



MEETING NOTES

Wednesday, November 3, 2021

11:00 am - 1:00 pm

Webex

ATTENDEES: Willard Brown, Cassie Chinn, Gregory Davis, César Garcia Garcia, Quynh Pham, Yordanos Teferi, *EDI Advisory Board Members*; Monisha Harrell, *Facilitator*; Ubax Gardheere, Abesha Shiferaw, Michael Blumson, Rico Quirindongo, Brennon Staley, Katy Haima, Katie Sheehy, *OPCD Staff*

Welcome & call for public comment at 11:06.

No members of the public were present and there were no public comments.

Approval of October minutes

After one of the board members added additional information to the notes, they were approved by a majority of the board.

JumpStart Scenarios

Board members had a lot of questions about the various scenarios and spent a lot of time discussing the tradeoffs between ensuring funding and support to finish the capital projects for current grantees and bringing in new grantees. While the current discussion was limited to two scenarios, it was noted that initially, there was third scenario that kept the current annual funding cycle with significantly increased funding.

The pros and cons of the scenarios were summarized as follows:

	Pros	Cons
1	More role for board to engage and guide Less community energy on RFP	Fewer opportunities for new grantees to enter the pipeline
2	More opportunities for new grantees to apply	Writing proposals twice a year is a lot of work less timely and less funding for current grantees to complete their projects

Asked to provide a "temperature check" about their preferences, board members in attendance expressed support for scenario one. They reiterated the importance of getting the capital projects completed while also recognizing the importance of getting new community based organizations to access EDI funds. Board members agreed that it's a very tough balance to the need to ensure current grantees complete their projects and bring on new grantees. The board requested a summary of how the various scenarios would be likely to impact current grantees and agreed that more input needs to be provided, including from others outside of the EDI board, before a decision could be reached.

Additional questions/comments about the EDI Fund

- **Does the City's legal department provides support for EDI grantees?**

The Law department provides advice to the EDI program about EDI projects, but the City cannot provide directly legal support to grantees. The new funding would include administrative support that would include more support from the legal department, which is similar to how the Office of Housing gets legal advice for affordable housing projects.

- EDI staff clarified that new and existing projects both get capital and capacity-building grants through the RFP process, while funding to acquire sites would be through a separate process for grantees once they have been selected through an RFP process.
- There was also a suggestion to put a limit on the number of EDI projects in the pipeline at any given time and so that a RFP that would bring in new grantee projects would only be released when enough current projects are completed.
- While the board does not need to come to a conclusion immediately, it will be important to reach one soon, particularly in order to get a RFP out early in 2022.

Equitable Development Zoning

Katy Haima, Brennon Staley, OPCD staff, provided an overview of the genesis of the equitable zoning work, potential next steps, and time for feedback from the Board.

- Short-term strategies for EDI projects:
 - Write land use code legislation that removes code barriers
 - Establish support for grantees going through the permitting process
 - City-initiated administrative rezoning pilot
- Longer-term actions
 - Create new land use tools that support equitable development

Questions/ from Board members

How does staff anticipate responding to pushback from community members interested in maintaining the status quo?

Staff hope/anticipate that the short-term changes are small and narrow enough in scope that there will not be too much pushback on updating these old code provisions. Longer-term actions will have a lot of engagement, particularly through updating the Comprehensive Plan and centering voices of people who have been most negatively impacted by Seattle's growth. Through these bigger projects, City staff intend to make our racial equity goals clear and central to our work. Staff hope that early conversations with the EDI AB, as well as other Boards and Commissions, will help build support with elected officials to make these necessary changes.

The policy brief from Puget Sound Sage about [Disaster Gentrification in King County](#) indicated that streamlining the permitting process, providing technical assistance, and involving more young people in the community development process, would all be important ways to advance equitable development. Board members are excited to see that some of this work will be advanced through this project.

Interim OPCD Director Quirindongo noted that establishing more clear career pathways for BIPOC youth is a priority of the City and is one that he is committed to advancing. OPCD negotiated an MOU with UW to talk about how we can work with BIPOC communities that are collaborative and not extractive.

Board members suggested that there are lessons to be learned from grantees that have already faced zoning challenges, including [Wa Na Wari](#) and [Estelita's Library](#). They also reiterated the

importance of compensating community based organizations (CBOs) for their work and expertise. The Board indicated that the [Office of Arts and Culture CAP report](#) (pdf) could also be a resource. OPCD staff noted that there will be a bit of funding to support engagement with CBOs in this capacity. The expressed appreciation for the more detailed examples of projects that would have lessons they could learn from and noted that Matthew Richter, with the Office of Arts and Culture is part of the interdepartmental team.

Board members noted how challenging it is for community groups to understand the zoning and permitting processes because they are extremely complicated. OPCD staff explained that they are working closely with staff in the Department of Construction and Inspections (SDCI) and that SDCI's director is very interested in making changes that will better support equitable development projects.

Interim Director Quirindongo reiterated that OPCD staff has been working closely with SDCI staff to make changes that will better serve BIPOC businesses and equitable development projects. The EDI Advisory Board thanked OPCD staff and looks forward to working with you through these issues.

Co-chairs & committee co-leads, bylaws

EDI staff walked through the fundamentals of the draft ByLaws and encouraged board members to send in edits via email in the hope of being able to approve them at the December meeting.

Compensation!

There will be \$1K stipends for the work Advisory Board members have done this year. While it doesn't fully compensate you for the value you provide, the compensation is based on what funding is still available.

One of the board members asked about what will happen for members whose terms expire next year. Staff indicated that while some terms would expire at the end of February, members who choose to could serve a second term.

Staff reminded the Board that we need people to consider serving as co-chairs and committee chairs. Every board member needs to sign up for at least one committee. Let us know where you will be willing to serve.

The meeting was adjourned at 1:02 PM

JumpStart Fund Scenarios

New funding for EDI via
the JumpStart Payroll Expense Tax Fund

Background:

- Council Bill 120118 created a new JumpStart Payroll Expense Tax Fund in the City Treasury effective January 1, 2022. All proceeds from the City's payroll expense tax would be deposited into the fund and used according to the provisions of the fund, which generally provide for payroll expense tax revenues deposited in the fund to be used as follows:
 - *62% for affordable and low-income housing;*
 - *15% for local business and tourism support;*
 - *9% for Equitable Development Initiative investments;*
 - *9% for Green New Deal; and,*
 - *Up to 5% for administering the tax.*

The spending plan passed by the Council further specifies that if General Fund revenues are projected to fall below \$1.51 billion in a given year (the original 2020 general fund budget before the pandemic hit), tax revenues may be used to top it up to \$1.51 billion.

EDI Funding in 2022 Proposed Budget

Payroll tax (“Jumpstart”) allocation: 9% for Equitable Development Initiative investments after backfilling the General Fund	\$14,300,000
Three new staff positions funded by Jumpstart: 2 project managers and 1 grants & contracts specialist	\$(410,916)
Remaining administrative allocation allowed (currently unallocated, could be spent on additional staff, legal support, accounting support).	\$(304,084)
Short-Term Rental Tax allocation	\$5,000,000
Total 2022 budget for EDI projects without CDBG budget included	\$18,585,000
Community Development Block Grant (CDBG) for eligible projects	\$430,000
Total 2021 budget for EDI projects	\$19,015,000

Scenario 1: Alternating Year, assuming no projects eligible for CDBG: \$18,585,000

2022

- \$8.3M for new projects & capacity building (2yr awards)
- \$10M Land Acquisition Fund for site control by existing projects only (and can roll over to 2023)
- \$285K Projects Emergency Fund (ex: appraisal, closing costs, etc)

Funding Cycle--Release Capacity Building & Capital RFP

- Winter -Capacity Building
- Fall - Capital Funding (capacity building funded projects only apply for this)

Admin Costs--\$304K *(need to prioritize which additional staffing needs are critical)*

- Contract Grant-writer
- FTE for partner department (Ex. LAW or FAS)
- Compliance support

Scenario 1: 2022 alternative, assuming no projects eligible for CDBG: \$18,585,000

2022

- \$8.3M for new projects & capacity building (2yr awards)
- \$10M Land Acquisition Fund for site control by existing projects only
(and can roll over to 2023 if all \$10M is not spent in 2022)
- \$285K Emergency Fund (ex: appraisal, closing costs, etc.)

Funding Cycle—Select funds from existing 2021 applicant pool

- Spring - Capacity-building only awards to select new projects
- Fall - Capital round for existing projects (previous awards and 2022 orgs)

Admin Costs--\$304K *(need to prioritize which additional staffing needs are critical)*

- Contract Grant-writer
- FTE for partner department or accounting support
- Compliance support

Scenario 1: Alternating Year, assuming no projects eligible for CDBG: \$18,585,000

2023 & 2024

- 2023
 - 2023 Annual Fund--\$8.2M remaining available for both capacity and capital projects (again assuming \$10.3M is used)
- *Potential roll-over of funds
- 2024
 - Release Capital RFP Only (\$8.2M + any funds not used to replenish the Land and Emergency funds)

Scenario 2: Two Annual RFPs

- 2022—
 - \$8.3M for new projects & capacity building (2yr awards)
 - \$10M Land Acquisition Fund for site control by existing projects (and will roll over to 2023)
 - \$285K Emergency Fund
- RFP Cycles—Spring & Fall
 - \$4.15M each round
 - Two-year capacity building awards
 - Capital awards remain at \$1M (or increase cap for capital awards?)

Or

- \$15.3 available funds
- Decrease fund for land acquisition to \$3M
- Multi-year capacity building funding
- Single RFP

Questions/Feedback:

- What are your initial reactions to these scenarios?
- Which scenario resonated knowing what is the program/fund needs?
- Is there any items that weren't/should be included?

Thank You!

an approach to equitable development zoning

NOVEMBER 2021

today's agenda

1. Share the **genesis of our work** on equitable development zoning
2. Outline **potential strategies**
3. Share **next steps**
4. Get **early reflection** from Advisory Board

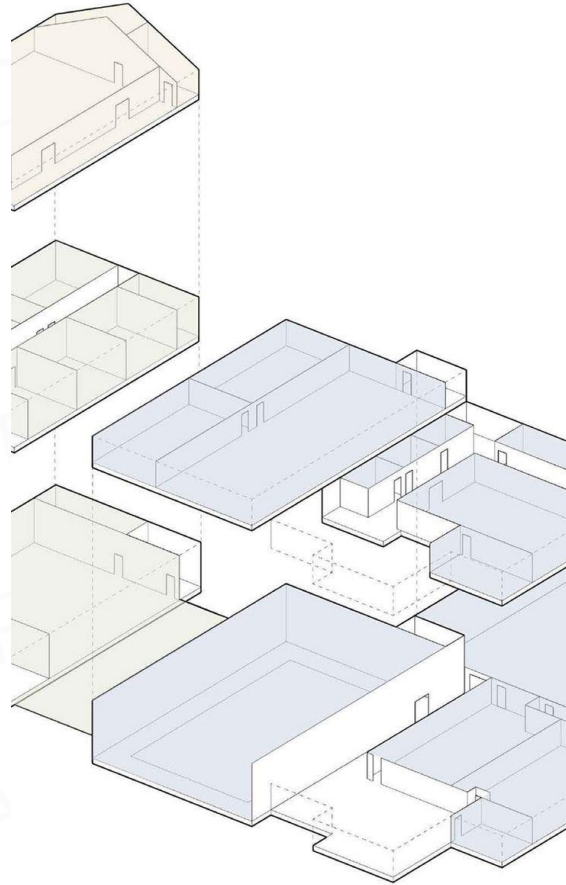
background

- The purpose of land use regulation is to support public welfare
- These regulations have a legacy of racist and exclusionary outcomes
- Explicitly racialized policies have changed to race-neutral frameworks that still have intended and unintended harmful effects for communities of color
- Today, we prioritize equitable development — but the City's land use regulations can work against this goal



Wa Na Wari

Faced a costly and uncertain conditional use process



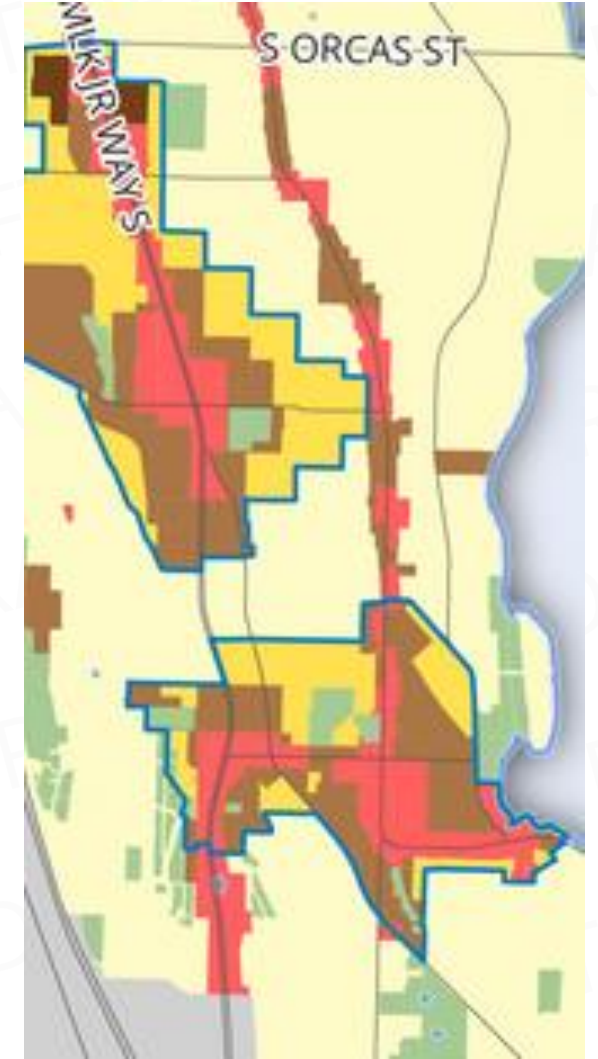
Nehemiah Initiative

Identified zoning changes that boost project feasibility



Hip Hop is Green

\$28k fee barrier to explore a contract rezone



Real Time Human Services

"Don't want to have to become a zoning expert"



the challenge

Zoning has its origin rooted in **protecting white property and wealth**

Our current land use system **can prevent or slow equitable development** by:

- Limiting allowed uses and development
- Adding costs due fees and requirements
- Creating delay and uncertainty
- Requiring specialized expertise that distracts from organization mission

the opportunity



- Harness the City's development regulations and processes to support **community initiatives**, facilitate **equitable development**, and **redress past harms**
- **Follow community's lead** in identifying challenges + opportunities
- **Co-create** strategies with community
- Revisit the **legal basis for zoning**: do no harm, advance public welfare

why encourage equitable development outcomes?



Close racial gaps

in economic, health, and homeownership outcomes



Redress past harms

from exclusionary zoning and discriminatory development policy



Increase access

to power, land, and resources for BIPOC communities



Prevent displacement

of residents, businesses, community and cultural anchors

what do we mean by equitable development?

“Public and private investments, programs, and policies that meet the needs of marginalized populations, reduce disparities, and expand access to quality-of-life outcomes.”

Where possible, potential strategies should be targeted:

- Projects that have received EDI funding, and/or projects that meet EDI criteria
- Development of community-oriented and community-benefitting uses (to be further defined through this initiative)
- Arts and cultural space
- Property in community ownership
- Projects identified through a community-based process

themes from early engagement

- Conversations with EDI stakeholders in late 2020 / early 2021
- Interviews with 15 applicants to the 2021 EDI RFP

Key themes:

- There are multiple city regulations that are creating challenges for EDI projects
- Sites available and affordable to EDI organizations may not accommodate their proposed uses
- Existing zoning often doesn't facilitate or encourage EDI outcomes
- Permitting process is complex, costly, and uncertain, especially if a conditional use permit or a contract rezone is involved
- Real estate market and complex permitting favors larger and frequent actors over small BIPOC-led organizations

A close-up photograph of several large, vibrant flowers in shades of orange and yellow. The petals are layered and show some texture. The background is a soft, out-of-focus light color. The image is positioned on the left side of the slide.

possibilities

short-term strategies

- legislation to remove code barriers
- permitting support
- administrative rezoning pilot

longer-term actions

- land use tools to support equitable development

short-term (0-2 years)

LEGISLATION TO REMOVE CODE BARRIERS

problem: EDI projects face Land Use Code barriers that thwart their goals or require confusing and uncertain permitting steps

recommendation: develop and transmit legislation that removes barriers identified by EDI applicants; barriers include conditional uses process, dispersion requirements, setbacks, small commercial uses, parking, and definitions (2022)

ADMINISTRATIVE REZONING

problem: projects needing or benefitting from a contract rezone face a long, costly, and uncertain process

recommendation: create and pilot an administrative rezoning process with EDI Advisory Board guidance and review

PERMITTING SUPPORT

problem: navigating the permitting process is complex, confusing, and costly

recommendation

- identify dedicated staff to help EDI projects before and during permitting
- expedite permits for equitable development projects
- explore creative ways to ease cost burden of review for ED projects



longer-term (2-5 years)

EXPLORE LAND USE TOOLS TO SUPPORT EQUITABLE DEV.

problem: equitable development is challenging due to the high cost of land, high cost of construction, limited availability of sites, complexity of the development process, and market factors favoring large investors

potential solutions

explore strategies that combine land use tools with other supports and resources to address these challenges, such as:

- incentives or alternative standards for equitable development projects
- strategic land acquisition
- technical support around real estate and development
- incentives, supports, or regulatory exemptions that are explicitly for BIPOC property owners

weave equitable land use into the Comprehensive Plan update:

- create a growth strategy that prioritizes equitable development
- set a policy basis for targeted support for equitable development and BIPOC property owners



Next Steps

- Brief incoming Mayoral Administration
- Explore legislation to remove code barriers for 2022
- Develop approach for co-developing other strategies