



STATE OF WASHINGTON  
PUBLIC DISCLOSURE COMMISSION

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May 26, 2017

Sent electronically to Elizabeth Campbell at "neighborhoodwarrior@gmail.com"

Subject: Complaint filed against Reduce Homelessness Now and City of Seattle  
Officials: PDC Case 16015

Ms. Campbell:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on March 28, 2017. Your complaint was addressed to the PDC, and also the Seattle Ethics and Elections Commission (SEEC), alleging that: (1) Ed Murray, Mayor of Seattle, three Seattle City Councilmembers, Sally Bagshaw, Mike O'Brien, and Debra Juarez and two City of Seattle employees, violated RCW 42.17.555 by using the facilities of the City of Seattle to support a future ballot proposition concerning the cities homelessness issue; and (2) Reduce Homelessness Now, a local City of Seattle ballot proposition committee, violated RCW 42.17A.205, .235 and .240 by failing to timely register and file reports of contribution and expenditure activities in support of a local ballot measure.

PDC staff reviewed your allegations in light of PDC laws and rules in order to determine whether a formal investigation or enforcement action is warranted. As noted in an email sent to you on March 29, 2017, from Evelyn Fielding Lopez, former PDC Executive Director, PDC staff contacted Wayne Barnett, Executive Director of the SEEC, and agreed that the SEEC would take the lead on reviewing your complaint.

Staff reviewed: (1) your complaint; (2) the Committee Registration (C-1pc report), Monetary Contributions reports (C-3 reports), and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), filed by Reduce Homelessness Now PAC (RHN PAC); (3) an emailed response from Jay Petterson, Treasurer for RHN; and (4) a copy of a May 17, 2017, dismissal letter addressed to you from Mr. Barnett with the SEEC concerning this complaint. Based on staff's review, we found the following:

**Allegation: Use of City of Seattle facilities to support a ballot proposition.**

The complaint alleged that Mayor Murray, the three Seattle City Councilmembers listed above, and two city employees, used the facilities of the City of Seattle to support the planning and development for a future ballot proposition the concerning cities homelessness issue, which became Initiative 126.

On May 17, 2017, Mr. Barnett sent a letter to the PDC on behalf of the SEEC stating that City of Seattle elected officials and staff's involvement in the development of most city sponsored ballot measures was part of the normal and regular conduct for those city officials listed in your complaint. The letter noted that the preparation to place a measure on the City of Seattle ballot requires "countless hours of City time and attendant City resources" conducting outreach and stakeholder work, and that the city officials and employees time spent participating in that "development" process, does not support a ballot measure based on SEEC Advisory Opinion 94-IE.

Mr. Barnett stated that based on the Advisory Opinion, an issue which is of interest to city residents and stakeholders does not become an official ballot proposition until some paperwork is filed to perfect the certification process. The Advisory Opinion stated that an issue would become a ballot measure when the first step was taken for certification, which included the collection of signatures for citizen initiated initiative, referendum or Charter amendment, or the passage of a City Council resolution for a levy election or a City Council initiated Charter amendment.

Mr. Barnett referenced SMC 2.04.300 and RCW 42.17A.555 which only prohibits the use of facilities to promote or oppose a ballot issue, not prior to an issue of interest that has not yet become a ballot issue. He stated that since no ballot title had been submitted and no signature gathering efforts had begun to certify a City of Seattle initiative, the matter was an issue of interest and not a ballot measure. The letter concluded by stating that based on SEEC Advisory Opinion 94-IE, I-126 was not a ballot measure until March 8, 2017.

**Allegation: Failure to timely file C-1pc, C-3 and C-4 reports disclosing contribution and expenditure activities.**

The complaint alleged that RHN PAC failed to timely register and file C-3 and C-4 reports with the PDC disclosing contribution and expenditure activities.

- On March 6, 2017, RHN PAC filed a C-1pc report declaring the committee was a "Ballot Committee" in support for a Seattle ballot measure to "Reduce Seattle Homelessness." RHN PAC, selecting the Full Reporting option and listing Jay Petterson as Treasurer, Stephanie Ervin as the Campaign Manager, and Nick Hanauer and Daniel Malone as Co-Chairs.
- On March 22, 2017, RHN PAC filed an amended C-1pc report disclosing that the committee will be supporting Ballot number 126 on the November 7, 2017, general election ballot.
- On April 10, 2017, the RHN PAC timely filed a total of three C-3 reports totaling \$122,500 which included a \$100,000 initial monetary contribution that was received from Nick Hanauer on March 9, 2017, and deposited into the campaign bank account the same day.
- On April 10, 2017, the RHN PAC timely filed a C-4 report disclosing the receipt of \$122,500 in monetary contributions, and \$15,000 in-kind contribution received during March of 2017, and \$130,187 in expenditures made.

Elizabeth Campbell

PDC Case 16015

Complaint filed against Reduce Homelessness Now PAC and City of Seattle Officials

Page -3-

- The C-4 report also disclosed liabilities incurred on behalf of RHN PAC totaling \$190,000 for signature gathering, polling, consulting, printing petitions, and legal services.

The SEEC determined that since I-126 was not a ballot measure until March 8, 2017, the preliminary development and other work conducted by City of Seattle officials and employees did not support a ballot measure. Thus, there was no violation of RCW 42.17A.555. Staff's review of the campaign finance reports filed by Reduce Homelessness Now PAC verified that the reports were timely filed.

Based on those facts, PDC staff has concluded that a more formal investigation into your complaint or pursuing enforcement action in this instance is not warranted. Therefore, PDC is returning your complaint filed against Reduce Homelessness Now PAC, Mayor Ed Murray, Seattle City Councilmembers, Sally Bagshaw, Mike O'Brien, and Debra Juarez and two City of Seattle employees, without taking any action.

If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at [kurt.young@pdc.wa.gov](mailto:kurt.young@pdc.wa.gov).

Sincerely,



Kurt Young  
PDC Compliance Officer

Endorsed by:



Barbara Sandahl  
Interim Executive Director

cc: Jay Petterson

Wayne Barnett, Executive Director of the SEEC



**Public Disclosure Commission**  
Shining Light on Washington Politics Since 1972

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