



Wednesday November 1, 2023

11:00 AM -1:00PM

Virtual Option: [Webex](#)

Attendees:

Board Members: Sophia Benalfew, Dr. Mark Jones, Lindsay Goes Behind, Jennell Lee Hicks, Quanlin Hu, Jamie Madden, Kaleb Germinaro, Willard Brown, John Rodriguez, Abdi Yusuf, Evelyn Allen

Absent: Diana Parades, Denise Perez

Public: Yordanos Teferi

Public Comment

None

Welcome & Relationship Building

Bana Abera, EDI AB Facilitator

Relationship building and Confirm Attendance.

EDI Division Director Candidates Meet & Greet

Bana Abera, EDI Facilitator

Approval of October Meeting Minutes

Bana Abera, EDI AB Facilitator

Willard Brown moves to approve. Seconded by Lindsay Goes Behind.

Call for additional comments/edits

- All in favor as is – all
- No – Nay or abstain – 0
- Abstain – 2

Minutes approved.

Comprehensive Plan Updates & Discussion

Facilitator: There was a draft that went around and edits that were made. Can we move to approve it?



Board member: a draft was sent and circulated. Final document is ready to go. But the question coming to the board is there any last additions? We are addressing the letter to Michael Hubner, CC-ing Rico. Any changes to the letter?

Facilitator: specific to who is the letter from? Do you all want it to go out from the Chair and Vice Chair, or from the full board?

Board member: I don't think it's that significant. But the intent and letter is from the full board. Any opinions are welcome on this.

Rico: It's understood that it's coming from the full board.

Board member: I agree. On the signature line it could just say "EDI Advisory Board".

Facilitator: Can we move to approve?

Mr. Brown: I approve the letter as revised and move to send it to Michael Hubner, CC-ing Rico.

Evelyn Allen: I second that motion.

Committee Structure Discussion

Facilitator: This conversation has been ongoing regarding pausing or shifting the direction of the committee's work in alignment with staff capacity and EDI 2.0/future direction.

Staff: Over the last year, the committees have been working to establish these workplans and priorities for 2024. Some of that work is possible with the current staff capacity. Other work items are beyond staffing FTE capacity and underlining program strategy and core questions need to be address in order to link work items to a larger strategy and clear outcomes. In discussions with staff, some of the critical questions and work items may need to be address through a strategic planning process before committees continue their work. In addition to assess and move resources in alignment with workload and staffing capacity. With that, staff wanted to bring these questions and concerns. Whether the Board and the committees are interested in continuing as things are or each committee engage in early preparation to ask the pre-questions needed to be gathered and considered to engage in a strategic planning process and for the board to provide direction and guidance.

Board member: the reason we're here is because the committees were organized and moving forward. Staff brought up the timing and workload and impact on the committees. It was discussed at the Board meeting and the decision to move forward with the committees. The idea that the committees should be linked to a central work is not necessary. My suggestion is to have a meeting with all the staff that support the committees and identify the work for 2024. Secondly, the opportunity to support the community and having everyone there. The efforts of the policy



committee is, we were hear key questions that the committee was discussing and needed a decision made on and it sometimes was siloed and we weren't always participating as a full board and the issues being worked out there.

Staff: a lot of the policy questions re: the grantee community and EDI—public benefits, etc—we've been working on, but having always updating the board, but there are things that have come up re: funding amounts, what does partnership mean, types of orgs and at what capacity, etc. Bigger picture questions that we're asking and felt like making policy decisions without addressing these questions felt challenging as we've expanded significantly.

Board member: For the policy committee, was there any direction when these questions re: capacity building, decisions, types of org, came up, what would those questions go back to in regards to the policy committee.

Staff: We were at the point in the program where these important and big questions were coming up for the program and these questions extend beyond the policy committee.

Board member: it seems like these kinds of questions would come to the full board from the policy committee, is that not the case?

Staff: For some questions, yes. We've discussed them and brought them to the full board like the public benefit and roll forward funds. But the bigger questions re: strategic direction needs to include our communities of practice and grantees, etc. Maybe it's a misalignment in expectations.

Board member: the quality of funding has been determined by the need. The prioritization of review of app and preference for funding. We need to provide explanation and disclosure. The funding part is separate from the other policy parts. We can do it two prong attack==discuss it and send it to the policy committee to work out and bring it back to the full board. And for capacity building—look at capacity building funding moves projects forward. The overarching goal for the all the funding is “does it move the overall project forward?”. We have an opportunity to discuss policy decision because we have an RFP process coming up and we need to address that.

Board member: Generally, boards aren't generative. We achieve goals. It seems like a lack of understanding. Is the board leading the staff, or staff leading the board. Not sure what question we're trying to answer. But it seems like a strategic planning process is needed, but not sure that that should be addressed by the board and it may not be the best use of the board's time.

Board member: I feel strongly that the board shouldn't negate our responsibility to the community because of the process. The board should have the final decision on any process or issue—RFP, process, etc. Including the support of the policy committee and how we make decisions. The board should support the committees on the final decision and have the final say.



Chairs of the board should be looking at how things are functioning. As the board, we should be aware and cognizant of our responsibilities to the community and not give that up.

Board member: the process is why EDI works. Part of our generative is how we can be efficient. And organizing and advising can be a mess sometimes.

Board member: I would prefer to answer the big questions first before moving the details forward.

Board member: the credibility of EDI in the community is positive and continues to be positive. Not all projects get funded is not the deaf note. The tremendous impact of EDI projects in their neighborhoods despite the economy has been impactful. One of the things we need to have re: the EDI community is having the dialogue. What does staff think are the biggest areas of risk and problem we need to address and that would help us focus better.

Staff: The biggest question is that we've grown from a \$5M to \$25M program, so how can we be more strategic with our funds. We have a lot of lessons learned from the last 6yrs and how the fund should work. We're 6-7yrs since EDI's inception, and we should do a gut check on our priorities? Are our six equity drivers still valid and effective or have things changed. We're in a diff place as a City and region and the needs and landscape is different from the time in 2013 when community organized to advocate and form EDI.

Board member: We've had the conversation at the EC, I mentioned that we need to have a review of the equity drivers and are they making EDI more accessible and clarify what the priorities are for EDI. Yes, we need to review the equity drivers this year and revised them in alignment with the application cycle.

Board member: the thing that has come up in my time on the board has been projects that need to get into development, stood up, and sustainable. It does feel like we tried to address it, but it was shutdown. I wonder if there is room to revisit this and figure out the strategy around this. It's a real issue that comes up every RFP cycle. And after participating on the 2022 cycle, the equity driver sheet didn't tell me much in terms of further consideration for funding. And is there a way to look at them deeper and better way to assess and staff's assessment of their effectiveness. I learned about the applicants and application through the meetings, but that was 20-30 hrs of review and meetings. I was wondering if that initial review of applications more rooted in the equity drivers to move projects along.

Staff: The equity drivers come of the EDI Implementation Plan as passed by Council resolution. In practical terms, almost any project qualifies under the equity drivers, and it leads us to all sorts of questions and makes it hard for use by review committees as an evaluation criteria. If the equity drivers are everything, then what are we trying to target and what are we trying to say yes to and no to. The question over the years has been, can we tweak the RFP to address this issue and find consistency in the review panel process and feedback. The tension is how much can the



RFP tweaks can do if there isn't a bigger question that is addressed and identify what the program is trying to accomplish. What we've been hearing from applicants is that the tweaks aren't working and there's frustration about what the EDI program's goals are and what they can do to create stronger applications. One of the things that staff is trying to reflect back is that there are limits to what the program can do and adjustments we can make without the strategy conversation being had.

Board member: this is where the tension comes in and it's a major concern for me. This type of effort being within government agency makes it challenging. Putting this kind of work within government systems that wants it to confirm into the structure and it's systems, by the nature of being a community effort, makes it ambiguous. The nature of the work makes it stretch because it's not supposed to fit within a governmental structure by its very nature—because the needs are different based on the makeup of the communities served. We need to look and create the RFP based on the needs of different communities and not by some governmental standards. Staff needs to challenge itself to think beyond and not fit it just within the governmental structure and standard and we should be cautious to not go in that kind of system.

Facilitator: Mr. Brown mentioned earlier to bring in community voices and inform this conversation. But to get back to the original question: should we embark on this work now or later at the top of the year and start that work with community.

Board member: yes, we need to make a decision. And I recommend a process with what staff are suggesting. Maybe we can start a ad hoc committee or something. But in terms of when we should start, we're already starting it and are in motion, and we should continue to have these conversations in connection with the new Director. She should join the committee meetings. Let's have a vote to figure out how we should move.

Facilitator: any additional comments/thoughts? Want to make sure we have a consensus to move forward.

Facilitator: We also need to approve the October meetings. (see above for approval)

Rollover Balances on Acquisition Funds

Staff: You all were sent a memo providing context and background on our proposal for roll forward funds on acquisition funds. We acknowledge we're not always exact on the award amount to give project flexibility and to adjust for market trends. Also, to provide flexibility for cost associated with permits and ADA needs, etc. There are two projects that have are coming up that were awarded funds more than their purchase price. One, with \$1.5M roll forward funds because the purchase price for their site came lower than the award amount, but they want to use the funds to make another purchase. Another one....



The policy committee had the conversation re: the need for flexibility for purchase prices and post acquisition needs or recapture the funds for other projects.

Board member: How did we come up with the \$500k? And from what you have seen, from the two categories you have shared, why these two projects use the excess funds?

Staff: The numbers are not scientific. The implication for our funding process is that applicants will always apply for beyond their immediate needs and getting past the stuck-ness. Secondly, there was consensus from the committee that we do have multiphase applications—capacity building, capital, acquisition. And if people are coming in for acquisition, we want them to stay true to acquisition costs.

Board member: the reports we have received from the eval committee—having multiple reports for one grantee depending on the type of funding isn't helpful, so having this policy would help capture everything in one place. With reporting, we're working on this and this would help us streamline and the rollover aspect is amazing.

Staff: Just to reiterate, you're okay with the \$500k amount and need for specific funding types.

Board member: Yes

Board member: to clarify, for acquisition, the over will go back to the pot and will go to capacity building or capital?

Staff: They will be able to rollover funds up to \$500K and can use it for predevelopment or any additional needs. Any funds above the \$500K will come back to EDI for redistribution.

Board member: I agree with that.

Board member: I am in agreement with the plan for rollover funds as well.

Staff: Any additional comments in support or not support of this recommendation?

Board member: What is the balance on the rollover account?

Staff: we don't have this set yet. It was a recommendation to explore this from the policy committee. And the two current projects needed urgent answers and those funds were \$4M total.

Board member: would this be in support of environmental costs as well?

Staff: is this in regards to remediation or predevelopment?



Board member: does that need to be separate or can environmental be included in this?

Staff: It should be part of the predevelopment costs and makes sense to include it. But not cleanup because that's part of the development costs.

Staff: is there a motion to approve the carryover retain \$500K over their cost if it allows them to do so?

Board member: Approved.

Board member: I second.

Board: approved.

Payroll Expense Tax Oversight Committee

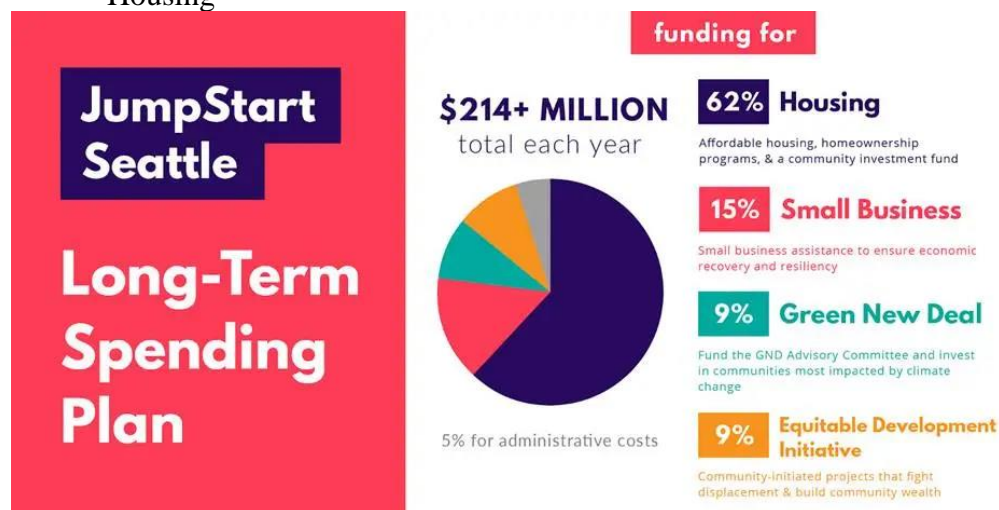
Payroll Expense Tax Overview

Payroll Expense Tax (PET, also known as “Jumpstart”) applies to businesses with payroll expenses exceeding \$8 million per year. The tax was designed to raise progressive revenue to fund economic recovery from the COVID-19 pandemic.

The tax has initially invested approximately \$200m into City programming focusing on four main priorities:

Economic Revitalization

- Green New Deal
- Equitable Development Initiative (EDI)
- Housing





DON/IP's roles

- **Department of Neighborhoods**
 - Stand up and staff the Oversight Committee
 - Administer the committee's responsibilities
 - Help establish rules of procedure, expectations, and by-laws
 - Ground the committee in RSJ and anti-racist principles
 - Coordinate with other committees such as the Green New Deal Oversight Board as outlined in the legislation
- **Innovation & Performance**
 - Co-design and execute a Citywide measurement and evaluation plan
 - Collaborate with external consultant to evaluate PET's impacts on jobs
 - Institute evaluation standards across programs and tell a cohesive story of citywide investments
 - Create opportunities to incorporate the voice of recipients of program funding, business owners, department administrators, and other stakeholders.

Payroll Expense Tax Oversight Committee Role, Makeup, & Appointments

Purpose: Provide oversight on the services and programs supported by the payroll tax and the impacts of this tax on the number of jobs and businesses in the City, and other data that directly relates to measuring the impact of this tax on the City's economy.

- The Oversight Committee shall provide an annual report that provides this information to the Mayor and the City Council.
- The Oversight Committee shall consult with other oversight bodies that monitor programs and services similar to those supported by the payroll tax.

According to [Ordinance 126109](#), the Payroll Expense Tax Oversight Committee shall consist of nine voting members:

- Positions 1 and 2 shall be City employees.
- Positions 3 and 4 shall represent labor.
- Positions 5 and 6 shall represent business.
- Positions 7 and 8 shall represent community organizations.
- Position 9 shall represent communities that will benefit from the proposed spending.
- Positions 1, 3, and 5 shall be appointed by the Mayor and Positions 2, 4, 6, 8, and 9 shall be appointed by the City Council.
- Up to two members can be affiliated with an entity that receives or competes for funding under this ordinance.
- The initial Mayoral appointees will serve for two years; and the initial City Council appointees will serve for three years. Following these initial terms, all future members will serve 3-year terms.



City Council Appointments

- Shaunie Wheeler, MLK Labor (Labor Position)
- Patience Malaba, Housing Development Consortium (Community Benefitting Position)
- Gabriel Neuman, GSBA (Business Community Rep)
- Katie Wilson, Transit Riders Union (Community Org Position)
- Aly Pennucci (City Employee Position)
- Demographics:
 - 4 females, 1 male (1 transgender person)
 - 3 White, 1 black, 1 mixed (black and Latino)

Key Deliverables—Oversight Committee

- Jumpstart Oversight Staff Liaison Hired
- Jumpstart Oversight Committee Outreach and Selection
- Oversight Committee onboarding, retreat, and 2024 workplan
- 2024 Annual Report

Key Deliverables—Evaluation

- 100% of selected programs across all four priorities complete intake form (approx. 30 departments)
- Initial report highlighting the overview of the PET Evaluation Plan, including the rollout plan and the framework being used to select programs and priorities.
- Cyclical reporting with 3-4 mini reports throughout the year.
- Website or blog to communicate evaluation updates.
- Ad hoc reports depending on programs being evaluated.

Evaluation Methods

<ul style="list-style-type: none"> • Quantitative Considerations <ul style="list-style-type: none"> ○ Input (what, where) ○ Output (what changed) ○ Quality (how) ○ Location (coordinates) ○ Anything else? 	<ul style="list-style-type: none"> • Qualitative Considerations <ul style="list-style-type: none"> ○ Interviews ○ Surveys ○ Focus Groups ○ Photos/visuals/stories ○ Anything else?
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Examples of Research Questions

- How do these selected programs have impact on the specified PET priority?
- What roles do our programs play in contributing to positive changes within our community?
- When the City prioritizes POC, Homeless Youth, LGBTQIA+, etc., how does that uplift our City’s goals?



- Are programs meeting the needs of vulnerable Seattleites, and if not, what changes might be needed?
- How has the additional PET investment impacted the current or new programming?

Proposed Timeline

Timeframe	
October 2023	City Council appointed 5 members
	Waiting on Mayor's Office appointees
January 2024	Oversight Committee seated and start meeting
Summer 2024	First City Evaluation Report released with a focus on Economic Revitalization
December 2024	Oversight Committee releases first Annual Report

Announcements & Adjourn