



Dear Council President Gonzalez and Councilmember Morales:

In 2020, you appropriated \$3 million dollars directly to City Council to "fund a community-led process to create a roadmap to life without policing." The Council then passed a final budget for 2021 that redesigned the Executive's proposed \$100 million investment in BIPOC communities to designate and additional \$30 million of the funds to a participatory budgeting process.

The Council entered into a \$3 million in a direct contract with the Freedom Project, which was entitled "The King County Equity Now (KCEN) Community Research Project." This contract funded the Freedom Project, KCEN, and the Black Brilliance Research Project, which delivered a report to Council and presented the report at Council on February 26, 2021. The funding was to be formally appropriated by follow-up action by the City Council after the research project was complete.

The project, powered by young black community leaders, intentionally included the experience, and input from a range of community organizations and individuals often not centered in government deliberations. This has great benefit in our mutual work to redesign community safety alternatives that respond to community needs and experience.

Because the work was conducted independently, however, it proceeded without the usual input from the City Attorney's Office and City departments regarding legal and implementation factors that impact the design, timing, and implementation of the program. These include issues relating to timeline, staffing, budget, voting, and legal impacts of contracting, hiring, I-200 and the gift of public funds.

The Mayor's Office and Executive Departments have met with some of the project leaders and Councilmember Morales to discuss the findings and recommendations; they also have reviewed the Black Brilliance Research Project's final report. Those conversations have yielded two potential options for Council to consider in its legislation authorizing the \$30 million for a Participatory Budgeting process. Each has pros and cons. Both will need further input from the City Attorney's Office to resolve legal and implementation issues as Council considers its ordinance.

We are mindful that Council decided that it wanted to control and approve the framework for this process and believe Council can detail into an ordinance the process, budget, and timeline with this feedback.

The following table outlines the two possible options including potential roles and timelines. Option One tracks the BBP recommendations, but avoids significant issues raised by hiring steering committee members as city employees. Option Two attempts to capture key input and elements, while ensuring more funding for the projects themselves. Under both options, all phases, including steering committee selection, voting and project/contract approval will have to follow state and city laws. As noted below, the process envisioned by the report results in approximately \$4.8 million less actually going into projects, and more into conducting the process. We appreciate Council may have additional alternatives envisioned for their ordinance too.

Chart 1: Two Options for administration of Participatory Budget Process

Option 1: Third Party Administration (as proposed by the BBP)	Option 2: City Administration via DON & multi-department IDT
<ul style="list-style-type: none"> • Third-Party Administrator (TPA) hires and manages a 26-person Steering Committee for one year with each committee member earning a recommended \$112,000 inclusive of benefits. • Administrator manages funds to reduce barriers to participation, including digital equity initiatives (\$2.6 million) and youth fellowships (\$450,000) • City provides administrative, data and logistical support as requested. (up to \$375,000) 	<ul style="list-style-type: none"> • DON administers a community-driven process as outlined by Black Brilliance Research the Participatory Budgeting Project, to advertise and identify a paid 15-person independent contractor Steering Committee (this budget assumes each member earning \$75/hr. based on input)

Timeline (5-8 months to launch; 6-10 months for process): <ul style="list-style-type: none"> • Step One - DON drafts and releases an RFP for the TPA and a vendor is selected. (3-6 months) • Step Two – DON negotiates, develops, and signs contract with selected TPA. (1 month) • Step Three – TPA hires 26-person steering committee according to process laid out in their contract. (1-2 months) • Step Four – TPA leads engagement, proposal development, voting, implementation, evaluation (6-10 months) 		Timeline (3-4 months to launch; 6-10 months for process): <ul style="list-style-type: none"> • Step One – Based on Council and community input, DON advertises, develops scoring criteria and selection process to select the 15-members committee. (1-2 months) • Step Two – DON identifies and secures contracts with 15 independent contractors to serve on the steering committee. (1-2 months) • Step Three – DON onboards steering committee. (1 month) • Step Four – DON leads engagement, proposal development, voting, implementation, evaluation (6-10 months) 	
Total Budget:	\$7,475,000	Total Budget:	\$2,630,000
Remaining for Project Proposals:	\$20,825,000	Remaining for Project Proposals:	\$25,170,000

Third party administration: items to address as part of the ordinance:

- RSJI considerations, citywide representation, and legal issues regarding selection criteria for Steering Committee members. Some of the criteria suggested by the report may not be legal or inclusive enough.
- Internal pay equity to ensure that the 26 new “hires” for the Steering Committee salaries are fair and equitable in comparison to other staff that may be doing or supporting the work.
- Internal capacity of an organization to hire and onboard 26 new, qualified staff within a short amount of time, develop rules and procedures, and conduct training and sufficient oversight. It typically takes a CBO 1-3 months to hire one person.
- Identifying required resources such as such as space, equipment, transportation, etc.
- Required resources and time to design and implement a citywide participatory budgeting process, that complies with state and city laws.

- Depending on design, projects that are selected by “vote” may still need to go through city contracting process, including RFP or other competitive bid process.
- Legal risks around eligibility of voting and gift of public funds.

City administration: issues that need to be addressed as part of the ordinance:

- Legal Guidance on the proposed Steering Committee qualifications criteria and consistency with city consultant procurement processes which because of I-200 must be race neutral. Some of the criteria suggested by the report may not be legal or inclusive enough. At least one is discordant with established relationships with sovereign Tribal governments.
- Ensure that the steering committee members have the required documentation to operate as independent contractors (business license, WA state ID, SS card, insurance, ability to set aside funds for required taxes, etc.)
- Realistic implementation timeline.
- Potential legal risk related to employment status and scope of work if the independent contractors are performing work and acting in a capacity that is essentially a City employer and employee relationship.
- The RSJI and other unintended legal and budget consequences of not equitably compensating other volunteer city boards and commission members at a similar rate.
- Legal risks around eligibility of voting and gift of public funds.
- Process for evaluation of projects ahead of voting. This is particularly important given the need to be guided by community voice.

As the City Council determines the next steps on the Participatory Budgeting process, we stand ready to discuss any issues that must be addressed as part of City Council’s ordinance. Mayor Durkan, the city Departments, and I are very supportive of participatory budget and want to see the ordinance passed as soon as possible. However, I know we all are equally committed to ensuring they are implemented in a thoughtful and legal manner that maximizes our ability to change outcomes and disparities while being transparent using \$30 million of public resources.

Sincerely,



Tiffany Washington

CC: Councilmember Herbold
Councilmember Sawant
Councilmember Pedersen
Councilmember Juarez
Councilmember Strauss
Councilmember Lewis
Councilmember Mosqueda
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