or part of the costs of various elements of the City's capital improvement program and for other City purposes approved by ordinance, and to pay the costs of issuance of the bonds; providing parameters for the bond sale terms including conditions, covenants, and other sale terms; creating the 2019 Multipurpose LTGO Bond Fund; amending Ordinance 125197; and ratifying and confirming certain prior acts.

Ordinance 125716

Council Bill 119380

AN ORDINANCE relating to the financing of the Seattle Streetcar operations; amending Ordinance 122424 to extend an interfund loan from the Move Seattle Levy Fund to the Seattle Streetcar Operations Fund.

Ordinance 125717

Council Bill 119379

AN ORDINANCE relating to the financing of Seattle Center's operations; authorizing the loan of funds in the amount of \$5,000,000

from the Unrestricted Cumulative Reserve Fund to the Seattle Center Fund to support the operations of Seattle Center during the temporary closure of KeyArena; and providing for the repayment thereof.

Ordinance 125718

Council Bill 119376

AN ORDINANCE relating to the taxation of sweetened beverages; amending Ordinance 125324 to amend the uses of the proceeds of the Sweetened Beverage Tax.

Ordinance 125719

Council Bill 119406

AN ORDINANCE relating to the School Safety Traffic and Pedestrian Improvement Fund; amending Sections 5.81.010 and 5.82.010 of the Seattle Municipal Code; and transferring money from the School Safety Traffic and Pedestrian Improvement Fund to the General Fund for one-time expenditures.

Ordinance 125720

Council Bill 119405

AN ORDINANCE relating to business license tax certificates and business licenses; amending Sections 5.30.030, 5.55.030, and 6.208.050 of the Seattle Municipal Code.

Ordinance 125721

Council Bill 119378

AN ORDINANCE relating to the Neighborhood Matching Fund Program; establishing new program guidelines and an automatic carry-forward policy.

Ordinance 125722

Council Bill 119375

AN ORDINANCE relating to the Department of Parks and Recreation; authorizing an amendment to the Interlocal Agreement between The City of Seattle and the Seattle Park District.

Ordinance 125723

Council Bill 119401

AN ORDINANCE conditioning the Seattle Department of Transportation's 2019 grant applications.

Ordinance 125724

Council Bill 119392

AN ORDINANCE adopting a budget, including a capital improvement program and position modifications, for The City of Seattle for 2019; and creating positions exempt from civil service; all by a 2/3 vote of the City Council.

Ordinance 125725

Council Bill 119370

AN ORDINANCE relating to the levy of property taxes; fixing the rates and/or amounts of taxes to be levied, and levying the same upon all taxable property, both real and personal, in The City of Seattle, to finance the departments and activities of City government and to provide for the general obligation bond interest and redemption requirements for the year beginning on the first day of January 2019; and ratifying and confirming certain prior acts.

Ordinance 125726

Council Bill 119371

AN ORDINANCE authorizing the levy of regular property taxes by The City of Seattle for collection in 2019, representing an increase above the regular property taxes levied for collection in 2018; and ratifying and confirming certain prior acts.

Ordinance 125727

Council Bill 119407

AN ORDINANCE related to monitoring and inspecting vacant buildings for compliance with the requirements of the Housing and Building Maintenance Code; amending Sections 22.206.200 and 22.208.090 of the Seattle Municipal Code.

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