CITY OF AUBURN WASHINGTON	**City Council Study Session Finance, Technology and Economic Development Special Focus Area** **February 8, 2021 - 5:30 PM** **Virtual** **AGENDA** **Watch the meeting LIVE!** **Watch the meeting video** Meeting videos are not available until 72 hours after the meeting has concluded.

I. CALL TO ORDER

II. VIRTUAL PARTICIPATION LINK

A. Virtual Participation Link

The Auburn City Council Meeting scheduled for Monday, February 1, 2021 at 7:00 p.m. will be held virtually and telephonically. To attend the meeting virtually please click the link or enter the meeting ID into the Zoom app or call into the meeting at the phone number listed below.

Per Governor Inslee's Emergency Proclamation 20-05 and 20-28 et. seq. and Stay Safe-Stay Healthy, the City of Auburn is prohibited from holding in-person meetings at this time.

City of Auburn Resolution No. 5581, designates City of Auburn meeting locations for all Regular, Special and Study Session Meetings of the City Council and of the Committees, Boards and Commissions of the City as Virtual Locations until Washington's Governor authorizes local governments to conduct in-person meetings.

The link to the Virtual Meeting or phone number to listen to the Council Meeting is:

Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to join. https://zoom.us/j/91905067474

Or join by phone:

253 215 8782
877 853 5257 (Toll Free)

Webinar ID: 919 0506 7474

B. Roll Call

III. AGENDA ITEMS FOR COUNCIL DISCUSSION

A. Resolution No. 5577 (Gaub)(10 Minutes)

A Resolution adopting a 2021-2024 Strategic Business Plan for the Auburn Municipal Airport

B. Inclusive Auburn Final Report (Martinson)(30 Minutes)

Racing to Equity Consulting Group has finalized their agency report and will be presenting to the City Council.

IV. FINANCE, TECHNOLOGY AND ECONOMIC DEVELOPMENT DISCUSSION ITEMS

A. Ordinance No. 6812 (Thomas)(10 Minutes)

An Ordinance establishing the Local Sales and Use Tax Rate for Local Revitalization Financing for 2021

B. Ordinance No. 6814 (Thomas)(60 Minutes)

Draft B&O Tax Code

V. OTHER DISCUSSION ITEMS

VI. NEW BUSINESS

VII. ADJOURNMENT

Agendas and minutes are available to the public at the City Clerk's Office, on the City website (http://www.auburnwa.gov), and via e-mail. Complete agenda packets are available for review at the City Clerk's Office.

AGENDA BILL APPROVAL FORM

Agenda Subject:
Resolution No. 5577 (Gaub)(10 Minutes)

Date:
January 28, 2021

Department:
Public Works

Attachments:
Resolution No. 5577
Exhibit A
2021 Board Work Plan

Budget Impact:
Current Budget: $0
Proposed Revision: $0
Revised Budget: $0

Administrative Recommendation:

For discussion only.

Background Summary:

The Airport Advisory Board (AAB) completed a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis for the Auburn Municipal Airport in Spring 2020. From this analysis, the Board identified the Airport's internal strengths and weaknesses, and external opportunities and threats, and developed an Airport Strategic Business Plan for 2021-2024. The Board unanimously voted to recommend that the City Council adopt the strategic plan by resolution at their December 16, 2020 meeting.

Annually, Airport Staff and the AAB produce a work plan for the upcoming year. The 2021 Plan focuses primarily on completing multiple Key Result Area's (KRA's) from the 2021-2024 Airport Strategic Plan and updating multiple regulations related to the airport. The AAB approved the 2021 Work Plan at their December 2020 meeting.

Airport Advisory Board Chair Deanna Clark and Airport Manager Tim Mensonides will be in attendance to discuss and answer any questions regarding either plan.

Reviewed by Council Committees:

Councilmember:

Staff: Gaub

Meeting Date: February 8, 2021

Item Number:

RESOLUTION NO. 5577

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON ADOPTING A 2021-2024 STRATEGIC BUSINESS PLAN FOR THE AUBURN MUNICIPAL AIRPORT

WHEREAS, the Airport Advisory Board (Board) adopted its first Strategic Business Plan on December 19, 2016 by Resolution No. 5264 for the period of 2017-2020; and

WHEREAS, as identified in that plan, it is intended to be a living document and updated as needed; and

WHEREAS, the Board completed a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis in Spring 2020. This SWOT analysis helped guide the Board in its development of an updated, successor Airport Strategic Business Plan to cover the 2021-2024 time period ; and

WHEREAS, on December 16, 2020, the Board unanimously voted to recommend that the City Council adopt the 2021-2024 Airport Strategic Business Plan ("The Plan") by Resolution; and

WHEREAS, the City Council finds it to be in the public health, safety and welfare to adopt The Plan for the Auburn Municipal Airport.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Auburn Municipal Airport 2021-2024 Strategic Business Plan for the Auburn Municipal Airport (Exhibit "A") is hereby adopted by the Auburn City Council.

Section 2. The Mayor is authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 3. This Resolution shall be in full force and effect upon passage and signatures hereon.

SIGNED and DATED this _____ day of _____, 2021

CITY OF AUBURN

_____
NANCY BACKUS, Mayor

ATTEST:

_____
Shawn Campbell, City Clerk

APPROVED AS TO FORM:

_____
Kendra Comeau, City Attorney

EXHIBIT A

2021-2024

STRATEGIC BUSINESS PLAN











Auburn Municipal Airport

City of Auburn, Washington

Adopted via Resolution No. 5577 (February 16, 2021)

AUBURN
MUNICIPAL
AIRPORT
AUBURN, WASHINGTON



ACKNOWLEDGMENTS

Mayor:

Nancy Backus

City Council:

Claude DaCorsi

Bob Baggett

Yolanda Trout-Manuel

Larry Brown

James Jeyaraj

Chris Stearns

Robyn Mulenga

Airport Advisory Board:

Deanna Clark

Danielle Butsick

Sean Marrow

Joe Nessel

Wayne Osborne

Andrea Prasse

Dennis Decoteau

City of Auburn Staff:

Ingrid Gaub, Public Works Director

Tim Mensonides, Airport Manager

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EXECUTIVE SUMMARY

In 2016, the Airport Advisory Board completed its first Strategic Business Plan and recommended adoption to the City Council of Resolution 5264, which was adopted on December 19, 2016. The original plan was for a 4-year period from 2017 to 2020. In 2019, the Board began working on an update of the plan for the next 4-year period of 2021 to 2024. This included a Strength, Weaknesses, Opportunities and Threats (SWOT) analysis to assess opportunities that the Airport is positioned now or in the future to capitalize on and to manage and/or eliminate threats that could limit current or future successes. From the SWOT analysis, the Board identified key result areas (KRA's) on which to focus the updated plan and developed the specific goals and priorities of that plan. The goals within each KRA are intended to be specific work projects or programs that can be implemented within the time frame of the Strategic Plan. This helps guide the Board, City Council and staff in strategic decision-making for current and future development and operations of the Airport.

The Key Result Area's (KRA's) for this plan are as follows:

1. **Facility and Infrastructure**
   The Facility and Infrastructure KRA is focused on maintaining and developing sustainable facility and infrastructure improvements that maintain and enhance airport operations, strengthen the airport's economic vitality and ensure fiscal stewardship. In addition, this area provides for a balancing of new construction with the ability to effectively maintain and operate current assets in a cost effective and safe manner. This includes goals such as continued hangar development, identifying potential emerging technologies, and development potential of the middle ramp.

2. **Economic/Community Development**
   The Economic/Community Development KRA is focused on planning for ongoing and enhanced sustainable economic development at the Auburn Municipal Airport through understanding the market needs and opportunities and how to maximize development of available space on the Airport. This includes goals such as completing the zoning regulation update, updating the marketing plan as needed, pursuing partnerships and preliminary work to expand the Airport and pursuing relationships with aviation educational programs.

3. **Operations Enhancement/Expansion**
   The Operations Enhancement/Expansion KRA is focused on planning for sustainable airport business operations through optimal and cost-effective airport management and development and implementation of airport marketing and branding plans. This includes goals such as changing the night restrictions, identifying a viable instrument approach, implementing on-Airport wayfinding, exploring broadband services, and continuing to pursue the next phase of the runway extension.

GUIDING PLAN PRINCIPLES

The development and implementation of the Auburn Municipal Airport Strategic Business Plan is guided by the following City of Auburn principles pertaining to the governance and operation of the City of Auburn:

CITY VISION STATEMENT

Your Premier Community with Vibrant Opportunities

CITY MISSION STATEMENT

To provide a service-oriented government that meets the needs of our residents, citizens and business community.

CITY CORE VALUES

- Innovative
- Respectful
- Dedicated
- Hard-Working
- Ethical; Fair
- Environmentally Sensitive
- Trustworthy
- Financially Responsible
- Charitable
- Safe
- Transparent
- Engaged
- Responsive
- Supportive of the Arts
- Supportive of Life-Long Learning
- Embrace Diversity (Pluralistic)

AIRPORT VISION STATEMENT

Provide our community superior aviation facilities, custom solutions, and continued and sustainable economic development as judged by our customers and community.

AIRPORT MISSION STATEMENT

Our Mission is to:

- Be a gateway to Auburn and the Puget Sound Region (1)
- Promote Aviation at the airport and within the community (2)
- Provide a high level of operational excellence (3)
- Be environmentally and economically responsible (4)
- Provide safe and secure aviation facilities (5)

*Note: the numbering provided above is not by order of priority but to provide a reference within the KRA goals to the Airport mission.

STRATEGIC PLAN ANALYSIS

This Strategic Business Plan is intended to be a "living document." While working within a four(4)-year planning horizon, it is anticipated and expected that all parties will have the opportunity to utilize, assess and modify the Plan as needed to ensure that it is providing valuable guidance on policies, strategies, actions and expenditures relating to the growth and operation of the Airport.

The Plan covers a four(4)-year period from 2021 to 2024 that aligns with the City of Auburn's biennial budget cycle. This alignment is purposeful and is intended to allow City Council, the Airport Advisory Board and City staff to address needed actions and desired expenditures within the framework of the adopted budget for the Airport Enterprise Fund. The Airport Enterprise Fund within the City of Auburn's governmental financial model is a type of proprietary fund in which the direct beneficiaries pay for all costs of the fund through fees and leases. The Public Works Department, which is responsible for the management of the Airport, periodically reviews revenues and expenses and adjusts priorities to ensure that the Airport remains sustainable.

The Airport Advisory Board completed a Strengths, Weaknesses, Opportunities and Threats analysis which identified many elements both positive and negative for the Airport's future sustainability. Following this analysis, the Board refined the goals of the plan to determine the key areas that would provide the most potential benefit to the long-term success of the Airport balanced with the ability of the airport to resource and fund the needs identified. The Key Results Areas (KRAs) and goals identified in the next section are the result of this process. Each KRA was identified for a specific purpose to provide the Airport with the revenues to meet the service needs of the tenants and businesses located on the Airport while ensuring continued safe operations of the Airport in a sustainable way. An additional element included how to leverage the current market and changes in operations at other local airports that are affecting the general aviation industry in the Puget Sound area so that Auburn is positioned to benefit.

The Auburn Municipal Airport is advantageously located within the Puget Sound Region on 110 acres in North Auburn. The Airport is located one mile north of the downtown Auburn urban center, has easy access to Highway 167, U.S. Interstate 5, and Highway 18. It is bordered by major arterial roadways on its south and north ends (15th Street N.E. and 30th Street N.E.) and is surrounded by commercial and industrial developments. Some surrounding areas are currently underutilized and have the opportunity to redevelop in the future. The City has some ability to influence any redevelopment to enhance compatibility with the Airport.

The Auburn Municipal Airport has been directly operated by the City as an Enterprise Fund since its inception in 1969. By the end of 2020, with the final payment of an interfund loan for a hangar enclosure, the Airport is debt-free and fully financed from self-generated revenues and grants. The Airport currently has several commercial tenants providing aircraft maintenance or other services, and Airport Management staff provides on-site operations, facilities management and aircraft fueling.

The Airport's annual revenue generated from fees for services and leases is approximately $1.4 million. Annual operating expenditures are approximately $1.0 million, though each year has some variation depending on maintenance needs. The remaining revenues are used for capital and major facility maintenance projects.

Capital projects are funded through a combination of Federal and/or State grants and Airport revenues or solely by the Airport revenues. The Federal Aviation Administration and the Washington State Department of Transportation Aviation Division provide grants typically for projects which support airport infrastructure that do not directly produce revenue; examples include runway/taxiways and airfield lighting. Grants through these programs are also very competitive as there is not enough funding to complete all projects requested by qualifying airports. Therefore, funding for facilities such as hangars, offices, security, parking and utilities are not eligible for grant funding and must be paid for solely by Airport revenues. This means that the Airport must have a financially sustainable plan for maintenance of its existing facilities and for how it develops opportunity areas to ensure that revenues collected continue to pay for operations and ongoing facility maintenance needs.

According to recent Airport Management records, the airport currently has 330 based aircraft with 140,000 total annual operations (takeoff or landing). The Airport's current fleet mix includes single-engine piston aircraft, multi-engine piston aircraft and helicopters. The Airport does not anticipate a significant change in the fleet mix in the near future and has seen an increased demand for hangar space due to regional shifts away from serving smaller and nonbusiness aircraft at airports such as Boeing Field and Renton. However, to maintain the Airport's sustainability, the Airport needs a healthy mix of airport-based businesses and general aviation tenants. Currently, the Airport's hangar spaces are fully occupied with a significant waitlist for new tenants that can take up to two (2) years for them to achieve a space at the Airport. This high demand has been in place for several years, and even during the 2020 pandemic the Airport has seen little reduction in this demand. This is a driving force behind the need to develop more hangar spaces to meet the growing demand. In addition, as the based aircraft numbers increase there will continue to be an increased demand for more aviation services to be located at the Airport to meet these needs.

The Airport has one runway that was extended to 3,841 feet in 2020. It was last slurry sealed in 2014 and has a current Pavement Condition Index of 68 and 71 out of 100. The PCI is a rating that determines what type of preservation work may be needed to keep the runway functioning sufficiently for safe aircraft operations. A rating of 68 and 71 indicates that the pavement is in need of rehabilitation work in the next few years to maintain operations.

The Airport has one instrument approach that allows pilots to descend to 920 feet by flying solely on reference to instruments inside their aircraft. The approach is currently not authorized at night due to 33 obstructions in the vicinity of the Airport. Once the obstructions are mitigated, the night restrictions will be removed. To increase access to the Airport in poor weather visibility conditions, an approach with the ability to descend to a lower altitude is needed. The FAA has determined a redesigned approach could allow aircraft to descend to 600 feet.

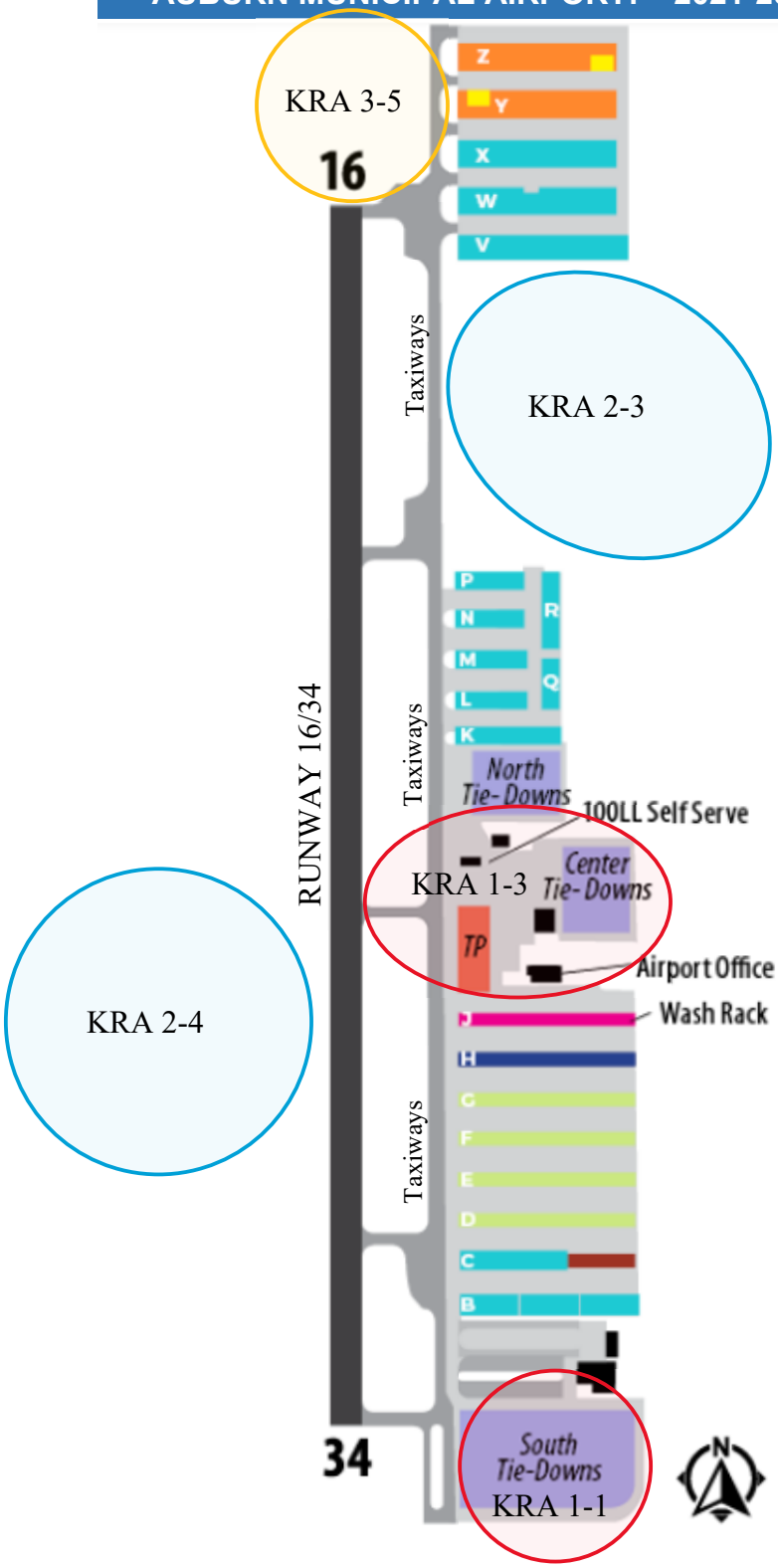
Auburn Municipal Airport does not have an automated weather observation system located on the airport; one is planned to be installed in 2025. The airport does have an unofficial "SayWeather" system which provides altimeter setting, wind data, temperature, dew point and density altitude.

Auburn Municipal Airport accommodates a wide variety of aeronautical activity, including small single and multi-engine aircraft, civilian helicopters, and occasional business class turbine aircraft. Auburn Municipal Airport is classified as a Reliever airport in the National Plan of Integrated

Airport Systems (NPIAS) defined by the Federal Aviation Administration (FAA). Reliever airports are intended to provide additional general aviation capacity to nearby commercial service airports.

The existing and future design aircraft identified in the Airport Master Plan is a multi-engine aircraft. In addition to the typical range of general aviation activity, the potential exists for Auburn Municipal Airport to accommodate small cargo aircraft. Several of these aircraft fall into the FAA defined category of "small airplanes with 10 or more seats." The FAA runway length model indicates that 4,060 feet is required to accommodate small airplanes with 10 or more seats at the Auburn Municipal Airport. The Master Plan currently identifies a potential runway extension to 4,118 feet from the current 3,841 feet; however, 30th Street NE is located within what would be the Runway Safety Area for the fully extended runway, and more coordination with the FAA on how to accomplish this future extension is needed to determine its true viability.

Moving forward, a substantive planning effort to update the Strategic Business Plan should begin in the third year of the Plan to allow for adequate opportunity to engage key external stakeholders, complete needed investigations and analyses, coordinate with City Administration, City Council and appropriate City Departments and prepare, review and finalize the Plan update. This substantive effort should be completed by no later than the end of the fourth (4) year.



Note: KRA's not depicted here are considered Airport wide goals and are not specific to an individual location on the Airport.

KEY RESULT AREAS

	KRA 1: Facility and Infrastructure With input from the Airport Advisory Board, City Council and community stakeholders, Auburn will plan for sustainable facility and infrastructure improvements that maintain and enhance Airport operations, strengthen the Airport's economic vitality and ensure fiscal stewardship of the Airport Enterprise Fund balancing new construction with the ability to effectively maintain and operate current assets in a cost-effective and safe manner.

Goal #	Key Result Area/Goals	Narrative Description	Airport Mission	Anticipated Start Date	Anticipated Completion Date
1-1	Continued Hangar Development	This program will continue to seek out and develop additional opportunities for New Hangar Development beyond the hangars already under design in 2020 in order to address the continued high demand for hangar space and to meet the needs of our individual and business tenants.	1, 2, 5	2022	On-going
1-2	Emerging Technologies	As development of facilities occurs on the Airport, incorporate improvements where feasible and affordable to allow for potential new technologies being developed in the aviation industry.	3, 4, 5	On-going	On-going
1-3	Middle Ramp Development	This project would be the development or redevelopment of the middle ramp area of the Airport to accommodate Airport offices, improved access and parking. There are additional opportunities to seek partnerships with those seeking to develop spaces for business or restaurant uses.	1, 2, 3, 5	2022	2026

KRA 2: Economic/Community Development

With input from the Airport Advisory Board, City Council and community stakeholders, Auburn will plan for ongoing and enhanced sustainable economic development at the Auburn Municipal Airport through: a) a comprehensive understanding of the Airport's market niche and growth opportunities; b) implementing short-term and long-term strategic airport economic development actions; c) positioning of existing development sites to maximize future return on investment potential; and d) gaining understanding of opportunities and limitations for future on-Airport growth. These efforts will maintain and enhance airport operations, strengthen the Airport's economic vitality and ensure fiscal stewardship of the Airport Enterprise Fund.

Goal #	Key Result Area/Goals	Narrative Description	Airport Mission	Anticipated Start Date	Anticipated Completion Date
2-1	Airport Zoning Regulations Update	Coordinate with Community Dev. to assess and potentially implement new zoning regulations amendments to current City zoning standards for the Airport and surrounding properties to address operational needs or requirements and support current and future economic development efforts.	1, 2, 4	2020	2021
2-2	Airport Marketing Plan	Prepare an annual marketing plan that will act as a communication and implementation tool to achieve the goals established for the Airport each year and be responsive to changing market conditions and needs with a focus on marketing and leasing the two on-airport development sites approved in the approved Airport Master Plan to prospective tenants and developers. Other areas of focus are emerging technologies, alternative fuels, recruitment of on-airport Businesses, and better incorporation of the Airport into other City events. Current focus for on-airport business development includes expanded flight training, permanent maintenance facility, expansion of avionics and restaurant opportunities.	1, 2	On-going	On-going

	KRA 2 (Continued): Economic/Community Development With input from the Airport Advisory Board, City Council and community stakeholders, Auburn will plan for ongoing and enhanced sustainable economic development at the Auburn Municipal Airport through: a) a comprehensive understanding of the Airport's market niche and growth opportunities; b) implementing short-term and long-term strategic airport economic development actions; c) positioning of existing development sites to maximize future return on investment potential; and d) gaining understanding of opportunities and limitations for future on-airport growth. These efforts will maintain and enhance airport operations, strengthen the Airport's economic vitality and ensure fiscal stewardship of the Airport Enterprise Fund.				
2-3	Airport Expansion Areas	Pursue opportunities for physical growth of the Airport consistent with the approved Airport Master Plan including opportunities for Partnerships for both on-airport and adjacent property development.	1, 2, 5	On-going	On-going
2-4	Airport West Side Environmental Analysis	Conduct an environmental analysis of the west side development area to confirm the location and extent of wetlands/ environmental resources, potential mitigation strategies and anticipated mitigation costs	4, 5	2020	2020
2-5	Build Relationships with Education Programs in the Puget Sound Region	Strengthen and Develop Opportunities with aviation programs at Green River College, Auburn School District and possibly Federal Way or Kent School Districts for use of Auburn Airport in their programs.	1, 2	On-going	On-going
2-6	Recommendations - City's 10-Year Economic Development Strategic Plan	Working with the Board and City Administration, evaluate and implement recommendations of the City's 10-Year Economic Development Strategic Plan	1, 2, 3	On-going	On-going

	KRA 3: Operation Enhancement/Expansion With input from the Airport Advisory Board, City Council and community stakeholders, Auburn will plan for sustainable airport business operations through optimal and cost-effective airport management, focused work efforts for the Board, and Airport management, development and implementation of Airport marketing and branding plans.				
Goal #	**Key Result Area/Goals** *(Not in Priority Order)*	**Narrative Description**	**Airport Mission**	**Anticipated Start Date**	**Anticipated Completion Date**
3-1	Night Restrictions	Work with adjacent properties and the FAA to address obstructions and allow a change to the night restrictions that exist at the Airport.	3, 5	2019	2020
3-2	Viable Instrument Approach	Work with FAA to determine the steps and work necessary to create a viable instrument approach for the airport.	3, 5	2020	2024
3-3	On-Airport Wayfinding Improvements	Continue improvements to on-airport signage to improve information for airport users to find amenities and businesses on the airport	3, 5	2021	2021
3-4	Airport Municipal Broadband Service	Extend City's Municipal Broadband service to the Airport. Currently, the City's high-speed fiber optic network has been extended to the Airport. Building off of this network, wireless broad band services will be installed at the Airport for use by tenants, guests and visitors to provide a valuable user experience.	2, 3	2021	2021
3-5	Airport Runway Extension	Continue to pursue the necessary approvals from the FAA to extend the runway to the ultimate length as shown in the 2015 Airport Master Plan.	1, 2, 3, 4, 5	On-going	On-going

APPENDIX A – BACKGROUND INFORMATION

City of Auburn Information:

The City of Auburn is an incorporated city of approximately 82,000 persons located in Southwest King County and a small area of Northeastern Pierce County, approximately 26 miles south of Seattle and 13 miles northeast of Tacoma. Auburn is bordered by the cities of Kent, Federal Way, Pacific, Sumner and Algona, and unincorporated King and Pierce Counties. The Muckleshoot Indian Reservation is located near the southeastern corner of the Auburn city limits. Within the Puget Sound region, King County is bordered by Snohomish County (north) and Pierce County (south). Kitsap, Kittitas, and Chelan counties also border King County to the west and east.

The City of Auburn was incorporated in 1891. The City is organized as a non-charter code city retaining the council-mayor plan of government under which the city is presently operating, as provided in RCW 35A.02.030 of the Optional Municipal Code for the State of Washington. The Mayor is the Chief Administrative Officer for the City. There are currently seven (7) major Departments of the City comprised of Administrative Services, Community Development and Public Works, Finance, Innovation and Technology, Human Resources/Risk Management, Legal, Parks, Arts and Recreation, and Police.

Auburn Municipal Airport Background:

The Auburn Municipal Airport (S50) is a municipal airport owned and operated by the City of Auburn, Washington. Beginning in 1974 and continuing to the present, the Auburn Airport Advisory Board has provided advisory support to the Auburn City Council and the Mayor or Chief Administrative Officer for the City on Airport planning and operations.

All existing landside development (hangars, aircraft parking, etc.) is located on the east side of the airport. An undeveloped area (approximately 23 acres) is located near the southwest corner of the airport.

As described in the 2015 Airport Master Plan Update, the Airport's current mix of based aircraft is projected to become more diverse reflecting growth in turbine aircraft (turboprop, very light jet, business jet), helicopters, and light sport aircraft. It is recognized that runway length limits the larger aircraft that can be accommodated at the Airport on a regular basis.

In Spring 2015, the City of Auburn completed an update of the Airport Master Plan that was previously updated in 2002. The 2002 Airport Master Plan provided the primary airport planning guidance for the Airport for over ten years. The recent Master Plan update was completed in cooperation with the Federal Aviation Administration to address the Airport's needs over a twenty(20)-year planning period and provide specific guidance in making the improvements necessary to maintain a safe and efficient airport that is economically, environmentally, and socially sustainable.

The purpose of the Airport Master Plan is to define the current, short-term and long-term needs of the Airport through a comprehensive evaluation of facilities, conditions and FAA airport planning and design standards. The study will also address elements of local planning (land use, transportation, environmental, economic development, etc.) that have the potential of affecting the planning, development and operation of the Airport.

Key Result Area Background:

Within the Plan there are several Key Result Areas (KRAs). The KRAs are broad-based goals and are re-evaluated annually and incorporated within the four-year Strategic Business Plan. Each KRA has a mission statement that describes the intent of each area. Additionally, each KRA has various goals which describe in greater detail the elements of each KRA, including the priority, a narrative description, and estimated start and completion dates. The KRAs are organized by subject matter and are listed in the order of priority. It is expected that the Board and staff will utilize the goals specified in each of the KRAs for the development and implementation of annual work plans.

The development of the Key Result Areas has been based in part of the application of the SMART model[1] for goal setting as described below:

Specific—simple, straightforward, compelling (without specificity, a goal can never truly be reached).

Measurable—tangible, able to be tracked (an effective goal requires a statement of the tangible evidence that the goal has been reached).

Attainable—possible, yet challenging enough to be motivating. If a goal requires an organization to reach beyond its true self, the goal will become burdensome and ultimately detrimental to the process. However, the goal should be challenging enough to cause the Airport's policymakers, management, and staff to "rise up" to achieve it.

Relevant—important to stakeholders and connected to the organization's values. Goals that are explicitly connected to values are motivational and, generally, easier to achieve as a result.

Time Bound—includes a beginning and ending point. Identifying start and end dates provides the "race-track" needed to keep the organization on course with a clear finish line to pursue.

[1] Source: Airport Cooperative Research Program (ACRP), ACRP Report 77, *Guidebook for Developing General Aviation Business Plan*, 2012

Memorandum

To: Auburn City Council

From: Auburn Airport Advisory Board

Tim Mensonides, Airport Manager

Cc: Ingrid Gaub, Director of Public Works

Date: January 13, 2021

Re: 2021 AAB Annual Board Work Plan

Each year the Board develops an annual work plan for the upcoming year that is utilized in agenda setting, coordination with City staff and development of policy and fiduciary recommendations to City Council.

Work plans serve two important key functions for an advisory body such as the Airport Advisory Board. First, a work plan will assist the Board in ensuring that it is efficient in the conduct of its work. As a volunteer body, the Board should maximize its time together and with staff to satisfy its advisory responsibilities as specified in Chapter 2.33 of the Auburn City Code. Second, a work plan is an important communication tool to the City Council, staff and interested parties about the focuses of the Board during the upcoming calendar year.

Work plans should present enough information to provide clear guidance as to what the Board would like to work on. In addition, the number of work tasks should not be excessive and should be reasonably tied back to the Board and City staff's overall availability and ability to complete the tasks identified for 2021.

In developing its work plan, the Board considered the following:

- City Council established or adopted goals and priorities, including the City's Comprehensive Plan, annual Council goals, master plans, budget, and so on.
- Resource availability - budget, staff support, committee member time.
- Departmental work priorities of the Public Works Department.
- Board members' knowledge, interest, and expertise.

The 2021 Annual Board Work Plan approved by the Board is as follows:

- **Updating City Code** – *Anticipated Completion 4th Qtr 2021*
  There are several sections of outdated code that are related to the Airport that staff proposes to update in 2021.

- **KRA 2-1 – Airport Zoning Regulation Update** – *Anticipated Completion 1st Qtr 2021*
  Completion of the effort begun in 2020 to revise the zoning code related to the Airport to provide better coordination with uses surrounding the Airport

- **Specific Board Procedures & Standards** – *Anticipated Completion 2nd Qtr 2021*
  Develop specific board procedures around the operation of the board and the management of meetings. (The Board currently does not have any specific procedures in place, and this is required for a public board)

- **KRA 2-2 - Annual review of the 2021 Airport Marketing Focus** – *Anticipated Completion 1st Qtr 2021*

- **KRA 3-3 - Developing Wayfinding improvements** - *Anticipated Completion 3rd Qtr 2021*

- **KRA 3-4 – Airport Broadband Service** – *Anticipated Completion 4th Qtr 2021*
  Developing potential option(s) for Broadband improvements to the Airport for service to Airport users. This will include the estimated cost to implement.

- **Airport Rules & Regulations** – *Anticipated Completion 2nd Qtr 2021*
  Complete the revisions to the Airport Rules and Regulations for adoption.

- **Airport Minimum Standards** – *Anticipated Completion 4th Qtr 2021*
  Complete revisions to the Airport Minimum Standards for adoption.

- Other routine items for review with the Board in 2021 include:
  - Annual Fee Update
  - Annual Survey Questions and Results
  - Annual Capital Improvement Plan Update
  - Airport Board Composition Review
  - Airport Board Annual Work Plan Update for 2022

AGENDA BILL APPROVAL FORM

Agenda Subject:
Inclusive Auburn Final Report (Martinson)(30 Minutes)

Date:
February 3, 2021

Department:
Human Resources

Attachments:
Assessment Report 2.3.21
Final Report 2.3.21

Budget Impact:
Current Budget: $0
Proposed Revision: $0
Revised Budget: $0

Administrative Recommendation:

For discussion only.

Background Summary:

On July 15th, 2019, the City Council of the City of Auburn approved Resolution #5427 Inclusive Auburn Initiative. This initiative was drafted and enacted to support the belief that the City of Auburn's government holds the responsibility of ensuring that every member of our community is heard, valued and respected, and has equitable opportunities to participate in our democracy. The report attached is the representation of phase 2 of this project.

Reviewed by Council Committees:

Councilmember:

Staff: Martinson

Meeting Date: February 8, 2021

Item Number:



RACING TO EQUITY

CITY OF AUBURN

RACIAL EQUITY ANALYSIS
PRESENTATION OF FINDINGS AND RECOMMENDATIONS

Presented by: BERNARDO RUIZ
February 2nd, 2021

The land we're on:
Muckleshoot Tribe

We acknowledge the original inhabitants of this land, the Duwamish Tribe and Coast Salish People, who since time immemorial have taken care of, hunted, fished, gathered and buried their ancestors on these lands. We respect their sovereignty, their right to self-determination, and we honor their sacred spiritual connection with the land and water.

Why acknowledge the land and tribes we occupy?

1. Offer Recognition, Respect & Acknowledge sovereignty of local tribes
2. Remind us historical contexts still affect current realities and future outcomes Native Americans currently live and have lived in North America Since Time Immemorial

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THE DUWAMISH TRIBE
THE FIRST PEOPLE OF SEATTLE

RACING TO EQUITY

Resolution #5427: Inclusive Auburn Initiative

Three main goals:

1. Eliminate systemic causes of disparities, racial and otherwise, in the City of Auburn

2. Promote inclusion and create opportunities for full participation for every resident and business in the City of Auburn

3. Reduce, and eventually eliminate, disparities of outcomes in our community

RACING TO EQUITY

Resolution #5427: Inclusive Auburn Initiative

Phase 1: Provide professional development to senior city Leadership and City Council

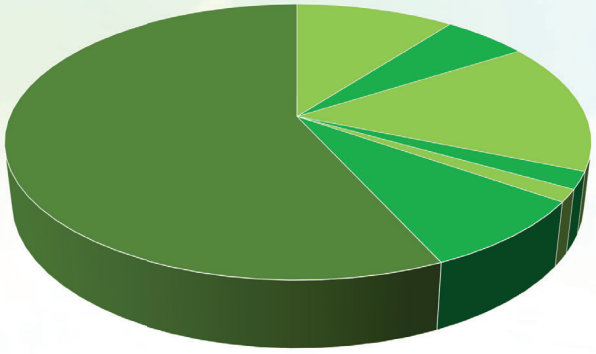
Phase 2: Professional development for managers and staff. **Reach out to staff and community members for participation in surveys and focus groups.**

- This presentation will give an overview of the **findings** and **recommendations** brought about by the results of the data collection in phase 2.

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DEMOGRAPHICS
RACING TO EQUITY

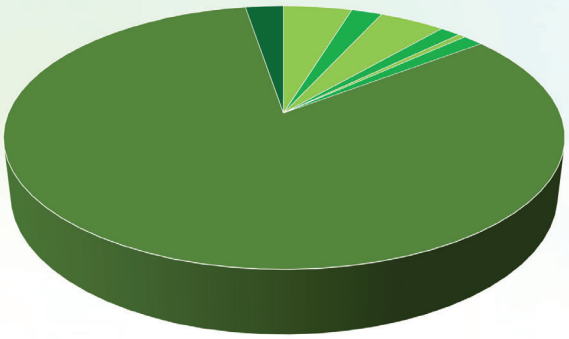
City of Auburn Demographics



- Asian 11.4%
- Black/ African American 6.1%
- Hispanic/ Latino 16.8%
- American Indian/ Alaska Native 2.2%
- Native Hawaiian/ Other Pacific Islander 1.6%
- Two or more races 9.3%
- White 62.3%

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City of Auburn **Staff** Demographics



- Asian 4.7%
- Black/ African American 2.4%
- Hispanic/ Latino 4.5%
- American Indian/ Alaska Native 1.4%
- Native Hawaiian/ Other Pacific Islander 0.5%
- Two or more races 1.4%
- White 82.6%
- Unknown 2.6%

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METHODOLOGY
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Three-pronged Data Collection Approach

1. **Historical:** Evaluation of data sources such as the Imagine Auburn report, Auburn's organizational chart, past evaluation reports, Human Resources Documents, etc.

2. **Qualitative:** Focus groups, interviews and surveys

3. **Quantitative:** Three online surveys
    1. "Inclusive Auburn Comprehensive Value Statement Survey" for City of Auburn directors and senior management (30 responses)
    2. "Inclusive Auburn Staff Survey" for all City of Auburn Staff (198 responses)
    3. "Inclusive Auburn Community Survey" for all community members. (240 responses)

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FINDINGS
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G.A.R.E's framework for Institutionalizing Racial Equity

Normalize >> Organize >> Operationalize

Findings will be presented in these three categories.

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Barriers to Progress: Normalizing

No city-wide definition of racial equity or social justice.

Lack of clarity around the intent and implementation plan for the Inclusive Auburn Initiative.

Lack of professional development opportunities within the City of Auburn.

Relatively low staffing levels leave people with "too much on their plates".

Lack of collective understanding of the benefit and necessity of implementing the Inclusive Auburn Initiative.

RACING TO EQUITY

Barriers to Progress: Organizing

City of Auburn created a Community Facing Workgroup to advance community engagement and the Inclusive Auburn Initiative.

City of Auburn staff is unclear about the services they provide to residents of color and other historically marginalized populations.

City of Auburn leaders cannot currently identify which gaps in services, opportunities, and supports they are eliminating with the Inclusive Auburn Initiative.

Not every city department has set Specific, Measurable, Attainable, Results-oriented, and Timely bound (S.M.A.R.T) goals or benchmarks to advancing the Inclusive Auburn Initiative.

City of Auburn leaders show a need to continue gaining more in-depth knowledge of recognizing culturally sustaining practices or lack thereof.

Disaggregated resident data is not currently available and therefore not regularly utilized.

Creating and implementing a City of Auburn Racial Equity team does not appear to be a top priority for the City of Auburn.

RACING TO EQUITY

Barriers to Progress: Operationalizing

The City of Auburn does not appear to have a Citywide Strategic Plan. Nor does it appear to have a plan for advancing racial equity and social justice.

The city currently lacks the systems or capacity to regularly generate disaggregated data.

While the City of Auburn has created strategies for progress within the Inclusive Auburn initiative, interview respondents were unable to identify these strategies or how they are being implemented.

City of Auburn does not have a dedicated line budget item to support the implementation of the Inclusive Auburn Initiative.

No systemic approach to engaging with ethnically and linguistically diverse populations.

No evidence of mandatory culturally sustaining professional development for City of Auburn staff; therefore this initiative is perceived as not crucial for City government.

There is only one job description citywide that has clearly outlined responsibilities for implementing the Inclusive Auburn Initiative.

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Opportunities for progress

Stakeholders agree that ensuring the Inclusive Auburn Initiative's success should be a top priority among leaders and staff.

The systemic support of the Initiative provided by City Leadership is of great importance in ensuring lasting success.

The City of Auburn staff are professional and take their responsibilities of being public servants very seriously.

All stakeholders would better understand expectations, priorities, and procedures if they were consistently and clearly applied across all City Departments.

RACING TO EQUITY

Opportunities for progress

City of Auburn leadership has created and developed strategies for incorporating racial equity strategies into their work.

There is collective agreement among the City of Auburn staff and residents that the City of Auburn Initiative's implementation should start from within the City of Auburn leadership and staff.

It is necessary for City of Auburn residents, staff, and administration to share their stories as people of color and have their experiences believed and validated.

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RECOMMENDATIONS
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G.A.R.E's framework for Institutionalizing Racial Equity

Normalize >> Organize >> Operationalize

Recommendations will be presented in these three categories.

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Recommendations: Normalize

Ensure that the implementation of the Initiative becomes a collective and shared responsibility for each and every City of Auburn Team member.

Hire and retain leaders and staff with a shared racial equity analysis.

Provide Adaptive Leadership professional development to all City of Auburn Staff.

Make a public declaration of the City of Auburn's Inclusive Auburn Initiative.

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Recommendations: Organize

Provide residents and staff with the tools to engage in informed decision making.

Strengthen and formalize the work of the Community Facing Workgroup to advance community engagement and the Inclusive Auburn Initiative.

Continue to grow and develop the Office of Racial Equity and Inclusion.

Develop and maintain partnerships with other cities / governmental agencies and officials.

Create a system for disaggregation and proper use of data to identify and eliminate access and opportunity gaps for residents and staff.

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Recommendations: Operationalize

Develop a comprehensive City of Auburn Strategic Plan.

Create a Citywide Inclusive Auburn Initiative strategy and implementation plan to support the implementation of this Initiative and advance diversity, equity and inclusion.

Implement the systemic use of a Racial Equity Tool.

Implement a City of Auburn Racial Equity Policy and develop a procedure for its implementation.

Build a Leadership Development pipeline or create a succession plan to ensure that the city leadership is reflective of its resident population.

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CONCLUSION
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We are inspired to share the hopefulness shown by City Leadership and staff and the fact that hundreds of people are ready for progress and understand it will take individual and collective learning, strategy, and decisive action. The City of Auburn must strengthen their commitment and willingness to offer the necessary support, vision, strategies, funding, and courage to lead with racial equity at the forefront. As Mayor Backus has stated numerous times, "this is one of the most, if not the most, important issues of our time."

The Racing to Equity Consulting Group is confident and hopeful that under the leadership of Mayor Backus, her Cabinet, and the Auburn City Council, the City of Auburn will advance racial equity and social justice to honor, value, and dignify the humanity of each and every resident and city staff.

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QUESTIONS
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Thankyou

CITY OF AUBURN WASHINGTON



INCLUSIVE AUBURN INITIATIVE
ASSESMENT REPORT 2020

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RACING TO EQUITY

RacingToEquity.org

ACKNOWLEDGEMENT

The Racing to Equity Consulting Group would like to express our extreme gratitude to Mayor Nancy Backus, The Auburn City Council, City of Auburn Directors, The City of Auburn Staff, residents, and community members for their collaborative partnership and strong commitment to advancing the Inclusive Auburn Initiative. This Organizational Assessment was made possible by the valuable contributions made by each of you. Your feedback and input were key to developing this City of Auburn Organizational Assessment for Racial Equity and Social Justice. Our hope is that you see yourselves reflected in the key findings and recommendations contained in this report to advance racial equity and social justice at the beautiful and vibrant City of Auburn. We thank the fortitude, courage, and exemplary leadership shown by Mayor Backus, the Auburn City Council Members, City of Auburn Directors, and Auburn City Staff. We have every confidence that this powerful team will guide and ensure the progress of the Inclusive Auburn Initiative to move toward an inclusive City of Auburn where each and every resident and staff are honored, valued and dignified for years to come.

"Belonging, or being fully human, means more than having access and opportunity. Belonging entails being respected, honored, valued and dignified at the basic human level that includes the right to both co-create and demands of government and society."

--John A. Powell

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CITY OF AUBURN WASHINGTON



EXECUTIVE **SUMMARY**

CITY OF AUBURN WASHINGTON

On July 15th, 2019, the City Council of the City of Auburn approved Resolution #5427 Inclusive Auburn Initiative. This initiative was drafted and enacted to support the belief that the City of Auburn's government holds the responsibility of ensuring that every member of our community is heard, valued and respected, and has equitable opportunities to participate in our democracy

PHASE ONE

Providing professional development workshops to the City's senior leadership team and City Council.

PHASE TWO

Gathering and analyzing feedback from City leadership, staff, and community members. This three-pronged approach included collection, analysis and summary of historical, qualitative and quantitative data, for which the culmination and summary is the body of this report.

PHASE THREE

Professional Development for Managers and Staff, informed by findings from the data collection and analysis phase of the report. This training is designed to help close the gap between espoused values and actual outcomes at the City of Auburn.

We at Racing to Equity Consulting Group (R2E) have engaged in a partnership with the City of Auburn to assist in carrying out phases one and two of the Inclusive Auburn Initiative. This document- an analysis and summary of Phase Two's efforts- is designed to be used as a guide and a benchmark as the City of Auburn moves forward in its fervent dedication to becoming a city with equitable opportunities for all residents.

KEY FINDINGS

We separated key findings into three categories, based on the Government Alliance for Racial Equity's approach to ensuring the sustainable forward momentum of racial equity: **Normalize, Organize, and Operationalize**[1].

NORMALIZE

• There is no city-wide definition of racial equity or social justice.

• There is a distinct lack of clarity around the intent and implementation plan for the Inclusive Auburn Initiative.

• There is a lack of professional development opportunities within city government within the City of Auburn.

• The relatively low and overburdened amount of city staff (as experienced since the recession of 2008) contributes to a lack of focus and a general sense of overwhelm when attempting to engage in racial equity work.

• Stakeholders agree that ensuring the Inclusive Auburn Initiative's success should be a top priority among city leadership and staff.

• There exists a lack of collective understanding of the benefit and necessity of implementing the Inclusive Auburn Initiative

[1] https://www.racialequityalliance.org/wp-content/uploads/2018/05/1-052018-GARE-Comms-Guide-v1-1.pdf

ORGANIZE

• The systemic support of the Inclusive Auburn Initiative provided by City Leadership is of great importance in ensuring lasting success.

• City of Auburn staff is unclear about the services they provide to residents of color and other historically marginalized populations.

• City of Auburn leaders believe they are committed to ensuring the advancement of inclusion and racial equity. Still, they cannot 1) identify which gaps in services, opportunities, and supports they are eliminating, or 2) specify how their professional role is either perpetuating or mitigating the impact of institutional racism within the City of Auburn.

• We found the City of Auburn staff are professional and take their responsibilities of being public servants very seriously.

• All stakeholders would better understand city expectations, priorities, and procedures if they were consistently and clearly applied across all City Departments.

• Not every City Department has set Specific, Measurable, Attainable, Results-Oriented, Timely Bound (S.M.A.R.T.) goals or benchmarks.

• City of Auburn leaders need to continue gaining more in-depth knowledge of recognizing culturally sustaining practices or the lack thereof.

• Disaggregated City services resident demographic data is not currently available and therefore not regularly utilized.

• We found no evidence that creating or implementing a City of Auburn Racial Equity Team was not currently a top priority for the City of Auburn due to COVID-19.

OPERATIONALIZE

• We found no evidence that the City of Auburn has a Strategic Plan for advancing racial equity and social justice.

• The city currently lacks the systems or capacity to regularly generate disaggregated data to guide Inclusive Auburn initiative's implementation.

• City of Auburn leadership has created and developed strategies for incorporating inclusion racial equity strategies into their work. However, the people whom we interviewed could not identify these strategies. Further, respondents were unable to define how these strategies are being or will be implemented or how outcomes will be attained and assessed.

• We found no evidence of a systemic approach to engaging with ethnically and linguistically diverse resident populations.

• There was no evidence that there were plans to provide mandatory culturally sustaining professional development for all City of Auburn Staff.

• There is collective agreement among the City of Auburn staff and residents that the City of Auburn Initiative's implementation should start from within the City of Auburn leadership and staff.

• It is necessary for City of Auburn residents, staff, and administration to share their stories as people of color in the City of Auburn and have their experiences believed and validated.

• There is only one job description citywide in the City of Auburn that has clearly outlined responsibilities for implementing the Inclusive Auburn Initiative.

METHODOLOGY

Racing to Equity gathered historical research from multiple sources such as the Imagine Auburn report, Auburn's organizational chart, past evaluation reports, Human Resources documents, and other relevant identity documents. A review of these documents focused on Auburn's history as it relates to ensuring equitable outcomes for all residents and analyzing historical factors and results that may help predict the success of new policies, practices, and procedures introduced within the Inclusive Auburn Initiative.

Racing to Equity Consulting Group also conducted qualitative research through various vehicles, including focus groups, interviews, and surveys for City of Auburn leadership, staff, and residents. Each interview was conducted in person by three of our consultants and lasted an average of 30-45 minutes. We conducted four focus groups: two for City of Auburn Staff and two for the Police Department. Each interview took between 90-120 minutes to complete in-person (please see Appendices B & C for protocols). These interactions were then transcribed and analyzed for trends and patterns.

The City of Auburn released three separate surveys, all conducted online via SurveyMonkey:

SURVEY 1

"Inclusive Auburn Comprehensive Value Statement Survey," was released to City of Auburn directors and senior management to gauge their understanding and perceived importance of each of the city's stated values. Thirty responses were recorded and analyzed.

SURVEY 2

"Inclusive Auburn Staff Survey," was released to all City of Auburn staff. This survey was intended to gather insight into City Staff's general perception of the Inclusive Auburn initiative and attitudes toward and perceived effectiveness of recent efforts made in connection with the initiative. This survey also gathered demographic data about city staff, which allowed analysts to assess the level of representation among staff and how that might affect



SURVEY 3

"Inclusive Auburn Community Survey," perhaps the most robust of the three, was released to all residents of the City of Auburn, as well as those individuals who work but do not necessarily live within the city limits. This survey gathered demographic data, attitudes and perceptions about the Inclusive Auburn initiative, attitudes and perceptions of the current state of race relations and racial equity within the city, and a wealth of data on perceived advantages and disadvantages of living and working in Auburn. Two hundred forty responses were recorded and analyzed.

Together, evidence gathered in all three surveys informs the bulk of this report's narrative, findings, and recommendations.

CONCLUSION & RECOMMENDATIONS

Like key findings, recommendations were separated into three categories based on the Government Alliance for Racial Equity's approach to ensuring the sustainable forward momentum of racial equity: Normalize, Organize, and Operationalize[2]. These recommendations were developed based on key findings and informed by widely recognized best practices in advancing racial equity within cities. This report delves into each recommendation in detail, including suggested implementation strategies, supporting recommendations, and reasoning behind each recommendation.

NORMALIZE

- Ensure that the implementation of the Inclusive Auburn Initiative becomes a collective. and shared responsibility by each leader and staff member at the City of Auburn.
- Hire and retain leaders and staff with a shared racial equity analysis.
- Provide Adaptive Leadership professional development.
- We recommend the City of Auburn to make a public statement via the Mayor and the City Council about their commitment to advance racial equity and social justice through the Inclusive Auburn Initiative on their website and at public meetings.

ORGANIZE

- Provide residents and staff with the tools to engage in informed decision making.
- Continue to grow and develop the Office of Racial Equity and Inclusion.
- Develop and maintain partnerships with other cities/ governmental agencies and officials.
- Create a system for disaggregation and proper use of data to identify & eliminate access and opportunity gaps for residents and staff.

OPERATIONALIZE

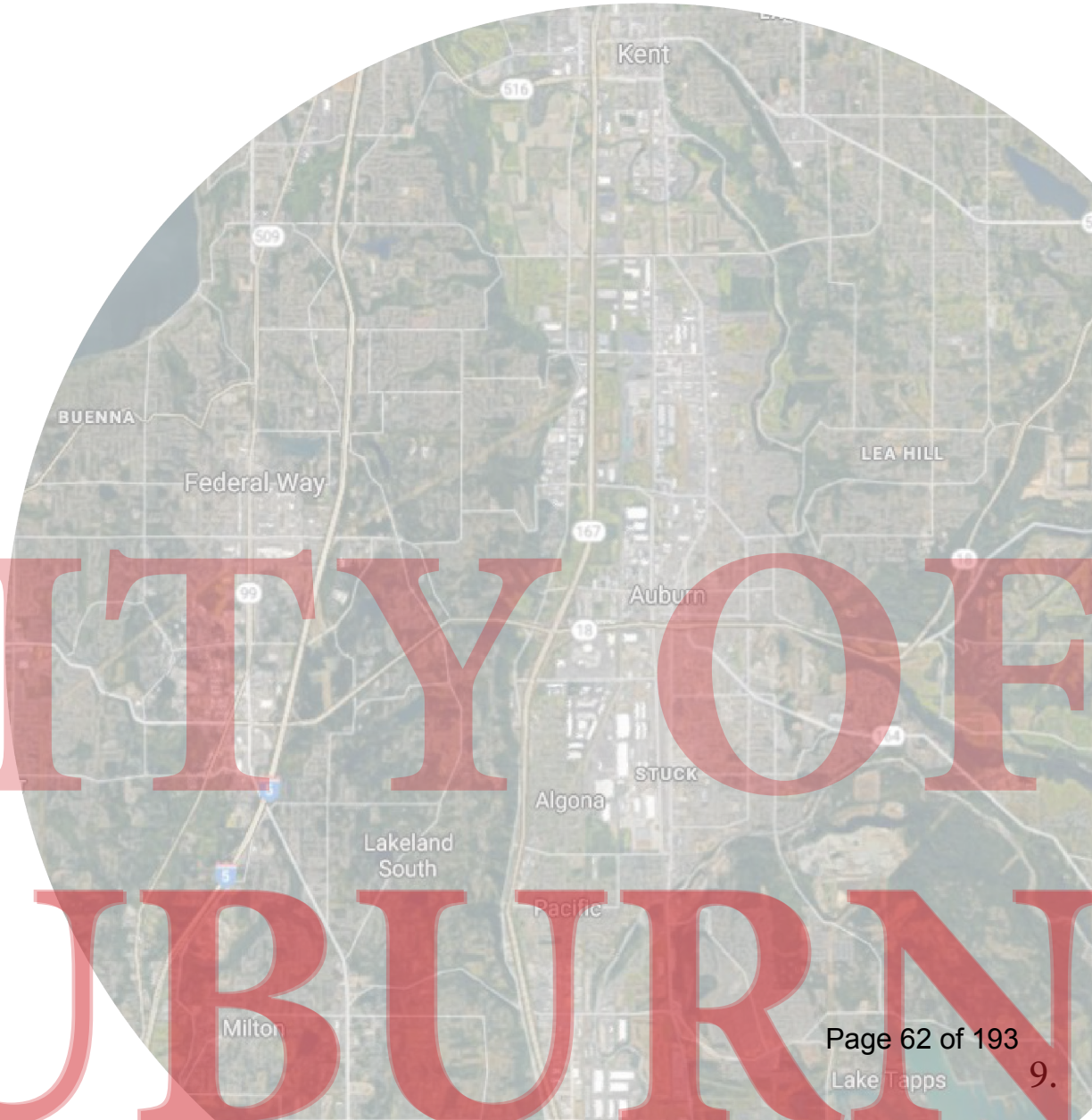
- Develop a comprehensive City of Auburn Strategic Plan.
- Create a citywide Inclusive Auburn Initiative strategy and implementation plan.
- Implement the use of a racial equity tool.
- Develop a citywide Racial Equity Plan to advance the Inclusive Auburn Initiative.
- Implement a city of Auburn Racial Equity Policy.
- Build a Leadership Development Pipeline or create a succession plan to ensure that the city leadership is reflective of its resident population.

[2]https://www.racialequityalliance.org/wp-content/uploads/2018/05/1-052018-GARE-Comms-Guide-v1-1.pdf

CITY OF

If implemented in an authentic way that honors the urgency and importance of advancing racial equity and social justice within the City of Auburn, these recommendations will serve to institutionalize the city's values around equity and ensure that inclusivity becomes a part of Auburn's lasting DNA.

The City of Auburn has become increasingly racially, ethnically, and linguistically diverse over its history. The pervasiveness of racial hierarchy and institutionalized racism have proven that diversity alone will not dismantle these issues, but instead, they will continue to become increasingly exacerbated. Without the intentional, explicit, and systemic examination of implicit and cultural bias, specifically examining the role institutional racism plays in City Government—oppression, marginalization, and discrimination against Black, Indigenous, and other People of Color will persist. Racing to Equity Consulting Group is confident that under the leadership of Mayor Backus, her Cabinet, and the Auburn City Council, the City of Auburn will continue to advance racial equity and social justice to honor, value, and dignify the humanity of every one of its residents.



CITY OF AUBURN



INTRODUCTION

Dear Auburn Team, Residents, Business Owners, and Visitors,

In completing this assessment, we at the Racing to Equity Consulting Group (R2E) have learned that each of you takes great pride in the trust that you hold with each other. Through 18 months of collaborative partnership, we have found that you are committed to identifying and removing barriers for every person who resides in the City of Auburn to pursue doing what they enjoy, in a safe place, with people they love in a learning environment.

Perhaps more than any other type of organization, you, as city government, hold the responsibility of ensuring that every member of the City of Auburn community is heard, valued and respected and has equitable opportunities to participate in our multicultural and pluralistic democracy and flourish in our city.

On July 15, 2019, the City Council soundly approved Resolution #5427 Inclusive Auburn Initiative to accomplish the following goals:

- Eliminate systemic causes of disparities, racial and otherwise, in the City of Auburn Government
- Promote inclusion and create opportunities for full participation for every resident and business in the City of Auburn
- Reduce, and eventually eliminate, disparities of outcomes in our community[3]

[3] Inclusive Auburn - City of Auburn. https://www.auburnwa.gov/city_hall/mayor/inclusive_auburn

The Inclusive Auburn Initiative currently contains three Phases:

PHASE ONE of the Inclusive Auburn Initiative was focused on providing professional development to the City's senior leadership team and City Council. The Mayor and Department Directors participated in a six-session Inclusive Auburn Initiative professional development institute designed to help them address systemic barriers, advance the Inclusive Auburn Initiative, and elevate opportunities within the City interweaving equity and inclusion strategies, tools, and actions throughout their operations.

PHASE TWO was to solicit and analyze meaningful feedback from community members, city staff, and city leadership to inform strategic recommendations. This work began by reaching out to staff and community members for participation in both surveys and focus groups throughout the 2020 calendar. City of Auburn staff and community members were encouraged to answer interview questions and surveys honestly, and their responses remain confidential. The data that was collected was central to ensuring that we as a consulting group were able to provide the Mayor and the City Council as well as the City of Auburn's greater community with the best specific and unique recommendations for professional development, training and solutions to advance the Inclusive Auburn Initiative's goals.

PHASE THREE of this crucial work involves professional development for managers and staff. It is recommended for the City of Auburn to use the qualitative data collected from the Team Auburn interviews, surveys, and focus groups (Team Auburn encompasses the City of Auburn Leadership, Staff, and Auburn City Council) to design an Inclusive Auburn Initiative training. This training will support the City of Auburn in narrowing the gap between their core values and their actions and outcomes. We are confident that the City of Auburn can achieve this by eliminating systemic barriers, elevating opportunities, and interweaving equity and inclusion strategies throughout City of Auburn operations and services.
Staff will participate in mandatory anti-bias and undoing institutionalized racism training during the 2021 calendar year. The Mayor has determined that this professional development will take four hours or less of the city staff's time. The Mayor stated that there would also be volunteer opportunities for employees interested in participating beyond the mandatory commitment.

R2E challenges each Team Auburn member to embrace discomfort and honor the lived experiences, perspectives, questions, and knowledge that you all bring to the table. The work that R2E began last year will require each member of City of Auburn Leadership and Staff to move out of their comfort zones and to view their world through a lens that may be unfamiliar or uncomfortable to many.

This work crucially requires courageous leadership, authenticity, and vulnerability by all Team Auburn members to be truly successful in implementing the Inclusive Auburn Initiative. We at R2E encourage each and every member of Team Auburn to honor and embrace the hard work that lies ahead, knowing that what you begin in this year will have lasting impacts in the vibrant City of Auburn community and beyond.

In January 2020, City department Directors and Mayor Backus completed the last of six eight-hour professional development learning sessions for Inclusive Auburn, the equity and implicit bias program approved by Council in 2019 through Resolution 5427. In December 2020, the Auburn City Council completed their Governing for Racial Equity professional development institute. This intensive course was designed to support a collective and shared analysis of how to advance racial equity and inclusion through governance at the City of Auburn and identify that inequities exist and how they are created, sometimes inadvertently, by city government.

These trainings were two meaningful, intentional, and strategic steps that the City of Auburn took to advance the Inclusive Auburn Initiative's vital work. Our hope at the Racing to Equity Consulting Group is that these professional development opportunities serve as the foundation for leading for racial equity and social justice at the City of Auburn. It is recommended that one of the City of Auburn's next steps be to form a Citywide Racial Equity Team to support cross-departmental collaboration to implement the Inclusive Auburn Initiative.

It is also recommended that the City provides the necessary professional development and support for the Racial Equity Team at the City of Auburn to be successful in their crucial work.
It was a pleasure to partner with Team Auburn during this 18-month collaborative partnership. We look forward to hearing about the progress that this work will make in the years ahead to ensure that every resident in Auburn has a place at the table and feels honored, valued, and dignified for their humanity.

BACKGROUND

"Racism – a system of advantage based on race – is pervasive, yet it can be dismantled through strategies that promote systemic change along with real conversations about shared values and principles. For instance, by reviewing racially discriminatory practices and policies that have led to the allocation of resources based on geographical location, we can begin to understand why some communities have prospered while others have not. Too often we try to address these racial disparities through "color blind" and/or "race neutral" approaches that do not take into account the impact of unconscious biases influenced by racialized societal messages. We need intentional strategies aimed at acknowledging the impact of structural marginalization and discrimination to create meaningful and long-lasting change."[4]

Across the United States of America, regardless of geographical region, racial, and other inequities exist across every indicator for life success—including health, education, employment, housing, criminal justice, and beyond. According to GARE's publication, "Racial Equity: Getting to Results,"

"We must recognize that from the inception of our country, government at the local, regional, state, and federal level has played a role in creating and maintaining racial inequities. We know these inequities are incongruent with our constitutional values and aspi¬rations as a nation."[5]

The Institute for Othering and Belonging at the University of California, Berkeley, in a joint research project with the Government Alliance on Race and Equity (GARE), Race Forward, and the Center for Social Inclusion, recognizes that local government and municipalities can and must do better to live up to the ideals of creating a multicultural and pluralistic democracy. We understand that local government plays a crucial role in advancing racial equity. Therefore, we are modeling at the local and regional levels how it is genuinely possible for a government to promote equitable opportunities for all residents and develop into an inclusive and effective democracy for all.

The City of Auburn has begun advancing racial equity and social justice in City Government. Based on national research and effective practices, we know that change is possible when the process of advancing racial equity and social justice is intentional, systemic, strategic, focused, and supported. Though we as a nation have made many strides toward achieving racial equity, many policies, practices, laws, and procedures continue to create disparate results for Black, Indigenous, and Other People of Color. This is the case even if the explicit intent to marginalize, oppress, or discriminate is not present. The City of Auburn's leadership recognizes that they are at a critical juncture in history and wants to ensure proactive social justice advancement within city government.

The City of Auburn Leadership has specific goals of improving the life outcomes for all by focusing efforts on those faring the worst. Deep¬ly racialized systems are costly for everyone and depress out¬comes and life chances for ethnically and linguistically diverse communities. City Leadership understands that to advance racial equity, city government must focus not only on individual programs but also on transforming systems, policy, and institutional strategies that create and maintain inequities. The Government Alliance for Racial Equity recommends using a three-part strategic approach geared to address all levels of institutional change[6]*. This framework is outlined below in the context of the City of Auburn.*

[4] Cultural Anthropology, Appreciating Cultural Diversity, 17th Edition, Conrad Phillip Kottak via http://www.mml.org/wp-content/uploads/2020/08/Racial-Equity-Toolkit.pdf

[5] Racial Equity: Getting to Results. https://www.racialequityalliance.org/wpcontent/uploads/2017/09/GARE_GettingtoEquity_July2017_PUBLISH.pdforg/wp-content/uploads/2020/08/Racial-Equity-Toolkit.pdf

[6] https://www.racialequityalliance.org/wp-content/uploads/2018/05/1-052018-GARE-Comms-Guide-v1-1.pdf

NORMALIZE

1. **Use a racial equity framework:** The City of Auburn must use a racial equity framework that clearly articulates their vision for racial equity and the differences between individual, institutional, and structural racism—as well as implicit and explicit bias. It is important that staff across the city develop a shared understanding of these concepts.

2. **Operate with urgency and accountability:** Contrary to the popular belief that change happens slowly, we know that if efforts are correctly prioritized and given the resources they need, change can actually occur quite rapidly. The most effective path to accountability comes from creating clear action plans with built-in institutional accountability mechanisms. Collectively, we must create greater urgency and public will in order to achieve racial equity.

ORGANIZE

1. Build organizational capacity: The City of Auburn must commit to meaningful, complete institutional transformation so that impacts are sustainable. While City Leadership plays a crucial role in mapping out Auburn's journey to inclusivity, change takes place on the ground. Auburn must construct an infrastructure that creates racial equity experts and teams throughout local government.

2. Partner with other institutions and communities: The City of Auburn leadership's racial equity work is necessary but not sufficient on its own to create lasting change. To achieve racial equity, Team Auburn must work in partnership with surrounding communities and institutions.

OPERATIONALIZE

1. Implement racial equity tools: Racial inequities are neither natural nor random—they have been created and sustained over time. Inequities will not disappear on their own; tools must be used to change the policies, programs, and practices that perpetuate inequities. Using this report, "Focusing on Racial Equity Results," the guide from GARE, and other tools such as our Racial Equity Tool, will help us to achieve better results within our communities.[7]

2. Be data-driven: R2E recommends a two-part approach to measuring success: first, to measure the performance of specific programmatic and policy changes, and second, to develop baselines, set goals, [8] and measure progress towards these goals . Team Auburn must use data in this manner to ensure accountability.

Achieving racial equity means that we can no longer predict disparities or life outcomes based on race, background or circumstance. The Inclusive Auburn Initiative aims to improve results for all Auburn residents. The City of Auburn Leadership believes that to disrupt deep and pervasive inequalities manifesting in the City, they must intentionally develop culturally responsive opportunities for resident populations who have been historically underserved, generate new possi¬bilities for community ownership of government, and establish a new narra-tive for a genuinely inclusive democracy. **Indeed, to live up to the United States of America's constitutional values, we must transform city government. We must transform the City of Auburn.**

[7] https://www.racialequityalliance.org/wp-content/uploads/2017/09/GARE_GettingtoEquity_July2017_PUBLISH.pdf

[8] Institutional Change | Center for Social Inclusion. https://www.centerforsocialinclusion.org/our-work/our-four-strategies/institutional-change/

INTRODUCTION

The Inclusive Auburn Initiative is the City's current priority. This initiative engages City leadership and community in essential work that builds upon previous work inspired by Imagine Auburn, a process that involved many internal and external stakeholders. Thanks to Imagine Auburn, a clear vision and core values laid the foundation for the Inclusive Auburn Initiative. Imagine Auburn is a collective community vision that sees *the Auburn of 2035 become a city of connected and cherished places, from a vibrant downtown to quiet open spaces and everything in between, where a community of healthy, diverse, and engaged people live, work, visit, and thrive.* Seven core values are driving this powerful vision[9]:

CHARACTER means developing and preserving attractive and interesting places where people want to be. We will create and maintain high quality neighborhoods, places, and spaces.

WELLNESS means the promotion of community-wide health and safety. We will build and maintain an environment that promotes public safety and healthy lifestyle options.

SERVICE includes providing transparent government service. We will be an efficient, approachable, and responsive City government.

ECONOMY includes encouraging a diverse and thriving marketplace for consumers and businesses. We will provide a diverse and vibrant local economy with employment, retail, and entertainment opportunities for citizens and a growing marketplace for homegrown and regional-scale businesses.

CELEBRATION includes celebrating our cultures, heritage, and community. We will celebrate diversity and creativity and come together to teach, learn, and have fun.

ENVIRONMENT means stewarding our environment. We will protect the natural environment, preserve open space, and create appropriate access.

SUSTAINABILITY means creating a sustainable future for our community. We will balance natural resource protection, economic prosperity, and cultural vibrancy in order to build a thriving and long-lasting community.

Arguably, the value gap (differences between espoused values and lived experiences of residents most impacted by racial and other forms of inequities) is the most significant chasm in any organization or city government. Racing to Equity has been called upon to partner with the City of Auburn to begin the process of closing the city's value gap by anchoring in the notion and reality of Inclusion.

According to The People's Institute for Survival and Beyond's Anti-Racist Principles,

> *"Necessary to reap any attempts at Diversity and Access, Inclusion efforts focus on the experiences of belonging that staff and patrons feel. It is about seeing oneself reflected and represented in an organization from a strengths-based frame, but it is also about being understood and trusted for one's agency and autonomy."*[10]

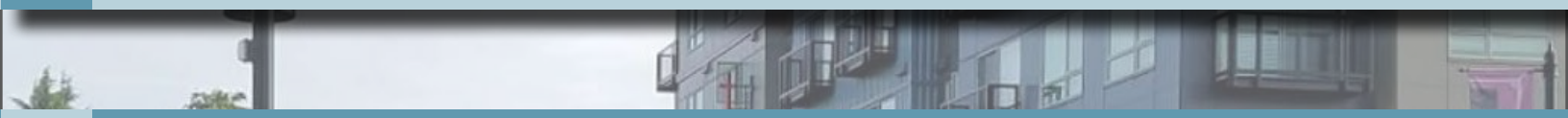
To establish a baseline entry-point assessment to begin examining the city's Inclusion Value Gap's depth and breadth towards transformational change, we believe a mixed-method systems evaluation approach is most appropriate. Combining historical, qualitative, and quantitative data will provide a complete picture of such a gap with critical recommendations to move the Inclusive Auburn Initiative forward.

[9] Adopted Comp Plan Value Statements - City of Auburn. https://www.auburnwa.gov/city_hall/community_development/zoning__land_use/auburn_s_comprehensive_plan/adopted_comp_plan_value_statements

[10] http://www.pisab.org/our-principles/

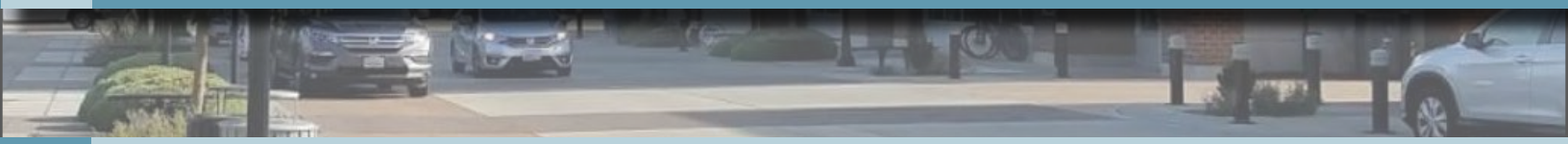
NORMALIZE

the conversation about racial equity and social justice. Cities need to develop a common language and in-depth racial equity analysis. It is imperative to use a racial equity framework that names the history of the laws, policies, practices and procedures passed and implemented to create and maintain racial inequities, oppression, marginalization, and discrimination against Black, Indigenous, and People of Color. Normalizing the conversation about race and social justice helps us create a common language to use in this crucial work. We develop clear and broad definitions of what it means to achieve racial equity and actively dismantle racial inequities. Of great importance, as we normalize the conversation on racial equity and social justice, we communicate and act with urgency. Urgency is crucial despite the widespread belief that change is hard and takes a long time. We have seen repeatedly that when racial equity is an urgently felt priority, change is embraced and takes place quickly. Building in institutional accountability mechanisms via a clear plan of action will allow accountability. Collectively, we must create greater urgency and public will to achieve racial equity.



ORGANIZATIONAL CAPACITY

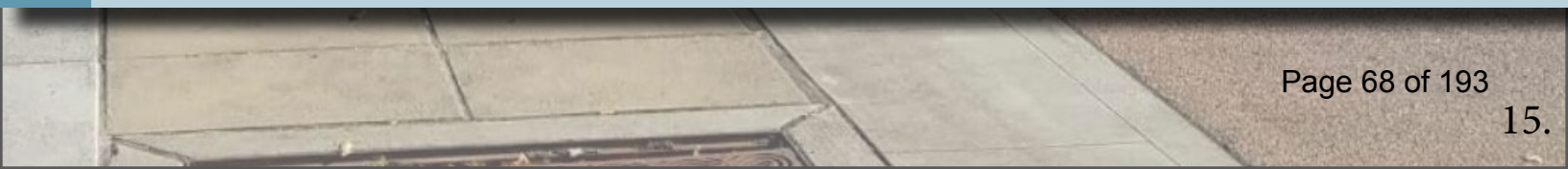
Organizations and institutions need to be committed to the breadth and depth of systemic and institutional transformation. While the engagement in advancing racial equity by middle managers and leaders from an organization is critical, substantial and sustainable changes occur on the ground. An infrastructure that ensures racial equity experts and teams' creation throughout departments and divisions within the organization or institution is necessary. To achieve racial equity, organizations and institutions must work with a network of partners: institutions, business, education, philanthropy, among others, and center the work on impacted communities of color.



ORGANIZATIONALIZE — IMPLEMENT RACIAL EQUITY TOOLS

Racial inequities are not random—our systems are not broken; our systems are successfully producing the results for which they were designed. These racial inequities have been created and sustained systemically and structurally over time. Racial and other inequities will not disappear on their own. Creating equitable laws, practices, policies, and procedures is necessary to ensure a socially just and pluralistic democracy. Racial Equity Tools provide a framework by which to measure the equity focus of decisions large and small. The City of Auburn must use these tools to change the policies, programs, and practices that perpetuate inequities, as well as develop new policies and programs.

Being data-driven is crucial for advancing racial equity and social justice. Measurement must occur at two levels — first, to measure the success of specific programmatic and policy changes. Second, to develop baselines, set goals, and measure progress towards community goals.





RESEARCH & EVALUATION
METHODOLOGY

Systems evaluation is a vastly different approach from traditional evaluation. Typically, an evaluation follows a linear logic model with the basic framework of measuring short-term, mid-term, and long-term outcomes. Traditional evaluations address complex issues through symptomatic data (crime rates, educational outcomes, healthcare disparities, housing inequalities, unemployment rates) as key indicators. Without a racial equity analysis, traditional evaluation conclusions and recommendations put the onus and blame on communities of color and other marginalized groups rather than examining the system in how it produces predictable outcomes based on race, class, gender, and other social identity factors.

Alternately, systems evaluation focuses on systemic barriers. Disparities between Whites and Communities of Color in all social sectors are merely symptoms of deeper issues called Opportunity Gaps or Institutionalized Racism (policies, procedures, and practices that benefit Whites to the detriment of People of Color). Arguably the most significant gap within a system is known as the Value Gap (the gap between our beliefs and current practices). Systems transformation happens when current beliefs (mission, vision, and core values) inch closer and closer to aligning with current practices and evidence of impact. In city with a small to nonexistent value gap, institutions, communities of color, and other marginalized groups live in mutual accountability.

HISTORICAL RESEARCH & METHODOLOGY

Historical research provides a fundamental analysis with which to understand the collective identity of the City of Auburn. Historical methodology and data collection come from an epistemological stance known as postmodernism. Postmodernism represents an intellectual position that one can only know something from a particular point of view. It challenges the modernist idea that one can only gain knowledge through human reasoning and science. Postmodernism considers the power structure of society and values marginalized communities' viewpoints. The historico-cultural context becomes paramount in seeking to understand the meaning of any person or group. Historico-cultural context investigates the influential forces throughout time that shape a person or society, in our case, the forces of systemic oppression and exclusion. R2E has worked with the City of Auburn leadership team to collect historical data from the following sources: Imagine Auburn report, organizational chart, past evaluation reports, Human Resources documents, and other relevant identity documents (please see Appendix A).

QUALITATIVE RESEARCH & METHODOLOGY

In addition to historical data, qualitative research emphasizes an inductive approach, which refers to the process of deriving general meaning and insights by working "backward" from particulars, rather than "forward" in a deductive fashion from already established theoretical formulations. The primary concern of qualitative research is to find meaning in context. In other words, qualitative research evaluators are passionately interested in how different people make sense of their lives. Qualitative methodology includes conducting focus groups and interviews with key internal constituents. The primary data came from structured focus groups and interviews. Each interview was conducted in person by three of our consultants and lasted an average of 30-45 minutes. We conducted four focus groups: two for City of Auburn Staff and two for the Police Department. Each interview took between 90-120 minutes to complete in-person (please see Appendices B & C for protocols). Our goal was to hold ten additional community focus groups. However, due to the Center for Disease Control and Washington State Health restrictions resulting from COVID 19, we were unable to host these focus groups. Once all focus groups and interviews were transcribed, R2E data analysts thoroughly reviewed the transcripts. Afterward, the transcripts were "open coded" to identify keywords and common themes.

Themes from the focus groups derived from these research questions below:



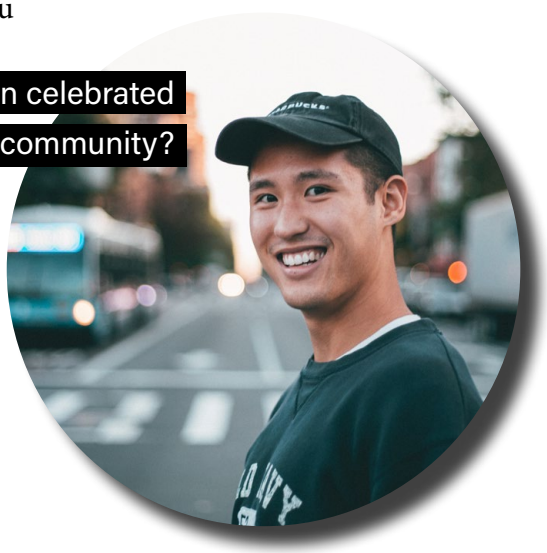
- In what ways is the City of Auburn inclusive for every City resident?
- What do you believe are the barriers you confront when trying to establish equitable opportunities and an inclusive environment, where do you see room for improvement?
- Do you believe that City of Auburn residents feel honored, valued and dignified?
- What do you need as a City employee to advance equity in the context of your work?
- How has the City built more character into the City government?
- How does the City of Auburn promote health and safety?

• How has the City of Auburn encouraged a diverse and thriving marketplace for consumers and businesses?

• How has the City of Auburn stewarded our environment to protect the natural environment, preserve open space, and create appropriate access?

• How has the City of Auburn created a sustainable future for our community?
Whereas themes from staff interviews derived from these sets of questions:

• Have you heard about the Inclusive Auburn Initiative? Please share what you know about the initiative and what you would like to know.



• Is the City of Auburn making progress in creating an inclusive environment where every staff member feels honored, valued and dignified?

• Do you feel comfortable to discuss and address inclusion, inequities, and institutional racism with colleagues to strengthen the Auburn Inclusive Initiative?

• Do you feel knowledgeable enough to discuss and address inequities, institutional racism, and inclusion with colleagues to strengthen Auburn's Inclusive Initiative?

• Keeping your knowledge and comfort in mind, how can the City of Auburn support you to address inclusion, inequities, and institutional racism in the context of your job so that all staff and residents have the access, opportunities, and support to excel?



• What could be done within your department or program to strengthen inclusion to eliminate institutional racism and other inequities?

• What characteristics should leadership embody to work towards institutional equity? Are there needs that must be met in this process?

QUESTIO



How has the City of Auburn been efficient, approachable, and responsible?

- Share examples when the City of Auburn or your department demonstrated an environment of inclusion and equity for staff and city residents.

- Do you believe the work you have identified on ensuring equity and inclusion will make a positive and long-lasting impact in eliminating opportunity and achievement gaps? If yes, why do you believe this? If no, why do you believe this?

- Is there anything else that you would like to add that we did not ask you?

Lastly, quantitative data provide insights into patterns of staff and community perceptions.



Do you believe it is the city's responsibility to establish equity and inclusion for staff and city residents?

QUANTITATIVE RESEARCH & METHODOLOGY

Quantitative data allows research evaluators to look at larger sample sizes to see specific populations' generalizations, especially those impacted most by racial and other forms of inequities. Data explored derives from three sets of surveys - The Inclusive Auburn Initiative Staff, Inclusive Auburn Comprehensive Value Statements Survey (for the city's directors and senior management team), and Community Surveys. Surveys were administered via Survey Monkey to all staff who work for the City of Auburn with 198 respondents, 30 respondents for the values staff survey, and a total of 240 respondents for the community survey (please see survey instruments in Appendix D). These staff and community perception patterns will give us more insights into the City of Auburn Inclusion Value Gap. All three types of data were analyzed through three specific frameworks - Simon Sinek's Golden Circle, Cultural Competency, and Inclusion Value Gap.

ONS



CONCEPTUAL **FRAMEWORK**

After the data collection, three conceptual frameworks - Simon Sinek's Golden Circle, Cultural Competency, anAfter the data collection, three conceptual frameworks - Simon Sinek's Golden Circle, Cultural Competency, and Inclusion Value Gap - were applied to and guided the equity analysis. In the first framework, according to Simon Sinek in his Ted Talk, 'How Great Leaders Inspire Action,'[11] "Every organization in the world knows what they do, 100%, while some organizations know how they do it, few organizations know why they do what they do." Furthermore, he stated, "Great leaders are in pursuit of 'why.' They hold themselves accountable to 'how' they do it. And 'what' they do, serves as the tangible proof of what they believe." To understand and work toward closing the Inclusion Value Gap, we must have an analysis of the City of Auburn Golden Circle ("Why," "How," and "What"). Based on historical data, the City of Auburn leadership team and many others within the organization had previously developed and implemented many programs within the city and community at large. We will align with and build upon this work by adopting an existing framework (Cultural Competency) from those historical documents.

[11] https://www.ted.com/talks/simon_sinek_how_great_leaders_inspire_action?language=en

[12] Sue, D.W., and Sue, D. Sociopolitical considerations of trust and mistrust (pp. 63–91). In: Counseling the Culturally Diverse: Theory and Practice. 4th ed. New York: John Wiley and Sons, 2003.

[13] http://www.pisab.org/our-principles/



In the second framework, we use Sue and Sue's definition of cultural competency as the ability to interact effectively with people of different cultures.[12] Cultural competency framework comprises four components: 1) Awareness, 2) Knowledge, 3) Skills, and 4) Advocacy/Action. In short, awareness is the process of understanding injustice and how one contributes to it. The knowledge component is the process of understanding other people's cultures. As for the skills component, it is the process of behaving differently in a positive manner towards cultural differences. Lastly, the action/advocacy component is the process of working towards institutionalized change.

The third framework is based on the concept and practices of Inclusion. Again, according to The People's Institute for Survival and Beyond's Anti-Racist Principles, Inclusion is *"about seeing oneself reflected and represented in an organization from a strengths-based frame, but it is also about being understood and trusted for one's agency and autonomy."*[13] The gap between this espoused value (Inclusion) and current practice/reality is known as the Inclusion Value Gap.

All three of these frameworks will provide leadership with insights into the City of Auburn baseline assessment of its Inclusion Value Gap and key recommendations based on historical, qualitative, and quantitative data.



CITY OF AUBURN **RESULTS**

The City of Auburn's "Why"

Simon Sinek's Golden Circle provides us a snapshot overview and context of the City of Auburn system. At the center of the Golden Circle is a shared purpose that anchors and connects every policy, procedure, process, practice, department and staff member together. Without it, systems can easily be misaligned. In other words, every department, activity, and other systems components end up operating in silos, and as a result, moving in different directions. Based on the city's historical documents and website, there appeared to be an absence of a collective "Why."

We recommend that the City of Auburn leadership team go through a similar process as the Imagine Auburn collective vision to co-create the city's shared purpose or mission statement. Concerning

WHY

Inclusive Auburn work, the city is ready to go through such a process. Based on staff focus groups and interviews, when asked, "Do you believe that it is the responsibility of the City of Auburn to establish equity?" The staff responded with a resounding, yes! Furthermore, when asked, "Do you believe the work you have identified on ensuring equity and inclusion will make a positive and long-lasting impact in eliminating opportunity and achievement gaps? Why, or Why not?" Three themes emerged. The first theme falls into the "I don't know category." Whereas, the second theme staff expressed, "I hope so" and "I think so" category with the caveat as described by a staff member, "As long it created part of city policy to make it long-lasting, rather than Mayor by Mayor." Another staff member shared that, "Previous efforts have failed, and hopefully, the research being conducted today, and the results will make future projects more meaningful." Lastly, the third theme is an affirmative, yes, because "the leadership is involved" and "once you start, it snowballs." Overall, this quote encompasses the staff sentiment, "We are glad this work is happening in the City of Auburn." Once the City's collective or shared purpose is established, the City's collective "how" can be created.

The City of Auburn's "How"

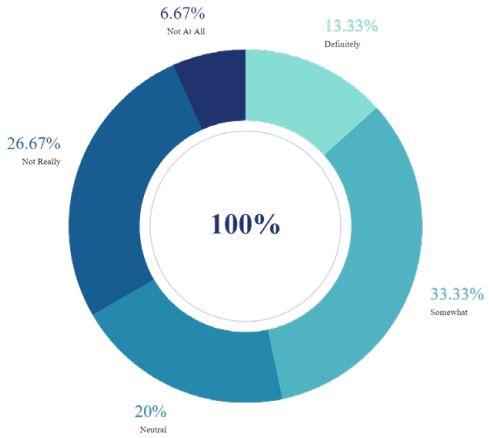
In systems thinking, core values drive systems in that they drive procedures and practices to move organizations toward their mission statement and collective vision. In other words, an organization's "how" comes from living into its core values. Through work within the Imagine Auburn initiative, the city adopted seven core values. Again, they are 1) Character - developing and preserving attractive and interesting places where people want to be. We will create and maintain high-quality neighborhoods, places, and spaces; 2) Wellness - promoting community-wide health and safety. We will build and maintain an environment that promotes public safety and healthy lifestyle options; 3) Service - providing transparent government service. We will be an efficient, approachable, and responsive City government; 4) Economy - encouraging a diverse and thriving marketplace for consumers and businesses. We will provide a diverse and vibrant local economy with employment, retail, and entertainment opportunities for citizens and a growing marketplace for homegrown and regional-scale businesses; 5) Celebration - celebrating our cultures, heritage, and community. We will celebrate diversity and creativity and come together to teach, learn, and have fun; 6) Environment - stewarding our environment. We will protect the natural environment, preserve open space, and create appropriate access; and 7) Sustainability - creating a sustainable future for our community. We will balance natural resource protection, economic prosperity, and cultural vibrancy in order to build a thriving and long-lasting community.

Responses to the Inclusive Auburn Comprehensive Plan Value Statements Survey for the city's directors and senior management team (a sample size of 30) provide insights into the city's collective "how." Specifically, they provide an overview of systems alignment or misalignment in that they offer a step-by-step guide in aligning the leadership team's beliefs, thoughts, and actions. On the following page are the responses from the vantage point of the City of Auburn Directors and Senior Management Team.

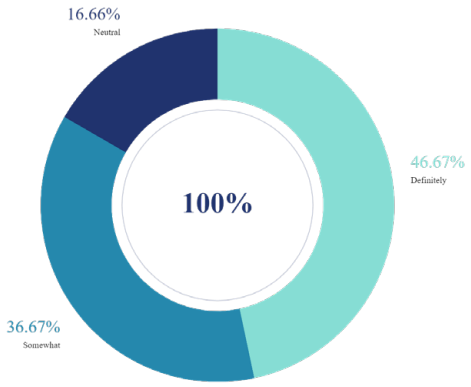
HOW

CHARACTER *- developing and preserving attractive and interesting places where people want to be. We will create and maintain high quality neighborhoods, places, and spaces.*

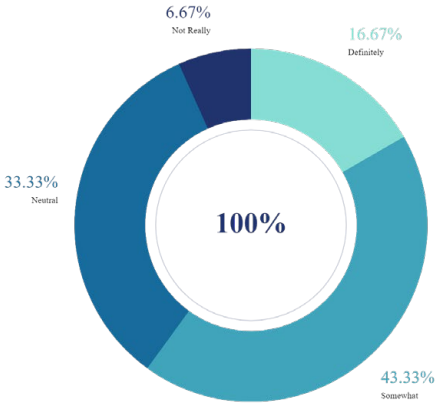
Does this statement provide a clear understanding of what it means?



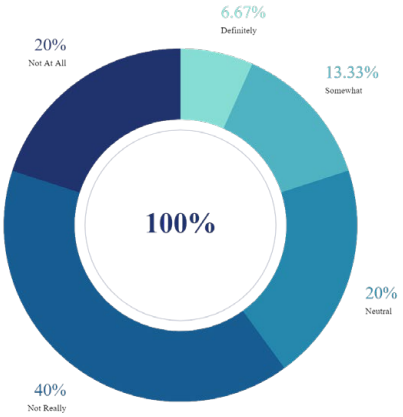
Do you concur that this is an important value that should be used to guide decision making and investments in our community?



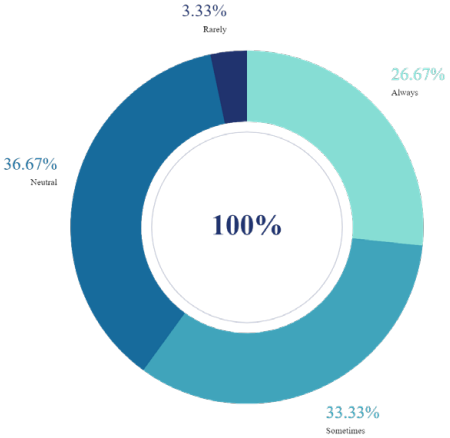
Do you believe that City leadership strives to consider this value when making decisions and investments in the community?



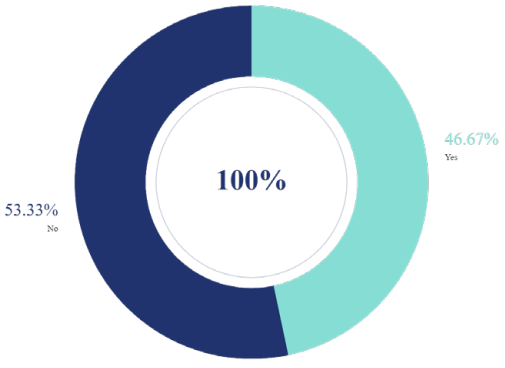
When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?



Do you factor in this value when you consider your own approaches to your work?



Do you have ideas on how to better incorporate this value into your work?





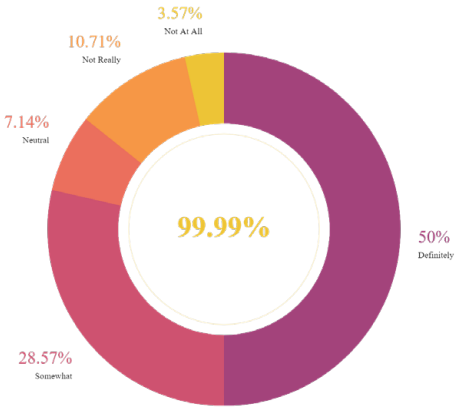
CHARACTER

It is clear that the city's directors and senior management have a working idea of what is meant by the core value 'character' and believe that this value is an essential focus for city decision making. However, respondents were less confident (76.66% indicated only 'somewhat' or 'neutral') that city leadership strives to consider this value when making decisions and investments in the community. Further, a large majority of respondents (60%) refute the belief that all areas of the community have equal outcomes as it relates to the value 'character.' From these responses, we can see the value gap begin to take shape. Though the definition and motivation behind including 'character' as a core value are clear to city directors and senior management, this group does not see this value consistently prioritized in decision making. Further, they do not believe that this value is applied to ensure equal outcomes for all neighborhoods.

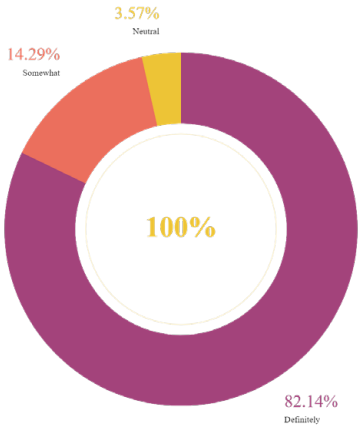
The concept that this value is important to city directors and senior management is carried through in the indication that 60% of respondents 'always' or 'sometimes' factor in the value 'character' when considering their approaches to work. However, less than half of the respondents (46.67%) have ideas on better incorporating this value into their work. This finding could be interpreted in two ways: That respondents feel that their current efforts are sufficient or that there is an opportunity to explore additional ways to incorporate this value. More research is necessary to draw a firm conclusion. We know from these responses this: City directors and senior management see 'character' as necessary enough to factor it into their own professional decisions, but they do not that this value is equally evident throughout various neighborhoods within the community.

WELLNESS - *promoting community-wide health and safety. We will build and maintain an environment that promotes public safety and healthy lifestyle options.*

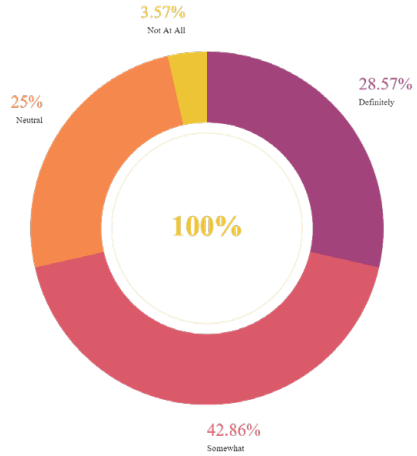
Does this statement provide a clear understanding of what it means?



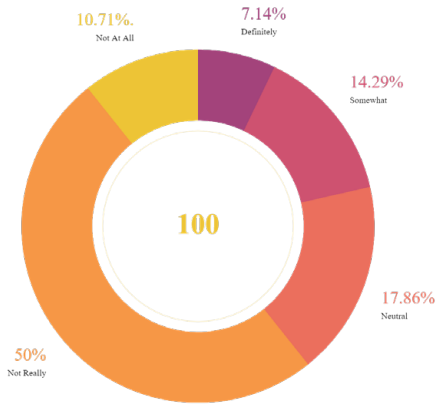
Do you concur that this is an important value that should be used to guide decision making and investments in our community?



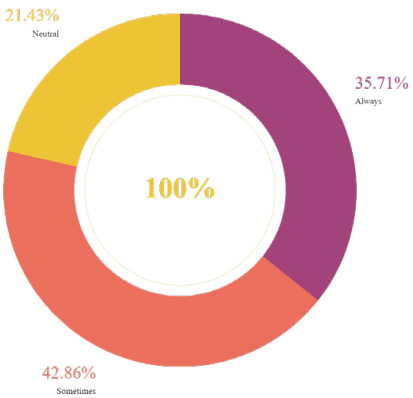
Do you believe that City leadership strives to consider this value when making decisions and investments in the community?



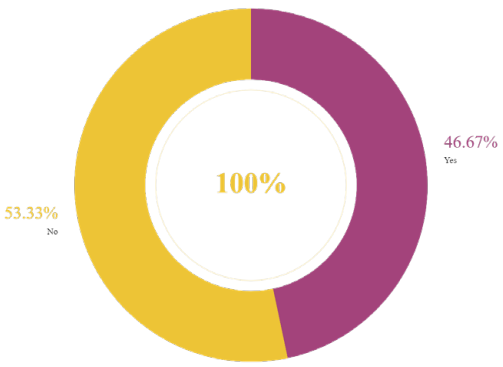
When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?



Do you factor in this value when you consider your own approaches to your work?



Do you have ideas on how to better incorporate this value into your work?





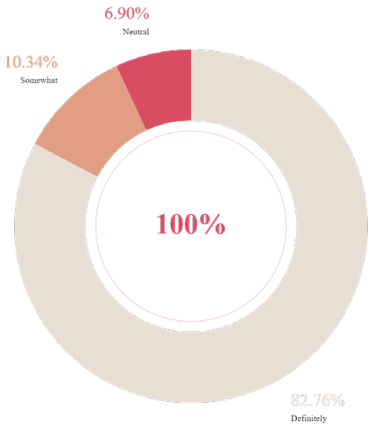
WELLNESS

According to the results of this survey, the value of 'wellness' is easy to understand and should be a priority when making decisions (as indicated by 82.14% of respondents). 71.43% of respondents believe that city leadership either 'definitely' or 'somewhat' strives to consider this value when making decisions. Even though 'wellness' receives support and integration at the city direction and management level, we again see over 60% of respondents indicating that this value is not equally evident from neighborhood to neighborhood in Auburn. Just over half of the respondents to this survey have ideas on better incorporating this value into their work. Collectively, these responses indicate a commitment to continuing to center wellness as a value, an observation that there is an opportunity to ensure that wellness is equally present from neighborhood to neighborhood, and a slight majority of city directors and senior managers who have ideas on how to make that happen.

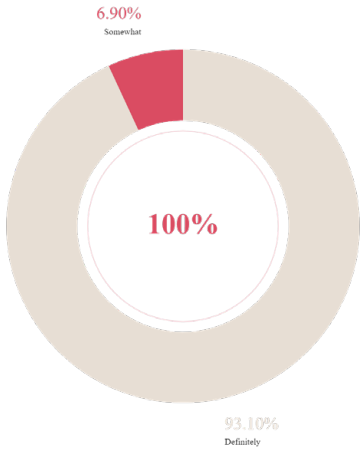
SERVICES *- providing transparent government service.*

We will be an efficient, approachable, and responsive City government.

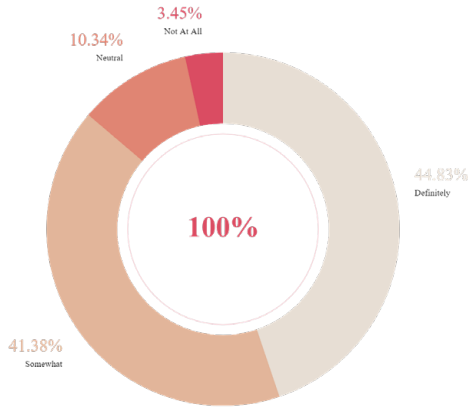
Does this statement provide a clear understanding of what it means?



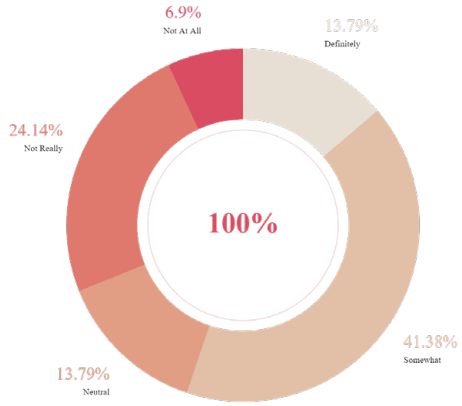
Do you concur that this is an important value that should be used to guide decision making and investments in our community?



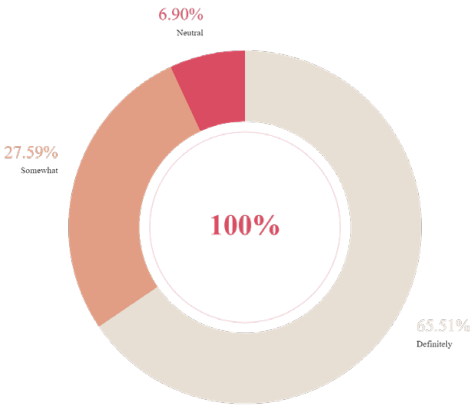
Do you believe that City leadership strives to consider this value when making decisions and investments in the community?



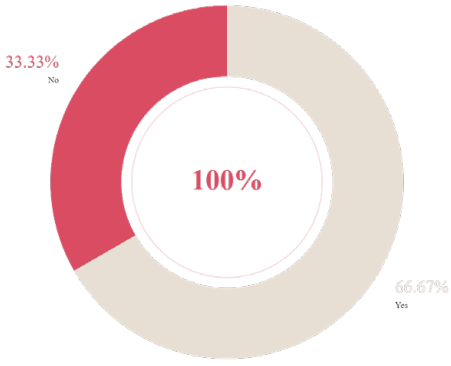
When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?



Do you factor in this value when you consider your own approaches to your work?



Do you have ideas on how to better incorporate this value into your work?



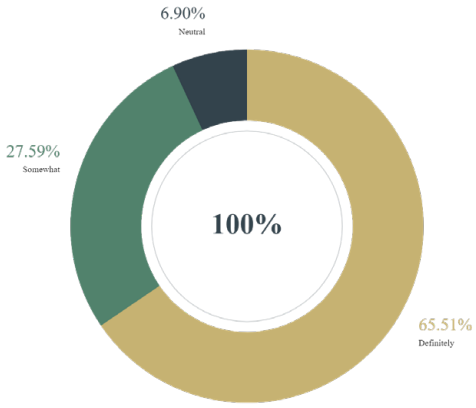


SERVICES

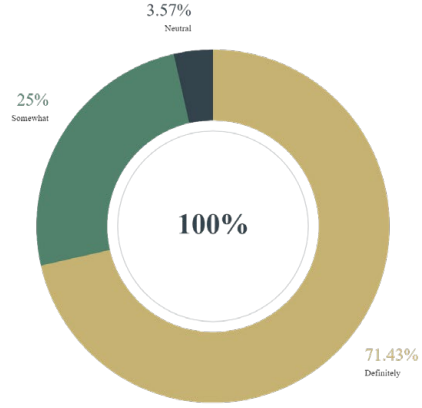
The value of Service seems to be one that is well-embedded in the functions of city government. It is widely understood, consistently prioritized, and remains a core value at the city government's individual and collective levels. 41.38% of respondents believe that various neighborhoods throughout Auburn have somewhat equal outcomes where the value of 'service' is concerned. While this is a more affirmative response than previous values, 24.14% of respondents still believe that this notion is 'not really' true. Again, we see a gap between an overwhelmingly affirmative response to the idea that 'service' is essential, clear, and widely prioritized, yet only somewhat equally evident throughout neighborhoods. We can identify a theme here- a disconnect between values, intentions, and implementation at the city level and actual, visible equality at the neighborhood level. 66.67% of respondents have ideas on how to better incorporate the value of 'service' into their work, indicating a potentially untapped wealth of knowledge that may ensure that this value is experienced equally throughout all Auburn neighborhoods.

ECONOMY - *encouraging a diverse and thriving marketplace for consumers and businesses. We will provide a diverse and vibrant local economy with employment, retail, and entertainment opportunities for citizens and a growing marketplace for homegrown and regional-scale businesses.*

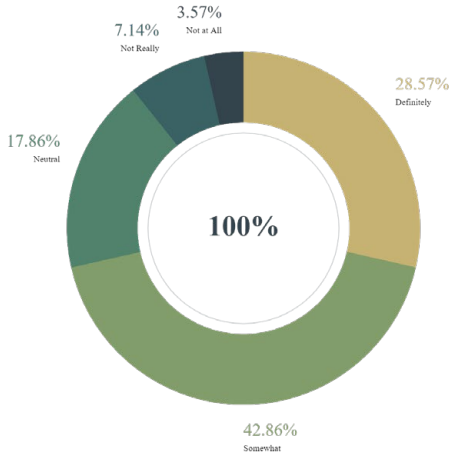
Does this statement provide a clear understanding of what it means?



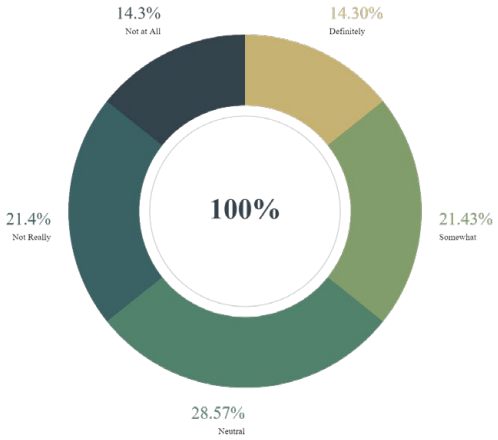
Do you concur that this is an important value that should be used to guide decision making and investments in our community?



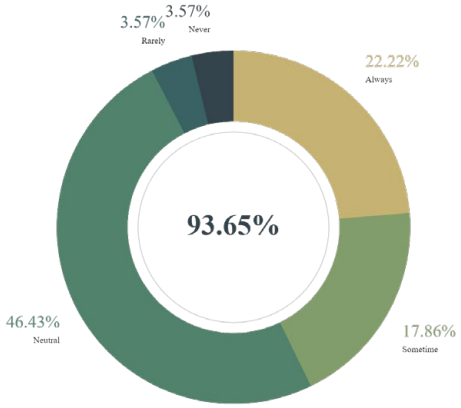
Do you believe that City leadership strives to consider this value when making decisions and investments in the community?



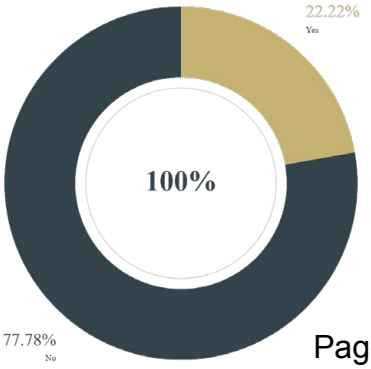
When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?



Do you factor in this value when you consider your own approaches to your work?



Do you have ideas on how to better incorporate this value into your work?



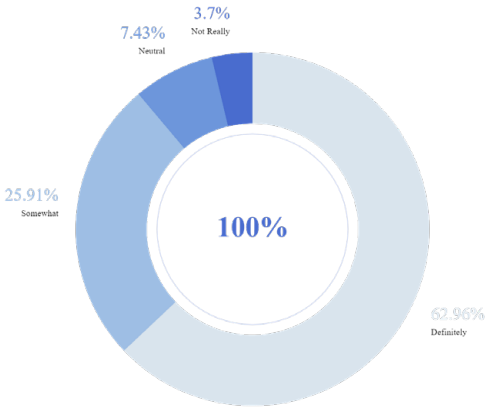


ECONOMY

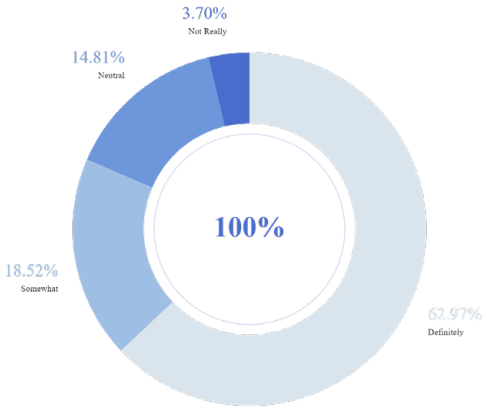
The responses to the value of 'economy' are quite fascinating in their contradictions. This value is overwhelmingly 'understood' (no respondents indicated a lack of understanding) and 'important' (no respondents indicated that this value was not important), and 71.43% of respondents believe that city leadership at least somewhat strives to consider this value when making decisions. Beliefs around whether this value is equally present in various neighborhoods are widely varied, with only a 14.28% spread from the most chosen answer 'neutral' and the least selected answers 'definitely' and 'not at all.' Further examination around this question would help identify why this data is so evenly inconclusive. Though respondents indicated that they have a strong understanding of the value 'economy,' 77.78% of respondents indicated that they don't have any ideas on better incorporating this value into their work. This finding could suggest that though there is a strong conceptual understanding of this value at the city level, there may be some opportunity to increase knowledge of its practical implementation.

CELEBRATION - *celebrating our cultures, heritage, and community. We will celebrate diversity and creativity and come together to teach, learn, and have fun.*

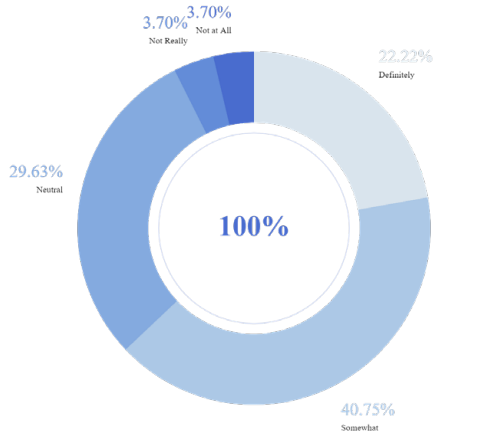
Does this statement provide a clear understanding of what it means?



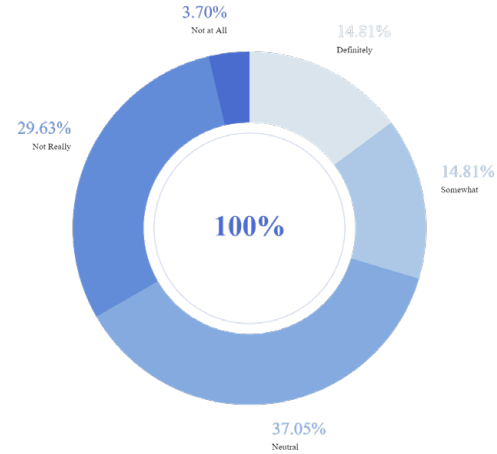
Do you concur that this is an important value that should be used to guide decision making and investments in our community?



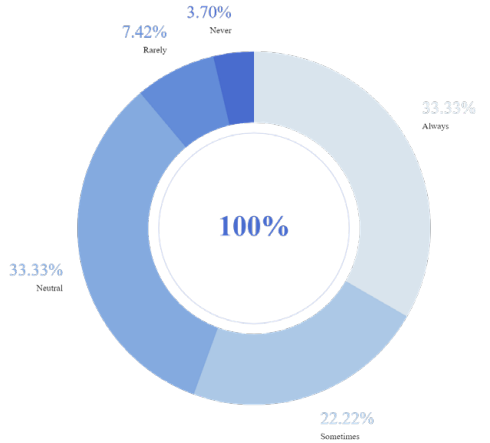
Do you believe that City leadership strives to consider this value when making decisions and investments in the community?



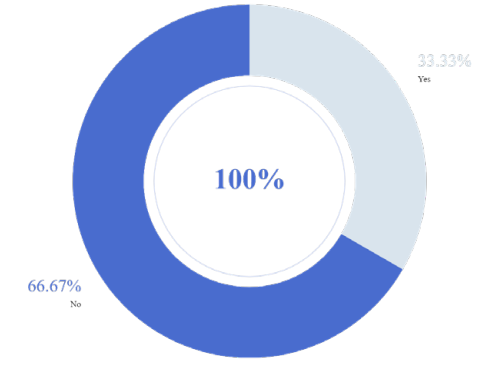
When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?



Do you factor in this value when you consider your own approaches to your work?



Do you have ideas on how to better incorporate this value into your work?





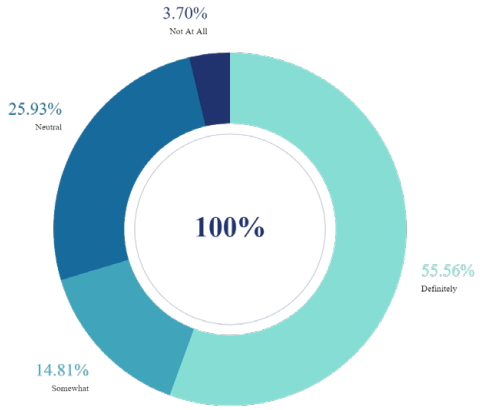
CELEBRATION

The emerging trend of recognizing a value as important yet failing to see it equally represented within Auburn's different neighborhoods continues. Like 'wellness' and 'economy', respondents overwhelmingly indicated that the value 'celebration' is understood and important. They also recognized that city leadership strives to consider this value when making decisions and investments in the community. Over half of the respondents indicated that they factor this value into their approaches to their work. However, 66.67% of respondents are either 'neutral' or believe that 'not really' all areas of the community have equal outcomes as they relate to the value 'celebration'. Again, we see a disconnect between a value's perceived importance and its presence in community outcomes.

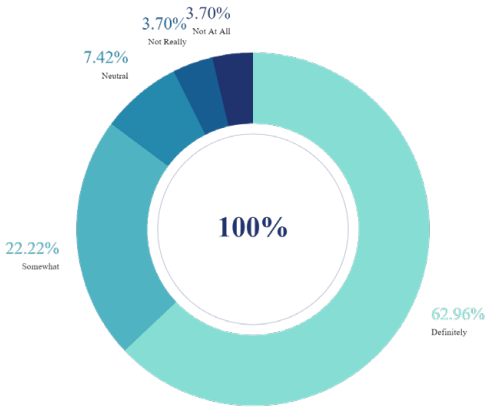
When asked whether they have ideas on how to better incorporate 'celebration' into their work, 66.67% of respondents indicated that they did not. One individual suggested that "it would be nice if we had more downtown events celebrating different cultures. Other cities in the area have ethnic fests, which are fun". This response highlights a critical strategy: looking for successful, replicable examples of including this value in similar cities. Another response commends the Museum for their wonderful celebration of diverse cultures, noting that they are unsure whether the city promotes these celebrations. This response identifies another opportunity to examine and encourage areas where this value is already being clearly illustrated.

ENVIRONMENT *- Stewarding our environment. We will protect the natural environment, preserve open space, and create appropriate access.*

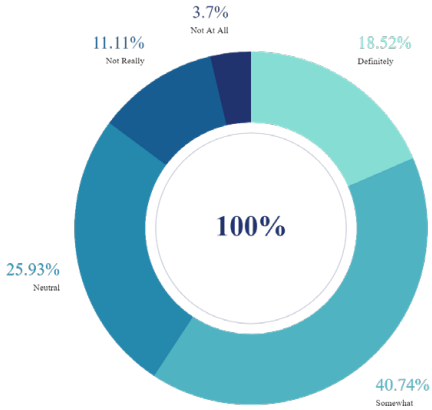
Does this statement provide a clear understanding of what it means?



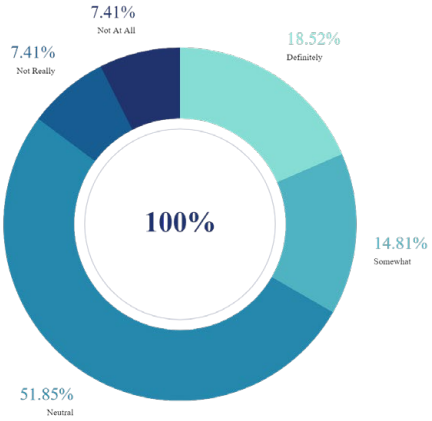
Do you concur that this is an important value that should be used to guide decision making and investments in our community?



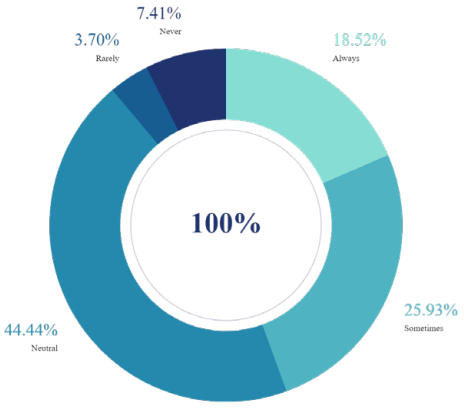
Do you believe that City leadership strives to consider this value when making decisions and investments in the community?



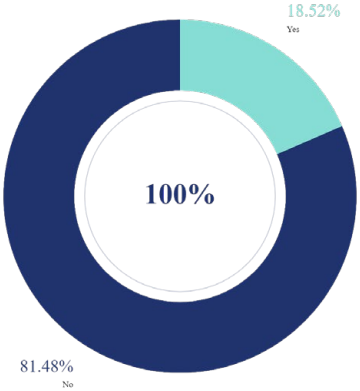
When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?



Do you factor in this value when you consider your own approaches to your work?



Do you have ideas on how to better incorporate this value into your work?



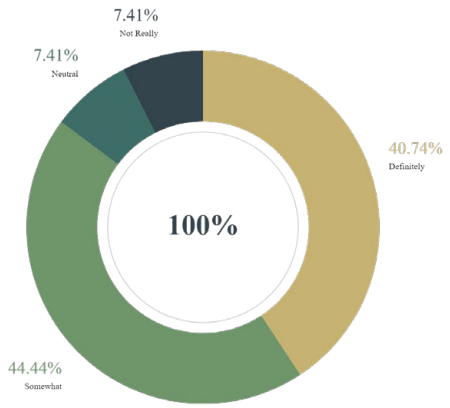


ENVIRONMENT

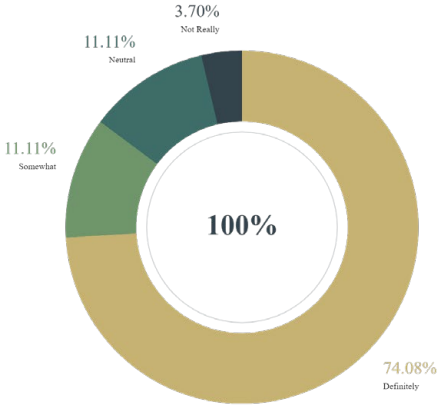
As with previous values, the value of 'environment' is widely understood and recognized as important. The majority of respondents indicated that the city leadership 'somewhat' strives to consider this value when making decisions. An overwhelmingly 'neutral' response to the question around equal outcomes related to the value of 'environment' has two potential implications. This response could indicate a lack of understanding of what a thriving 'environment' looks like from neighborhood to neighborhood or a lack of concern for this value's equitable presence among all communities in Auburn. Again, a 'neutral' response to whether respondents factor this value into their approaches to work underscores the previous response's notions. Respondents overall do not have ideas on how to incorporate this value into their work. Long-form comments cite things such as removing forested areas and a lack of environmentalists on city staff as reasons the city is falling short of this value. Alternately, several respondents mentioned park development as a positive outcome of having 'environment' as one of Auburn's core values.

SUSTAINABILITY *- Creating a sustainable future for our community. We will balance natural resource protection, economic prosperity, and cultural vibrancy in order to build a thriving and long-lasting community.*

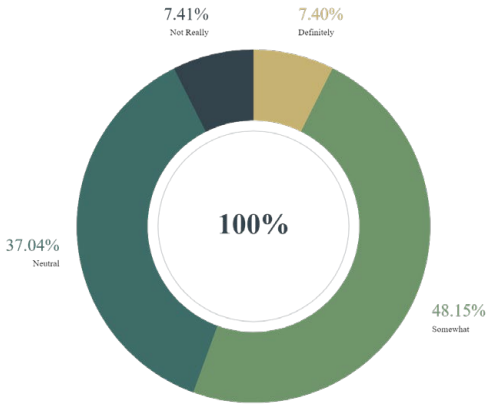
Does this statement provide a clear understanding of what it means?



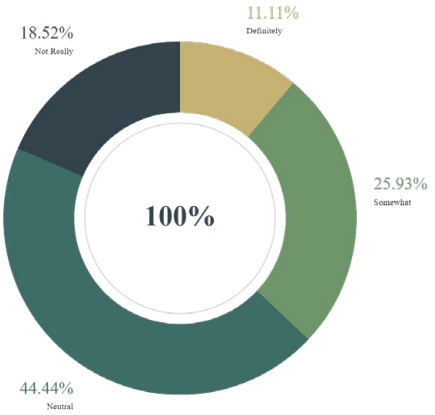
Do you concur that this is an important value that should be used to guide decision making and investments in our community?



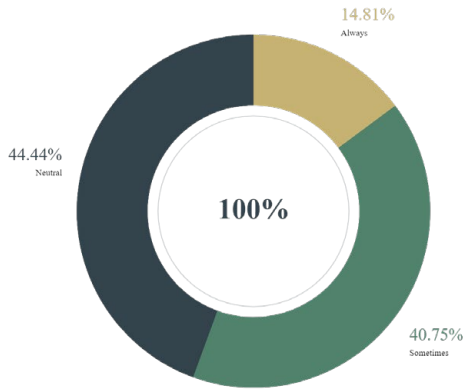
Do you believe that City leadership strives to consider this value when making decisions and investments in the community?



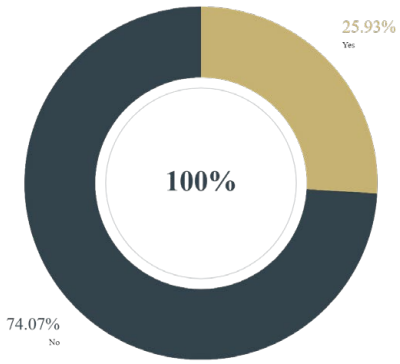
When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?



Do you factor in this value when you consider your own approaches to your work?



Do you have ideas on how to better incorporate this value into your work?





SUSTAINABILITY

Responses for 'sustainability' follow a similar pattern to other stated values, in that the value is understood and its importance is recognized. As the definition of sustainability as a value in the City of Auburn encapsulates other values as well, including environment, economy, and cultural celebration, survey responses to this question can potentially be seen as an aggregate commentary on the city's communication of its values as a whole. When asked about whether the various neighborhoods within the community have equal outcomes related to 'sustainability,' 44.44% of respondents chose the option' neutral.' It may be beneficial to explore further the reasons behind the high percentage of responses in the 'neutral' category. Perhaps this is due to sustainability being a more long-term outcome than the other values. Perhaps the indicators of a successfully sustainable neighborhood are more ambiguous than for different values.

CHARACTER

Focus Groups & Interviews Themes:
How has the City government built more 'character' into the City of Auburn?

- In terms of the City's core value of Character, the theme was the lack of residents' awareness of programs within the City due to lack of staff and budget capacity and resident accessibility.
- As for the City's core value of Character, staff members believe the City offers many attractive and interesting places where people want to be.

From the Inclusive Auburn Comprehensive Plan Value Statements Survey:

When examining how the city may be falling short in delivery of this value, a few respondents cited the long-standing inequities from neighborhood to neighborhood. One respondent stated that "Some areas have access to quality restaurants, services, etc., while other neighborhoods don't even have a decent grocery store to shop at." One respondent pointed out that the city's definition of the value of character is centered on aesthetics and suggested that people play a large part in defining a place's character as well. A few respondents expressed the sentiment that disparity between neighborhoods is natural and will be an enduring fact of life.

However, respondents say that the City of Auburn engages in several activities that convey their commitment to the value of 'character.' Most notably, several respondents indicated the development and maintenance of parks as evidence of this point. Additionally, respondents believe that recreational programming, the Façade improvement program, code enforcement, and murals are all examples of character throughout the community.

WELLNESS

Focus Groups & Interviews Themes:
How does the City government of Auburn promote health and safety for each one of the residents?

- The first theme was that staff members did not believe it is the City's responsibility to promote health and safety for each of the residents.
- The second theme- staff members believe Auburn is dangerous at night time..

In terms of the City's core value of Wellness, there was no particular theme. Responses range from "we have a PD and an FD" to "we have a team who engages with people who have concerns about speeding and sidewalk trips."

From the Inclusive Auburn Comprehensive Plan Value Statements Survey:

Responses from the values survey echo focus groups and interviews in pointing out that staff members don't believe Auburn is safe at nighttime. Additionally, several respondents indicated that lower-income or "older" areas of the city don't have the same access to the value of 'wellness' as more affluent or recently developed areas of Auburn. One respondent cited a lack of relationship between the City Council and the Police Department as a shortcoming and a reason why Auburn may not convey this value to the best of their ability.

Alternately, respondents noted that, while Auburn may not convey this value at this time, the city is working to prioritize wellness and incorporate it into all aspects of city government. One respondent pointed out that though the city has the opportunity to, and does, promote the value of wellness, it is ultimately the individual's choice to engage in this practice or not. This finding speaks to the theme identified in focus groups that promoting this value may not be the city's responsibility. One respondent stated the addition of bicycle officers as an effective way to convey the importance of wellness and safety in the City of Auburn.

SERVICE

Focus Groups & Interviews Themes:
In terms of the City's core value of Service, there was no specific theme. Staff mentioned the Civics Academy program will be translated digitally. Furthermore, staff is present in the community.

Communication was a heavy theme in responses relating to service. One respondent pointed out that, while the city does a great job in responding to residents when they are contacted, they don't do as well at soliciting feedback from those residents who are less likely to make initial contact themselves. Improvements in areas such as increased diversity training among city staff, increased transparency in the budgeting/ budget development process, increased frequency and improved value of outreach, and translation of public meetings and notices to multiple languages as potential areas of improvement for conveying this value.

As far as areas in which the city is excelling related to service, several respondents noted that the city does an excellent job of acknowledging and responding to resident issues or complaints. The words 'responsive' and 'approachable' each came up multiple times. A few respondents also mentioned that the city does a great job engaging in numerous communication formats, such as website, magazine, newspaper, and social media.

ECONOMY

Focus Groups & Interviews Themes:

- As for the City's core value of Economy, there was no theme emerged. Discussion on this question was short.

From the Inclusive Auburn Comprehensive Plan Value Statements Survey:

Business in Auburn and whether the city is an easy or worthwhile place to do business came up in various thoughts regarding shortfalls in economy. One respondent mentions the belief, especially among the older generation of residents, that taxes and permit fees are often barriers or deterrent to businesses who may otherwise consider Auburn for their operations. Several respondents mentioned business retention. One respondent expressed the idea that a lack of community and an increase in the frequency of shopping online has left many storefronts vacant. Focusing on rebuilding that sense of community may help reverse this phenomenon.

There was a general lack of feedback regarding the city's delivery of positive outcomes involving economy. Many respondents declined to answer this request for positive outcomes, possibly indicating a lack of familiarity or a lack of evident city involvement in its economic position. Those who did respond noted supporting developers in moving their projects through the city's processes and investing in infrastructure to attract developers, as examples of positive outcomes.

WHAT

CELEBRATION

Focus Groups & Interviews Themes:
The main theme was that there are many celebrations throughout the year. (Staff provided many examples of holidays and events).

From the Inclusive Auburn Comprehensive Plan Value Statements Survey:

While several respondents stated that there are many celebrations in the city throughout the year, such as the Veteran's Day parade, a few respondents indicated the belief that the city can improve in the diversity of its events. One respondent points out that "we do really good with some groups/ cultures and yet others are ignored." Some possible focuses identified by respondents include Indigenous People celebrations (hosted by the city and not just the Muckleshoot tribe), a Latinx celebration, and an Ethnic Festival. The White River Valley Museum was mentioned multiple times as a leading positive example of cultural celebration.

ENVIRONMENT

Focus Groups & Interviews Themes:

- As for the City's core value of Environment, the department no longer exists. "Wondering - Should this still be a core value of the City of Auburn?"
- As for the City's core value of Environment, staff members discussed the issue of homeless people in the parks.

From the Inclusive Auburn Comprehensive Plan Value Statements Survey:

Themes in the environment portion of the Value Survey were clear and concise. Clearing forested areas and a dwindling focus on the environment were mentioned as reasons the city may be falling short of living by this value. However, several respondents said parks development and maintenance as a positive outcome of this value.

SUSTAINABILITY

Focus Groups & Interviews Themes:

- As for the City's core value of Sustainability, there was a clear need to build the City's capacity toward sustainability.
- One participant's voice summed up the discussion, "I'd say we have some work to do."

From the Inclusive Auburn Comprehensive Plan Value Statements Survey:

In keeping with the themes identified in focus groups and interviews, the central theme among respondents to the survey is that, though the city has expressed a greater focus on sustainability, few to no actions are easily or directly attributed to this value. One respondent said that, though senior leadership believes that sustainability is important, they feel "a little directionless." A couple of activities mentioned that indicate a long-term focus on sustainability include electronic archival of documents and sustainable infrastructure redesign.

The cultural competency framework examines four key components - Awareness, Knowledge, Skills, and Action/ Advocacy - to provide a baseline assessment of the City of Auburn staff cultural competency. The purpose of establishing such baseline assessment is to build upon, continue the work of, and fulfill the collective vision of Imagine Auburn.

AWARENESS

According to the framework, the first process to fulfill the Inclusive Auburn Initiative's collective vision is to understand injustice and how one contributes to it. This process begins with awareness of the Inclusive Auburn Initiative itself. Based on the question, *"Have you heard about the Inclusive Auburn Initiative?"* the overall answer is that every staff member has heard of the Inclusive Auburn Initiative via email. Also, some staff went into details in the initial implementation of the initiative in that "training begins with the Mayor and executive level with six sessions, and then, it will trickle down through the leadership to other employees." Again, the entire staff is aware of the initiative. The next set of questions from staff focus groups and interviews will provide a baseline assessment of City Staff's understanding of injustice.

When analyzing the question, *"What do you believe are the barriers that you confront when trying to establish equitable opportunities and an inclusive environment, where do you see room for improvement?"* five themes emerged. The first theme was the barrier and room for improvement related to homelessness. The barrier was the "lack of understanding of root causes of homelessness." The opportunity to improve was to "gather more information to understand root causes." In the second theme, the barrier and room for improvement were related to voluntary participation with the Inclusive Auburn initiative. Staff expressed "a lack of clarity whether this initiative was voluntary or mandatory for staff." The other barrier was "the heavily paperwork driven process." The opportunity for improvement was to "streamline the process and understand that the initiative is mandatory, not voluntary." As for the third theme, no staff members mentioned or suggested any room for improvement. In the fourth theme, staff members believe the barriers are the residents' "upbringings and speaking different languages." In other words, the cultural differences between City Staff and many of the residents make it challenging to establish equitable opportunities and an inclusive environment. Lastly, some staff members believed that "we have been doing a good job establishing equity." The last equation of the awareness process is understanding the impact of injustice or diversity, equity, and inclusion on residents and staff.

Responses to the question, *"What is your knowledge about diversity, equity, inclusion, and its impact on residents and City staff?"* vary significantly within a spectrum. For instance, one group of staff said their "knowledge is limited, and they simply don't know." Whereas another group of staff said they "don't see any inequities." Furthermore, one group of staff recognizes that "the city staff needs more diversity," while a smaller group said they are "well-versed in diversity, equity, and inclusion." Finally, a larger group said, "the city is doing a good job with diversity, equity, and inclusion." The awareness component of the Cultural Competency framework allows the City of Auburn to understand where the staff is as a whole along the awareness spectrum so the City can continue to build staff capacity to move the work of inclusion forward.

> **"Accountability and inclusion are crucial. Reaching out to all areas and residents of the city is very important.**

KNOWLEDGE

The knowledge component of the Cultural Competency framework is the process of understanding other people's cultures. Before understanding other people's culture, it is imperative first to understand your culture and the culture in the City of Auburn. In honoring, valuing, and dignifying the ethnic and linguistic diversity in Auburn, we must understand each resident's assets to the city government. When asked the question, *"Do you feel comfortable to discuss and address inclusion, inequities, and institutional racism with colleagues to strengthen the Auburn Inclusive Initiative?"* two themes emerged. In the first theme, most staff feel comfortable discussing and addressing inclusion, inequities, and institutional racism with colleagues to strengthen the Auburn Inclusive Initiative. In the second theme, some staff are very hesitant to do so. They only "feel comfortable in their departments." This finding is a clear sign that the City of Auburn must increase that cross-departmental collaboration to break down silos that thwart the successful implementation of the Inclusive Auburn Initiative.

When asked, *"Do you feel knowledgeable enough to discuss and address inequities, institutional racism, and inclusion with colleagues to strengthen Auburn's Inclusive Initiative?"*, staff responses can be placed into three categories. The first category is that staff wouldn't feel knowledgeable enough to discuss and address inequities, institutional racism, and inclusion with colleagues and will need more education about the topic and issues. The second category is the "sometimes yes, and sometimes no" depending on the context and situation. The third category is that staff feel knowledgeable enough to have and address such discussion and issues. In DEI work, it is important to first build a culture to feel comfortable and knowledgeable enough to discuss and address inequities, institutional racism, and inclusion amongst one another. Building this type of staff capacity will allow the City of Auburn to engage with and understand cultural differences of residents of color and those historically marginalized. In the latter portion of the Result section of this report, the City of Auburn will get the opportunity to hear the voices and perspectives of the community based on the Inclusive Auburn Community Survey. The community perspective will provide a clearer baseline assessment of the City's knowledge towards understanding cultural differences.

SKILLS

Once all of the City of Auburn staff become aware of injustices and the impact of inequities and have built a culture to understand cultural differences, the Cultural Competency framework's Skills component will provide practical strategies to move the Inclusive Auburn work forward. Again, the Skills component is the process of behaving positively towards cultural differences. Three themes emerged when asked, "Keeping your knowledge and comfort in mind, how can the City of Auburn support you to address inclusion, inequities, and institutional racism in the context of your job so that all staff and residents have the access, opportunities, and support to excel?" The central theme was a need for more training around this topic in addressing these issues. Another theme is that staff had the desire to break down silos to collaborate more across departments. The last theme was specific support staff requested:

- "Better communication"
- "Support in policy work"
- "Support with issue of homelessness"
- "Language support with residents"
- "Need to listen to community to gain feedback"
- "Normalize conversation from leadership"
- "Support with environment impact on communities"
- "We are moving toward the right direction"

As for support and/or work that can be done within departments or programs, below were specific suggestions from staff:

- "Listen to understand rather than react."
- "Be persistent"
- "Continued hiring with diversity in mind, get away from white-male centric"

- "Improve working relationship with the Muckleshoot tribe (opportunity for healing work)"
- "If the expectation is real, then management really needs to follow through"
- "Better communication"
- "Ensure the same standards are held across the board"
- "Outreach to LBGTQIA+"
- "We need more resources for people who speak languages other than English"

The ideas and suggestions from staff provide valuable insights to building the City of Auburn's skills capacity to move the Inclusive Auburn Initiative's work forward in useful ways. In the next section, we will explore the last component of the Cultural Competency framework to gain a baseline assessment of the City of Auburn level of Actions/Advocacy.

ACTIONS/ADVOCACY

Lastly, the action/advocacy component is the process of working towards institutionalized change. Again, within the context of the City of Auburn, institutional change means moving closer to fulfilling Imagine Auburn's collective vision and living into its core values. When asked, "In what ways are the City of Auburn inclusive for every City resident?" two types of examples emerged - programs and affinity groups. Some of the programs and affinity groups include, but not limited to:

- Special programming - City Recreation, Sister City program
- Book Clubs
- White river Buddhist Temple
- Iraqi Women's Cultural Group
- Indigenous celebration of the winter holidays
- Website to communicate with linguistic diverse groups

As staff list ways they have been inclusive for residents, the next question asked for evidence or examples of inclusion and equity - "Share examples when the City of Auburn or your department demonstrated an environment of inclusion and equity for staff and city residents." Three themes emerged. The first theme is simply, they "do not know of any examples." The second theme, staff gave specific examples of what they believe to be inclusion and equity, mainly categorized as events and perceptions. For instance:

- "We have good wellness programs"
- "Homeless drop-in center, senior center, youth center, low-income utility financing.
- Annual summer neighborhood picnic. "Picnics are well attended by the community and City Staff."
- "We work hard to make contact with the customer."
- "The hiring process seems to be more inclusive."
- "Checking water meters for leaks...I do not take the neighborhood into consideration for service."
- "National Night Out"
- "Civics Academy"
- "I see that every day, folks coming in that do not speak English and we try to communicate as ethically as possible."

The third theme, staff expressed examples of opportunity for improvement:

- "People who live in marginalized neighborhoods had to call many times to get service."
- "An initiative called "Healthy Auburn 2020," to increase the life-expectancy for Auburn residents, which is lower than the average. A group of Latino/a community members is being interfaced with but not meeting them at their level."

The most robust indicator of the success of these actions/advocacies by the City will be communities' voices and perspectives most impacted by exclusion and inequities. Again, the Inclusive Auburn Community Survey will provide such insights. Furthermore, institutional change requires the City leadership to partner with the community. We asked the staff, *"What characteristics should leadership embody to work towards institutional equity?* Are there needs that must be met in this process?" Three main themes emerged, in which staff believes these characteristics leadership should embody to work towards institutional equity. The first theme is a leader should be "vulnerable and compassionate." For instance, one staff member expressed, "Openness to learning and expressions of not understanding to admit that we have permitted systems of oppression that hurt people." While another, "The openness, the kindness. The desire to do better, the desire to know people is admirable." The second theme is "trustworthiness and integrity," and the third theme is the "ability to bring people together." Both parts of the equation (residents/communities most impacted by exclusion and inequities + the City of Auburn leadership) have the potential for practical actions with strong evidence of impact toward institutional change. Before we add each part together, we will look at the current reality of the equation. In other words, the next section will explore the Inclusion Value Gap of the City.

INCLUSION VALUE GAP

Inclusion is *about seeing oneself reflected and represented in an organization from a strengths-based perspective,* and it is also about being understood and trusted for one's agency and autonomy. During the staff focus groups and interviews, participants were asked, *"Do you believe the City of residents feel honored, valued, and dignified?"* No themes emerged. However, one participant responded with "not everyone," while some staff members do not believe residents feel honored, valued, and dignified "due to cultural and language gap." Within the staff's respective departments, most believe that the City has made progress in creating an inclusive environment where everyone feels honored, valued, and dignified. Some went further, citing the reason for this progress is "new leadership." A few staff stated that more could be done to honor staff. We will explore these general statements in more depth based on the Inclusive Auburn Staff and Community Surveys. Both surveys will give us great insights into the City of Auburn's Inclusion Value Gap (what the City says about inclusion versus the lived experience/reality of communities/residents).

CITY OF AUBURN COMMUNITY SURVEY

SUMMARY OF FINDINGS

Notes on the data: Data analysts struck responses if they did not make sense in answer to the question, if the respondent indicated "N/A," or if the respondent indicated "see the previous response," as there was no way to link survey responses from question to question after confidentiality filters were applied. Since several questions encouraged participants to list multiple answers, each topic addressed within an answer was analyzed for trends. For example, if a question had 100 responses and one response listed five separate items or ideas, their answer might contribute to 5 different response categories. Since percentages are calculated by total responses recorded, the percentages mentioned will add up to be greater than 100. "The City" and "COA" are assumed to refer to the City of Auburn. "APD" is thought to refer to the Auburn Police Department. "GRCC" is assumed to refer to Green River Community College. "Mayor" or "The Mayor" is considered to refer to current Mayor Nancy Backus. Responses without a percentage next to them had 1-2 occurrences only.

RESPONDENT DEMOGRAPHICS

The largest population of respondents to this survey were white (51.04%) women (57.45%) between the ages of 51 and 64 (35.47%). Respondents were overwhelmingly born in the United States (92.74%). The majority of respondents do not have a disability (82.48%). It is interesting to note that, while the majority of respondents (48.07%) have lived in Auburn for over 15 years, the next most frequent (17.17%) subcategory of respondents have lived in Auburn for under 3 years. Most respondents (61.08%) spend over 15 hours of each day in Auburn and have between 0 and 3 interactions with City of Auburn staff during a month (84.26%). While over 50 different neighborhoods were listed as home for respondents, the majority concentration came from Lakeland Hills, with 44 out of 206 responses (21.35%)

What makes you proud about the City of Auburn? 198 responses analyzed

Respondents to this survey listed over 90 different reasons they are proud of Auburn. Most frequently, the topics of people and community came up. 17.85% of respondents mentioned pride in some aspect of their community, their people, or their neighbors in their answers. Respondents described Auburn's people as friendly, helpful and caring, and indicated that there was a sense of community support. Additionally, respondents indicated being proud of Auburn's parks and nature access (20.63%), the small-town feel (11.73%), its schools (7.6%), location and proximity to other large cities (7.14%), and its support of veterans and first responders (11.22%)

Also, worth noting: 16.8% of survey participants felt they have nothing to be proud of about the City of Auburn.

What are you most proud of in your neighborhood in the City of Auburn? 187 responses analyzed

Of 55 different reasons noted that people are proud of their neighborhood, respondents were most proud of the people in their neighborhoods (26.20%), the community feel of their neighborhoods (10.16%), and the diversity within their neighborhoods (9.6%). Respondents described their neighbors as friendly, nice, caring, and helpful. Several respondents indicated that they were proud of the way that their neighbors look out for one another. A few people described their neighborhoods as inclusive and accepting and were proud of the fact that everyone's culture is welcomed and respected. Other things respondents were proud of include that their neighborhoods were well-maintained, that there is a low crime rate, and that they are close to big trees and nature.

9.62% of respondents feel that there is nothing or not much to be proud of about their neighborhoods.

What are the core values of City Government in Auburn? 178 responses analyzed

42.13% of respondents indicated that they don't know what the core values of the City Government in Auburn are.

The second most frequent response was inclusion, as mentioned in 12.35% of responses. The following values were mentioned several times: Community support and development (8.43%), Honesty/ integrity (4.49%), public safety, maintaining city infrastructure, fairness, equality, compassion, and helping residents.

The following perceived core values were also mentioned: Increasing homelessness (3 responses), liberal leanings (3 responses), and greed (2 responses).

How are these values permeated through the City government and your neighborhood? 138 responses analyzed

Carrying over from the previous question, 35.5% of respondents indicated that they don't know how these values are permeated through the City Government and their neighborhoods.

Respondents. 18.1% of responses feel that these values are permeated through operations of and communications from the City. Examples of such communications include communication through email and social media, mayor videos, push to better hear from and serve the community, and posters. Respondents noted that the city is easy to get ahold of, that there is a sense of openness at City Hall, and that the Mayor is visible and participates in events throughout the city. An additional 7.2% of respondents indicated that these values were permeated through events hosted by the city.

7.9% of respondents felt that the City's core values were not being permeated through the City Government and their neighborhoods.

In what ways does the City Government in Auburn inform, cultivate, nurture and support these values? 153 responses analyzed

28.1% of respondents indicated that they did not know the answer to this question.

28.75% of respondents mentioned communication from the city in their responses to this question. Particularly the Mayor's weekly emails (6.5%), newsletter (6.5%), utilizing social media (4.5%), and mailings (3.26%). Community events were also mentioned frequently- in 12.41% of responses. Other responses to include that the Mayor does a good job of keeping the people informed, that residents appreciate the SeeClickFix option for reporting issues, and that the city is continuously working to improve communications and their website.

Though there were no patterns in negative responses (1 occurrence of each), some examples include:
- The city supports greed
- The city provides lip service
- There is a lack of police response
- There is no enforcement of rules that will solve problems in the city

Are you aware about the City Government's Inclusive Auburn initiative? If yes, how did you hear about it? 203 responses analyzed

53.20% of respondents were not aware of the Inclusive Auburn initiative. Of the 46.80% of respondents who are aware of the initiative, the majority indicated that they learned of it online or through email (30.53%). Other sources included street signs (12.63%), Facebook (7.37%), newsletter/ weekly updates (6.31%), and the newspaper (6.31%). Several respondents had heard about it from a friend, from the Mayor, or from city staff.

What are the underlying causes of inequity in the city of Auburn and in your community? 175 responses analyzed

While the most commonly occurring response to this question was "Don't know", at 14.85%, there was a great diversity in response otherwise. This is where we see the data start to stratify, and we can separate answers either in support of or in opposition of exploring/ investing time in rectifying the inequities within the city. This trend will continue through the remaining long form questions within the survey.

Most commonly indicated responses include homelessness (7.39%), income inequality (6.87%), poverty (5.71%), policing (5.14%) and racism (4.57%). 7 respondents (4%) also indicated a lack of understanding as a potential cause. Drug addiction (4%), crime (3.43%), and education (2.85%).

A few examples of responses that indicate an opposition to this initiative:
- The choices people make (2 responses)
- People dividing everyone by things they can't change. We need unity, not diversity.
- Whining liberals
- Selfishness
- Efforts to "diversify" bring in groups of people who would not have been a match for our community before

What are the immediate actions that you would like the city government in Auburn to take to ensure inclusion for each and every resident? 175 responses analyzed

Another question with many different, widely varied responses, again the response with the most frequent occurrence is "don't know", at 8.57%.
The two responses with the highest frequency otherwise centered around police reform (7.43%), community involvement (6.29%), and respectful interaction with residents (5.14%).

Examples of suggestions around police reform:
• Drastically change the way the Police Department speaks about and acts toward people of color
• Increased police training on implicit bias
• Mental health workers to teach de-escalation tactics to police
• Overhaul the organizational structure of the police department
• Hire more police officers of color (2 occurrences)

Examples of suggestions around community involvement:
• Have a specified different person representing the different cultures and groups in Auburn
• Work with community representatives to make an equity statement for the city
• Increased opportunities to gather communities
• Change the face of leadership so that it is reflective of the community

Examples of suggestions around respectful interaction:
• Improve communication with residents (3 occurrences)
• More opportunities for open dialogue
• Reach out to silent residents who don't always get a voice.

A few responses (3) indicated that the city was doing a great job taking action presently, and to keep it up. 3 responses also indicated that improving programming would be helpful. These responses suggested programs to work toward homeownership for low-income folks, to increase opportunity in education, and in employment.

How will we know that we are advancing inclusion and equity in the City of Auburn? 155 responses analyzed

Yet again the most common response to this question was "Don't know", with 19.35 of the responses.

7.09% of respondents indicated that a lower crime rate will be a signifier of progressing toward this goal. The same percentage of respondents indicated a belief that we can measure progress by investing in data collection and reporting.

One interesting concept that was represented in answers with a variety of different angles was that we will know we're progressing toward this goal when our diverse communities begin to interact more frequently and feel safer in interacting with one another. 4.5% of responses expressed a sentiment in contribution to this point.

A few responses indicate that participants believe that we will never know whether we are progressing toward this goal (3 responses), and two responses indicated that there is no need to measure this and that it is not important.

How are you able to support City Government in establishing an inclusive environment in which every resident feels honored, valued and dignified? 141 responses analyzed

10.64% of respondents indicated that they didn't know how they could support.

There were some strong themes that emerged with this question, including:
• Civic involvement (participating in the political process, voting, serving on or organizing committees, attending public and town meetings, etc.) (14.89%),
• Practicing inclusivity (Treat people equally, be inclusive of all people regardless of race, include everyone, etc.)
There was a very high number (7) of mentions of the "golden rule", i.e. 'treat everyone like you want to be treated'. In total, mentions of inclusivity or inclusive behavior totaled 12.05%

Other responses included treating everyone with kindness and/or respect (11.35%), supporting neighbors and community (9.22%), participating in community events (7.80%), volunteering (7.09%), staying informed (4.23%), speaking up (3.55%), giving feedback (2.84%) and supporting local businesses (2.13%).

4.26% of respondents feel that they are already doing their part in supporting these efforts.

What are specific actions City Government of Auburn can take to progress toward equity and inclusion? 135 responses analyzed

11.1% of respondents didn't know how to answer this question.

With 12 responses (8.89%) each, participants indicated that actions around police reform and continuing to diversify representation were actions they'd like to see. Some examples include:

Police reform
- Train and educate the police in handing the mentally ill
- Implement an independent, citizen-led police review board
- Police show up in neighborhoods just to say hi
- Work with police on use of force guidelines and training

Diversifying representation
- Increase diversity in our politicians and school administrators
- The new diversity in City Council is a great start
- Make sure that new voices are constantly being heard and included in policy decisions
- Hire more black police officers and city workers
- Hire more POC within the city (2 occurrences)



Also indicated in 12 responses was the sentiment that these efforts are "not the government's job". Responses in this category ranged from "the government can't change people's ways of thinking", to "leave me alone" and "let me live my life".

Following in frequency include educating constituents and professionals on the topics of education and inclusion (6.38%), engaging in community outreach (5.67%), enforcement of laws already in place/ sustaining or increasing traditional police presence (4.96%), holding city government accountable (4.26%), focusing on cleanliness (3.54%) and increased frequency and quality of events (2.83%)

Perception of progress and respondent priorities

The majority of respondents to this survey believe that equity and inclusion in the city of Auburn is good (42.92%), and that equity and inclusion in the city of Auburn have stayed the same (53.37%) over the last two years. They believe that race relations in the city of Auburn are good (43.19%), and that race relations in the city of Auburn have stayed the same (62.98%) over the past two years.

In order of importance, the majority of respondents ranked the following issues from most to least important:

Crime
Homelessness
Behavioral Health
Education
Employment environment
Neighborhood quality
Healthcare
Housing
Development impacts

"Listen to our story as people of color; be intentional about removing barriers; hire a diverse city staff and police."



TRENDS IN ANALYSIS

As mentioned previously, the tone of responses to questions starts out fairly neutral, then begins to stratify around question 17 (What are the underlying causes of inequity in the city of Auburn and in your community?). We see responses clearly indicating support of (and therefore investment of time in thinking about answers to) the Inclusive Auburn initiative, and responses which either repeat the same anti-inclusion sentiment over and over again, or do not directly answer the question and instead use the forum for another complaint or issue.
This trend continues through to completion of the survey.

Topics that came up most frequently include community (development, involvement, engagement by the City), diversity and inclusion (as it relates to neighborhoods and the initiative), and police reform.

Common criticisms of the city/ the Inclusive Auburn initiative include that it is liberal, costs some groups for the benefit of some other groups, that the city operates on greed or hypocrisy, or that issues such as these should not be handled at the government level.

INCLUSION VALUE GAP

*Inclusion is about seeing oneself reflected and represented in an organization from a strengths-base frame.
Driving question - Is the community reflected in the staff demographic?

Demographic breakdown of City of Auburn staff, according to internal data provided by the City of Auburn:

Demographic Indicator	Percentage of total City of Auburn Staff (as of September 2020)
Male	68.24%
Female	31.76%
Asian	4.7%
Black/ African American	2.4%
Hispanic/ Latino	4.5%
Native Hawaiian/ Other Pacific Islander	1.4%
Pacific Islander	0.5%
Two or more races	1.4%
White	82.6%
Unknown	2.6%

Demographic data of City of Auburn, according to U.S. census information[14]:

Demographic Indicator	Percentage of total City of Auburn Staff (as of September 2020)
Male	48.9%
Female	51.1%
Asian	11.4%
Black/ African American	6.1%
Hispanic/ Latino	16.8%
American Indian/ Alaska Native	2.2%

Description of demographic data among Staff and Community survey respondents:

The largest population of City of Auburn Staff who responded to the survey is white, non-Hispanic, with 51.52% of respondents indicating that this is the case for them. Additionally, White/ Western European and White/ Eastern European demographics make up a combined 25.26% of staff survey respondents. In total, white respondents make up over three-fourths, or 76.78% of staff survey respondents. This is slightly higher than the percentage of white community survey respondents. The proportion of staff members who identify as men, at 53.64%, is markedly higher than the 38.3% of community respondents who identify as men. Respondents from both populations are overwhelmingly straight, and each survey saw several responses which mentioned the question of sexual orientation being "inappropriate" or "irrelevant". About the same proportion of respondents from both surveys were born in the United States, at 93.91% for the staff survey and 92.71% for the community survey. There is a notable gap in the percentage of staff respondents who identify as having a disability (6.06%) and community respondents who identify as having a disability (17.52%). Staff participating in the survey were younger, on the whole, than community members, with their majority age group falling in the 35–50-year range, as opposed to 51 to 64 for community members. The sample size of the community survey is slightly (15.4%) larger than that of the staff survey, with 234 and 198 responses respectively.

[14] https://www.census.gov/quickfacts/fact/table/auburncitywashington/SEX255219#SEX255219

Inclusive Auburn Staff Survey (What the City of Auburn Staff say and believe)
Inclusive Auburn Community Survey (Actual experience and reality of the community)

STAFF

Q.19 Relationships between employees of different ethnicities and/or racial groups in my work setting are positive and collaborative.
Result: 81.63% (Agree and Strongly Agree)

Q. 20 In my work setting, input from economically diverse communities and ethnically/racially/culturally diverse communities of color is sought out and valued.
Result: 38.97% (Neutral); 46.16% (Agree and Strongly Agree)

Q22. I can identify people similar to me in leadership positions at the City of Auburn.
Result: 22.68% (Neutral); 58.77% (Agree and Strongly Agree)

Q23. I often interact with colleagues from different race or ethnic groups in my department.
Result: 72.96% (Agree and Strongly Agree)

Q24. I feel prepared to identify opportunities to advance equity and inclusion in the City of Auburn.
Result: 39.29% (Neutral); 49.49% (Agree and Strongly Agree)

Q28. Diversity, equity and inclusion are part of the conversation and/or decision-making in my department or program.
Result: 43.43% (Neutral); 38.89% (Agree and Strongly Agree)

Q30. I feel competent in my interactions with ethnically and linguistically diverse colleagues, city resident populations and communities.
Result: 68.68% (Agree and Strongly Agree)

Q32. The leaders in my work setting support dialogue about how to ensure diversity, equity and inclusion in the City of Auburn.
Result: 56.35% (Agree and Strongly Agree)

Q33. The City of Auburn values examining the impact of systemic inequities, institutional racism and marginalization in my work setting.
Result: 55.28% (Agree and Strongly Agree)

Q34. The City of Auburn demonstrates a strong commitment to ensuring diversity, equity and inclusion in the context of the services we provide to our residents.
Result: 65.66% (Agree and Strongly Agree)

Q35. The City of Auburn provides culturally responsive outreach to ethnically and linguistically diverse residents, business owners and communities to make them feel included.
Result: 45.88 (Neutral); 47.94% (Agree and Strongly Agree)

STAFF

Q22. I believe equity and inclusion in the City of Auburn is _____.
Result: 58.49% (Good or Very Good); 24.06% (Only fair); 17.46% (Poor or Very Poor)

Q23. I believe race relations in the City of Auburn is _____.
Result: 56.34% (Good or Very Good); 30.05% (Only Fair); 13.61% (Poor or Very Poor)

Q24. Over the last two years, equity and inclusion in the City of Auburn have _____.
Result: 53.37% (Stayed the Same)

Q25. Over the last two years, race relations in the City of Auburn have _____.
Result: 62.98% (Stayed the Same)



Q26. Order of most important to least important:

CRIME | 6.81

HOMELESSNESS | 6.02

BEHAVIORAL HEALTH | 5.7

EDUCATION | 5.4

EMPLOYMENT EVIRONMENT | 4.57

NEIGHBORHOOD QUALITY | 4.28

HEALTHCARE | 4.14

HOUSING | 4.08

DEVELOPMENT IMPACTS | 3.98

COMMU







NITY



KEY FINDINGS

The following key findings are based on the qualitative and quantitative data we gathered and is organized in a manner that aligns with National Best Practice for undoing institutionalized racism[15].

[15] https://www.racialequityalliance.org/wp-content/uploads/2018/05/1-052018-GARE-Comms-Guide-v1-1.pdf

We found no evidence that the City of Auburn has a Citywide definition of Racial Equity and Social Justice. Establishing a coherent and precise definition of racial equity and social justice at the City of Auburn is crucial to galvanizing the City of Auburn staff and community efforts on infusing a racial equity framework in their everyday work and lives. Additionally, establishing that definition will support moving these efforts forward in a cohesive, intentional, and strategic manner to ensure the Inclusive Auburn Initiative's success. The Racial Equity work at the City of Auburn should be guided by this clear definition rather than by relativistic and subjective perspectives.

Clarity and Coherence

Throughout the interviews with the City of Auburn Staff, a common theme was that there was no specific plan to implement the Inclusive Auburn Initiative citywide. We were also informed that there were plans to develop a City of Auburn strategic plan. However, to the date our contract with the City of Auburn ended, we did not find any evidence of a developed strategic plan. These interviews also provided us with critical data showing that there is a lack of focus, clarity, and coherence throughout the City of Auburn. Furthermore, we found a lack of professional development opportunities and training in the City of Auburn. Professional development training is necessary to identify and address racial and other inequities and implement the Inclusive Auburn Initiative.

Staff at the City of Auburn informed us that they currently have a tremendous number of responsibilities and deficient staffing levels; in fact, several staff members indicated that they are still operating under the staff reductions implemented during the recession faced in 2008. This notion helped us understand current understaffing realities at the City of Auburn, which have thwarted the Inclusive Auburn Initiative's systemic implementation. This lack of adequate funding and increased responsibility creates a general sense of overwhelm for both the City of Auburn Staff and the Auburn Police Department Officers. Overwhelm takes time, focus, and prioritization away from concentrating on advancing racial equity and social justice at the City of Auburn. This work is currently seen as an "add on" that is not part of leadership and staff job descriptions or responsibilities.

The City of Auburn stakeholders with whom we spoke agreed that ensuring the Inclusive Auburn Initiative's success is or should be a top priority for the City of Auburn. To advance racial equity and social justice within the City of Auburn, we must meet stakeholder learning needs. This will allow them to serve the continuously growing ethnically and linguistically diverse population in the City of Auburn. However, collected interview and survey data also revealed that most City of Auburn Staff found it very difficult to name and articulate any strategies that they are, or their directors are, currently using to advance the Inclusive Auburn Initiative. Additionally, City of Auburn staff who responded to the Staff Survey had little knowledge about how, or if, the work was being implemented city wide. Among those staff members who were aware of some strategies, there was a sense that participating in the Inclusive Auburn Initiative was voluntary rather than a professional expectation for all City of Auburn Leadership and Staff and that the follow-through was inconsistent.

Of additional concern is a lack of a collective understanding about the benefit and necessity of implementing the Inclusive Auburn Initiative to strengthen a Citywide focus to advance racial equity and social justice. We also found that a belief exists among many staff members that having a racial equity focus is very important for some areas of the city but not others. Many staff members did not see the connection between their jobs and advancing the Inclusive Auburn Initiative. This lack of collective understanding is accompanied by a fear that areas not outwardly impacted by racial inequities will suffer a loss (budget, resources, staff, prioritization) if a racial equity focus is gained by regions of the city affected by racial and other inequities. To numerous internal and external stakeholders more closely connected to City services and departments with a majority population, efforts to implement the Inclusive Auburn Initiative are seen as a possible threat to their ability to access City programs, services, staff, and resources.

The high degree of individualism in the City of Auburn exacerbates the uneven understanding of the Inclusive Auburn Initiative among stakeholder groups. Creating a uniform perception and knowledge of the Inclusive Auburn Initiative will generate authentic loyalty by City personnel, residents, and stakeholders at all organization levels. We also experienced that some staff refused to work with other City Staff to Implement the Inclusive Auburn Initiative.
Our understanding is that the City of Auburn Department Directors were aware of this situation but did not seek to increase collaboration. A lack of cooperation actively thwarts the cohesive implementation of the Inclusive Auburn Initiative.

The continuous and rapid change in the City of Auburn demographics and the urgency of the needs accompanying that change should be articulated and understood to mitigate the distrust and apprehension that change engenders in City of Auburn staff and residents. People do not fear change; they fear loss—whether that loss is actual or perceived.

ORGANIZING

Leadership Matters & It Matters Greatly
Systemic support for the Inclusive Auburn Initiative provided by the Mayor, senior City of Auburn Staff, the City Council, and City Leadership is essential. This support makes it possible to create a paradigm shift and ensuring a long-lasting, transformational and sustainable inclusive and racial equity focus that will revolutionize the City of Auburn's culture. Every group we interviewed cited this systemic support as essential to progress in this initiative. The City of Auburn must also define, secure, and demonstrate (with systemic actions and budgetary allocations) its unwavering and unapologetic commitment to successfully implementing the Inclusive Auburn Initiative. Of course, the goal is to increase opportunities for each resident while eliminating service and opportunity gaps for historically marginalized and underserved resident populations.

In every city in the state or the nation where inclusion and racial equity are emerging as foundational strategies, the Mayor, City Senior Leadership, and City Councils have stepped up as engaged leaders to advance inclusion and racial equity. These leaders have become spokespeople and champions for social justice.

The Auburn Inclusive Staff Survey results paint a blurry picture about the perception which internal City of Auburn stakeholders have of the services they provide to residents of color and other historically marginalized populations. This information, coupled with feedback received during interviews, points to the misalignment between what stakeholders perceive as inclusion and racial equity strategies and the implementation of the City of Auburn's core values. Additionally, these results indicate a lack of clarity on eliminating barriers to opportunities within the context of their role in the City of Auburn.

City of Auburn leaders believe they are committed to ensuring the advancement of inclusion and racial equity. Still, they cannot 1) identify which gaps in services, opportunities, and supports they are eliminating, and 2) specify how their professional role is either perpetuating or mitigating the impact of institutional racism within the City of Auburn.

We heard loud and clear from the City of Auburn staff that they are dedicated to serving all City of Auburn residents and work hard every day to ensure that this happens. We found the City of Auburn staff are professional and take their responsibilities of being public servants very seriously. We also found that it is necessary to establish consistent, transparent, cohesive and coherent communication about the importance of the City of Auburn's Inclusive Auburn Initiative. Additionally, the City of Auburn needs to improve individual and systemic efforts to break down systemic silos that thwart intentional communication and collaboration efforts.

Interviewees of the City of Auburn Staff also stated that all stakeholders would better understand city expectations, priorities, and procedures if they were consistently applied across all City Departments. This lack of clarity thwarts their understanding and opportunities to work collaboratively and cross-departmentally and their efforts to meet the specific and unique needs of ethnically and linguistically diverse residents at the City of Auburn.

During the interviews, Respondents shared that not every City Department has set Specific, Measurable, Attainable, Results-Oriented, Timely Bound (S.M.A.R.T.) goals or benchmarks. These actionable goals are imperative to support the Inclusive Auburn Initiative's implementation and eliminate racial and other inequities in the City of Auburn. This lack of defined goals creates a barrier to monitoring progress promptly, making it impossible to objectively improve professional practice and meet ethnically and linguistically diverse residents' specific needs.

We also found that City of Auburn leaders will need to continue gaining more in-depth knowledge of how to recognize culturally sustaining practices or the lack thereof in city services. Continued education will ensure the progress and success of the Inclusive Auburn Initiative and eliminate racial and other inequities. Respondents noted that they have found it very beneficial when City Leaders create opportunities for cross-departmental collaboration. Collaboration such as this fosters a deeper understanding of community needs and provides an opportunity to solicit feedback on services to ethnically and linguistically diverse populations. Respondents suggested that City leaders create more formal opportunities for their departments to collaborate and break down organizational silos to collaborate with, observe and learn from their colleagues more often to advance the Inclusive Auburn Initiative.

Disaggregated resident data is not currently available and therefore not regularly utilized to inform practice, meet residents' needs or provide access and adequate support to each resident at the City of Auburn. Ensuring access to future disaggregated data is an essential priority in learning, identifying, and implementing practices for diverse communities that make up the City of Auburn.

Create a cross-departmental city-wide Racial Equity Team

We found no evidence that creating or implementing a City of Auburn Racial Equity Team was a top priority for the City of Auburn. In outlining our partnership, the Mayor, the City Council, and the Racing to Equity Consulting Group agreed that such a team's creation was paramount to successfully implementing the Inclusive Auburn Initiative. However, real constraints created by COVID-19 thwarted the implementation of this Racial Equity Team during our contract. This Racial Equity Team would be developed and trained to provide support and technical assistance to City of Auburn Departments and their staff to implement the City of Auburn Initiative systemically.

The City of Auburn Racial Equity Team would also be a direct support and assistance team composed of members from many different departments across the city's hierarchy. This team should support, design, coordinate, and organizing racial equity plans and activities across city departments and be committed to advancing inclusion initiatives and equitable, and socially just systems change. In cities like Auburn, the Racial Equity Team serves as the engine for change, leading the way, inviting others along, chugging through sometimes challenging terrain, keeping things on track, and moving a diverse community of people in a com¬mon and cohesive direction. It also supports building the movement and momentum to arrive at the destination of racial equity and social justice[16]throughout the City of Auburn. This team should receive specific training to support their work, meeting weekly to work together to advance the Inclusive Auburn Initiative. To succeed, this team should also be supported by their supervisors when they make recommendations that are not popular but are focused on achieving the Inclusive Auburn Initiative.

[16] https://www.racialequityalliance.org/wp-content/uploads/2018/11/RaceForward_CORETeamsToolkit-10.2018.pdf

OPERATIONALIZING

We found no evidence that the City of Auburn has a Strategic Plan for Racial Equity. Long-term strategic planning is critical when responding to existing and new challenges in cities and municipalities across the State of Washington and the United States. Interconnected planning that engages the residents of their cities as co-creators of the strategic plan has emerged locally and nationally as especially urgent, given the rapidly multiplying complexities and dependencies in which cities are immersed. These complex environmental factors are further exacerbated by decades of urban sprawl, re-alignment of economic capabilities, and social exclusion and marginalization pockets. Holistic strategic planning incorporates economic development, environmental sustainability, racial equity and inclusion, and community purpose. It thus addresses the full range of perspectives and possibilities of a city's future to thrive in a multiracial and pluralistic democracy.

This strategic plan should focus on the City of Auburn's future, should be long term, should be sustainable, and should include a clear vision and strategies to ensure that the City of Auburn becomes a more inclusive and racially equitable city for every resident.

Strategic Plans provide a means to think and plan long term and act consistently over a long development cycle within a culture that is often short term in nature.

City Strategic Plans should be integrated plans that are socially just and provide a means to see clear linkages between the successes of different aspects of city development. They should support understanding complex phasing and sequencing issues and forge critical paths to advancing each resident's opportunities and well-being. This strategic plan should include measurable priorities to ensure the systemic and sustainable implementation of the Inclusive Auburn Initiative. The City of Auburn Strategic Plan must provide a mechanism for prioritizing key projects and interventions to advance the racial equity and social justice strategies that will most impact long-term priorities

Leading the Inclusive Auburn Initiative means developing and stating clear goals with specific metrics and ensuring that inclusion and racial equity become strategic priorities infused in the City of Auburn's Mission, Vision, and Values statements. With these goals in mind, Team Auburn must operationalize the Inclusive Auburn Initiative by changing the job description of City Directors and other Staff to include key performance indicators designed to successfully implement the Inclusive Auburn Initiative. Also, Mayor Backus and City Directors should become responsible for implementing specific areas of the Inclusive Auburn Initiative. City Directors should be in charge of developing opportunities for their teams to participate in anti-racism training, monitor disaggregated demographic data to identify and address racial disparities and inequities, and hold teams and departments accountable for implementing the Inclusive Auburn Initiative.

The Auburn City Council also plays a critical role in governing for racial equity. The City Council may support this initiative in a few ways; By approving budget line items for training and hiring more staff in support of the initiative by passing a City-wide Racial Equity Policy and ensuring the systemic implementation of the Auburn Racial Equity Tool. Racial equity will become the umbrella policy from which all other current and new policies should be reviewed

Disaggregated Data Must Drive Work & Conversation

Several interviewees shared the importance of using disaggregated data to point out where specific inequities lie within Auburn. Still, the city currently lacks the systems or capacity to regularly generate disaggregated data to guide the Inclusive Auburn Initiative's implementation. Disaggregated data provides an objective and accurate illustration of what is happening to historically underserved populations within city government. Having access to disaggregated data can create a paradigm shift for City leaders and staff as, currently, many of these inequities are not apparent or visible to the dominant culture. Disaggregated data also offers an objective way to engage in meaningful and courageous conversations about addressing and eliminating institutional racism, implicit bias, microaggressions, and other topics that require in-depth exploration.

Measuring the Inclusive Auburn Initiative Progress Will Create Challenges & Opportunities
City of Auburn leadership has created and developed strategies for incorporating inclusion racial equity strategies into their work. However, interview respondents were unable to identify these strategies and clearly define how these strategies are being implemented or how outcomes will be attained and assessed. "How will we know if we are successfully implementing the Inclusive Auburn Initiative?" The inclusion and racial equity lens is currently not built into staff performance goals or tracked through a formal performance evaluation process.

Many interviewees also voiced that they would be better situated to implement the initiative if strategies were clearly defined, leadership supported them to implement these strategies, and these strategies were accurately measured in their performance evaluation. Our experience indicates that increased racial awareness of ourselves and others and how it impacts us as human beings, as well as shifts in our thinking, attitudes, and behaviors, which can often be challenging to quantify, are the actions that will change the narrative, culture, and experience of living and working in the City of Auburn. From a leadership perspective, seeking input from all department leaders and their teams on creating measurable rubrics for this work will help hold them accountable. It will also make possible tracking, evaluation, and progress on implementing the City of Auburn Initiative.

Partnering with Ethnically and Linguistically Diverse Community Based Organizations
We found evidence of random acts of excellent community engagement. However, we found no evidence of a systemic approach to engaging with ethnically and linguistically diverse resident populations. Partnering for Inclusion and Racial Equity means creating a meaningful and strategic collaboration with ethnically and linguistically diverse communities throughout the City of Auburn. This partnership ensures that the work is owned by many leaders and staff and is not the sole responsibility of one leader or staff person. Strengthening culturally sustaining collaborations between the Muckleshoot Tribe, the Latino/a and Mexican Black, Russian, Marshallese, Pacific Islander, Korean, Vietnamese, Philippine, Chinese, Indian, and other emerging communities will support the City of Auburn efforts to connect with the hearts, minds, and voices of their ethnically and linguistically diverse communities. Once that connection is established, all stakeholders may work collaboratively to support the Inclusive Auburn Initiative's implementation to achieve inclusion, racial equity, and social justice. This community engagement work should seek to leverage the expertise and funds of knowledge of both City of Auburn residents and staff and inform iterative improvements and build a systemic capacity for inclusion and racial equity.

Universal City of Auburn Professional Development for Staff to Sustain the Implementation of the Inclusive Auburn Initiative
Our assessment revealed no evidence that there were plans to provide mandatory culturally sustaining professional development for the City of Auburn Staff to significantly and positively impact the implementation of the Inclusive Auburn Initiative within the context of their work. The Harvard Kennedy School of Government states "that for every unit of responsibility there must be a unit of support." It is imperative to the success of the Inclusive Auburn Initiative that the City of Auburn provides and requires every City of Auburn staff to participate in racial equity and anti-bias professional development and trainings.

> **"Accountability and inclusion are crucial. Reaching out to all areas and residents of the city is very important.**

Analyze Professional Practice & Share Staff Stories and Experiences

There is collective agreement among the City of Auburn staff and residents that the Inclusive Auburn Initiative's implementation should start from within city leadership and staff.

Almost every one of the interviewees we spoke with pointed out that the City of Auburn leadership must incorporate inclusion and racial equity principles into their professional leadership practice and into everything they do. Asking their teams and other staff to explore significant shifts without the City of Auburn Senior Leadership leading these efforts would mean an inauthentic institutional and structural commitment to doing so.

Real shifts in city residents' opportunities and life outcomes can only come from personal and interpersonal discussions about life experiences and the effects that racism, lack of opportunities, and other inequities have on their experience at the City of Auburn.

Many survey respondents indicated that they needed to share their stories as people of color in the City of Auburn and have their experiences be believed and validated. This type of sharing and listening will enable all parties to arrive at a deeper understanding of how to work together to create equitable systems, opportunities, and supports to improve the City of Auburn's vibrancy and prosperity.

Develop Explicit Standards in All Job Descriptions and Evaluations for Performing Racial Equity Work at all Levels of the City of Auburn

We found that there is only one job description with explicit standards citywide in the City of Auburn that has clearly outlined responsibilities for implementing the Inclusive Auburn Initiative.

An efficient way to ensure the adoption and effective implementation of the Inclusive Auburn Initiative into Auburn's DNA is to revise job descriptions at all city organization levels, specifically at the leadership levels. This revision will ensure that this work is prioritized, valued, and respected. What gets measured gets done. Reviewing job descriptions to include Key Performance Indicators to ensure systemic implementation of the Inclusive Auburn Initiative will also ensure continuity, sustainability, and the long-lasting positive impact from the Inclusive Auburn Initiative regardless of changes in City Leadership. **Additionally, explicit standards in all job descriptions and evaluation for performing racial equity work is essential at all levels at the City of Auburn.**

Pipeline or Succession Plan to Ensure that the City Leadership is Reflective of City of Auburn's Its Resident Population

Institutional and structural racism has conditioned our society to accept the myth that including people of color in leadership positions and majority-white workplaces, especially Black people, means lowering the bar. This framing is incorrect and discriminatory against Black, Indigenous, and other Staff of Color.

According to research studies by many prestigious universities, ensuring that people from historically marginalized, oppressed, and underrepresented communities are recruited and supported in advancement is far more beneficial for city government than any one individual or change strategy. Inclusion and racial equity efforts attempt to rectify historical wrongdoings and provide equitable opportunities for diverse city staff. The product of these efforts is a nourishing environment that allows the best ideas to flourish. Connecting talented individuals from underrepresented backgrounds with opportunities to which those in the majority often have unfair access increases and diversifies the innovative power on a team and empowers city governments and municipalities to thrive. Creating an inclusive environment in Auburn will yield increased opportunity, innovation, safety, prosperity, and a city prepared for ongoing societal changes.

“Educating themselves on issues they are weaker on like equity and inclusion is very important; Working in partnership with other local entities on area-wide issues (like homelessness); Valuing enrichment things like parks and recreational programming.

“I think it is human nature to live life in your own bubble, interacting with people who are within range of your bubble. Not many people attempt to reach out to, learn about, and interact with people outside of their bubble. I believe that the Inclusive Auburn Initiative will help us interact with people outside our bubble.

“Mayor Backus has managed the city well, displaying progressive and inclusive values, while carefully managing the budget. There is work to do on police reform and how to handle the growing homeless population, but the increasingly diverse council and a reform-minded mayor should be up to the task.



CITY OF AUBURN **RECOMMENDATIONS**

The following key recommendations are based on the qualitative and quantitative data we gathered and is organized in a manner that aligns with National Best Practice for undoing institutionalized racism.

After conducting the City of Auburn Racial Equity Organizational Assessment, the Racing to Equity Consulting Group is formally putting forth the following recommendations. These recommendations are intended to support the implementation and success of the Inclusive Auburn Initiative in the following areas:

1) Normalizing: Coherence, Alignment, and Leadership (Capacity Building Work),
2) Organizing: (Stakeholder Engagement and Community Partnerships); and,
3) Operationalizing: (Systemic Work).

If the above areas are intentionally, systemically, and sustainably implemented and improved, Team Auburn and city staff will be better equipped to identify systemic inequities and address them. Then it will be possible to advance inclusion and racial equity for each of its residents and staff, specifically Black, Indigenous, and other People of Color.

Ensure that Cross Departmental Teams Work Collaboratively to Meaningfully, Intentionally and Strategically Engage Ethnically and Linguistically Diverse Communities at the City of Auburn

If the City of Auburn Leadership and Team members break down silos and actively collaborate, then they will be more efficient in meeting the specific needs of diverse residents, strengthening the implementation and success of the Inclusive Auburn Initiative.

To accomplish this, we recommend the following:

• The responsibility of engaging with ethnically and linguistically diverse communities does not exclusively fall on one or a small number of staff members. The City of Auburn leadership and staff's collective responsibility is to build and strengthen relationships with ethically and linguistically diverse community members to enhance participation in city government.

• The few staff members who have worked tirelessly to build and strengthen relationships with ethnically and linguistically diverse communities must proactively collaborate with staff from other departments at the City of Auburn to ensure that all Team Auburn members share responsibility for community engagement. This collaboration will strengthen the Inclusive Auburn Initiative by engaging the people most impacted by the city government's decisions, policies, ordinances, and procedures. This engagement will allow Team Auburn to identify and mitigate potential and current negative impacts that ethnically and linguistically diverse residents experience due to systemic inequities.

Ensure that the Implementation of the Inclusive Auburn Initiative Becomes a Collective and Shared Responsibility by Each Leader and staff Member at the City of Auburn

When the City of Auburn embeds specific key performance indicators for advancing the Inclusive Auburn Initiative in every job description and evaluation, the disruption and dismantling of systemic inequities will become a collective responsibility. Auburn will leave a legacy of racial equity and social justice.

To accomplish this, we recommend the following:

• The Human Resources Department should review and re-write current job descriptions to ensure that each leader and staff member becomes responsible and accountable to implement the Inclusive Auburn Initiative within the context of their role in city government.
• The Human Resources Department should provide a series of asynchronous training and professional development opportunities for current and new staff via NeoGov to strengthen the knowledge and strategies needed systemically to advance the Inclusive Auburn Initiative.
• The City of Auburn should develop Key Performance Indicators for each City Department to identify and address the root causes of inequities and disparities that residents and staff experience in city government.

> **"I am proud that the City of Auburn is working to produce equitable outcomes for all.**

Hiring and Retention of Leaders and Staff with a Shared Racial Equity Analysis

• When the City of Auburn hires culturally responsible, focused leaders and staff who have a racial equity analysis, they will more effectively advance the Inclusive Auburn Initiative and meet the unique and specific needs of Black, Indigenous, and other Residents of Color. To accomplish this, we recommend the following:
• The Human Resources Department should implement a system for recruiting, hiring, and retaining ethnically and linguistically diverse leadership and staff by ensuring that these processes are not exclusive. There are no Directors at the City of Auburn who come from ethnically and linguistically diverse backgrounds.
• It is recommended that Directors, Managers, and Supervisors in charge of hiring staff go through anti-bias training.
• The Human Resources Department includes a component to measure culturally responsive leadership abilities in both the screening and interview processes. This component will ensure that new leaders and staff hired by the City of Auburn have strong culturally responsive leadership and professional practice backgrounds.
• The Human Resources Department should create a bank of interview questions to help identify which potential candidates would be the best suited for advancing the Inclusive Auburn Initiative.

Provide Adaptive Leadership Professional Development

If the City of Auburn builds the capacity of its leaders to solve the adaptive challenge of eliminating racial and other inequities that ethnically and linguistically diverse residents face in city government, then its leaders will be able to influence long-lasting, sustainable, cultural change. Thus enabling the City of Auburn to advance the Inclusive Auburn Initiative so that every resident has the opportunity to thrive.

To accomplish this, we recommend the following steps:

• The City of Auburn, via its Human Resources Department, should provide Adaptive Leadership professional development for its leadership and staff.
• The City of Auburn should view challenges through an Adaptive Leadership for Racial Equity perspective to understand the different aspects of their work in service of the community. Some are technical or issues for which we have a known solution. Some are adaptive in that they require meaningful engagement and collaboration with city residents and staff to find the right answers.
Most importantly, adaptive leadership for Racial Equity requires leaders to engage the people most impacted by a given challenge or issue to be part of the solution by honoring their lived experiences.
• The City of Auburn should develop their curriculum to ensure that these trainings meet the City of Auburn Staff's specific needs. Growing City of Auburn staff to become facilitators of these learning opportunities by providing them with a 'train the trainer' professional development will ensure sustainability, ownership of this vital work, and significant investment savings. Many cities and municipalities across the Washington State and the nation have already built internal capacity to support, sustain and advance racial equity and social justice in city government.
• The City of Auburn should hire four Equity and Race Specialists to support the City of Auburn Manager of Racial Equity and Inclusion to more effectively advance the Inclusive Auburn Initiative.

> **"I will follow the City of Auburn's lead in how they approach and talk with and about disadvantaged groups; and support the election & re-election of leaders who strive to ensure an inclusive environment.**

Make a Public Declaration of the City of Auburn's Inclusive Auburn Initiative
The City of Auburn must make public declarations of commitment to advancing racial equity and social justice by the systemic implantation of the Inclusive Auburn Initiative. City of Auburn staff, residents, business owners, and visitors will then recognize that the City of Auburn is a welcoming city for everyone.

To accomplish this, we recommend the following:

• The City of Auburn should inform its residents about their efforts to dismantle systemic racial and other city government inequities. The City of Auburn's responsibility is to inform its residents that Auburn City Council, the Mayor, and staff are strongly committed to advancing the Inclusive Auburn Initiative. City leaders and staff should use their platforms as public servants to ensure that their constituents know that one of the City of Auburn's top priorities is to ensure racial equity and social justice by implementing the Inclusive Auburn Initiative. A public statement or announcement is a bold stance that builds strong connections and partnerships among Black, Indigenous, and other Residents of Color and governing bodies.
• City of Auburn Leadership and Staff should hold informational town hall meetings to gain broader support for the Inclusive Auburn Initiative. These town halls will also highlight work currently taking place to advance racial equity and social justice.

These town halls open the door for meaningful two-way communication between leaders and impacted residents and staff.

4 Ways to Make a Public Declaration:

- **Resolution** — Allows your city to officially announce and publicize the local government's position on race-related issues. Resolutions declare a commitment to racial equity, and city leaders can bring other councilmembers on board via a public vote.
- **Racial equity guiding statement** — This short statement works to briefly amplify an official's (or an office's) role and mission in advancing racial equity, in a message that can be easily shared.
- **Racial equity presence on a website** — Webpages dedicated to racial equity can serve the purpose of proclaiming the city's commitment, while also informing residents of official plans and progress made on those plans. Webpages are easily available to many city residents and can help them visualize important statements from their leaders through photos and videos.
- **Publicly sharing disparity data or personnel demographics data** — Data visualization is a strategic method to provide context to a city's new initiative. Many times, data help confirm the sentiments of city residents and emphasize the need for the city to pay attention to the feedback and concerns of its constituents.

ORGANIZING

Provide residents and staff with the tools to engage in informed decision making.
The City of Auburn must forge intentional partnerships with other city and governmental agencies to support the Inclusive Auburn Initiative implementation. The City of Auburn will be better resourced, supported, and equipped to meet the needs of ethnically and linguistically diverse residents and staff.

To accomplish this, we recommend:

• The City of Auburn should build effective, sustainable, intentional, and strategic partnerships with the Mayors and County Executives of their neighboring cities and municipalities to structurally advance racial equity and social justice and implement the Inclusive Auburn Initiative. The City of Seattle and King County have been recognized nationally for advancing race and social justice. The City of Auburn could learn effective strategies from their neighbors' experience leading this work for decades.

Create a system for disaggregation and accurate use of data to identify & eliminate access and opportunity gaps for residents and staff.
The City of Auburn must implement disaggregated data collection practices. The City of Auburn Leadership and Staff should then use these data points to show the variances and discrepancies of services for different resident groups. This data can also be used for program development and progress monitoring.

To accomplish this, we recommend:

• Disaggregated resident data should become available to City of Auburn Leaders, Staff, and Community Members to make data driven decisions and more efficiently allocate resources based on residents' need to advance the Inclusive Auburn Initiative.
• Leaders, Staff, and Community Members should regularly utilize disaggregated resident data to inform their leadership and professional practice and positively programmatic decisions.

OPERATIONALIZING

Coherence, Alignment and Leadership: The recommendations in this area include identifying and sustaining common short-term and long-term goals and connections, among seemingly different initiatives, by creating a coherence and alignment tool. It focuses on systematic and mutually reinforcing policies, ordinances, programs, Citywide and Departmental initiatives and actions with an aim towards advancing the Inclusive Auburn Initiative.

Develop Comprehensive City of Auburn Strategic Plan
The City of Auburn needs to develop and implement a comprehensive Citywide Strategic Plan. The City of Auburn will then be better equipped to proactively address the complex societal and historical factors that contribute to the racial and other inequities at the City of Auburn. This Strategic Plan will enable the City of Auburn to confront the challenges of the 21st Century and develop specific strategies to establish predictable economic, environmental and demographic growth. This plan will also address the institutional bias that results in the predictability of residents' life outcomes based on race, background, zip code, and circumstances.

To accomplish this, we recommend the following:

• The City of Auburn should engage in the development and implementation of a comprehensive Strategic Plan. This plan will guide strategic directives, including the implementation of the Inclusive Auburn Initiative. The city should also establish and implement a race and equity policy that will identify and address the historic and systemic racism in the City of Auburn, which has thwarted the participation of Black, Indigenous, and other Residents of Color in city government.

Create a City of Auburn-wide Inclusive Auburn Initiative Strategy and Its Implementation Plan
If the City of Auburn develops a comprehensive, cohesive, coherent and clear plan to eliminate systemic racial and other inequities that holds both internal and external stakeholders accountable to engage with and collaborate with residents of color effectively, then ethnically and linguistically diverse residents in the City of Auburn will have the access, supports and opportunities to grow, learn and develop the knowledge and skills needed to engage in City Government in a meaningful way.

To accomplish this, we recommend the following:

• The City of Auburn should create a Citywide Racial Equity Plan

Implement a Racial Equity Tool
If the City of Auburn implements a racial equity tool, it will support individuals, groups, departments, and schools to reflect on goals and decisions. This tool will delineate a process using specific questions to analyze issues and address their impact on eliminating opportunity gaps.

To accomplish this, we recommend the following:

• The City of Auburn Racial Equity Analysis Tool should specify a transparent process and a set of questions to guide the development, implementation, and evaluation of significant policies, ordinances, initiatives, professional work, programs, and budget issues to address the impacts on racial and other inequities in city government. To do this requires ending individual racism, institutional racism, and structural racism. The concept of racial equity fosters a barrier-free environment where each resident in the City of Auburn, regardless of their race, ethnicity, language, zip code, background, or circumstance, has the opportunity to achieve success at the city of Auburn. To accomplish this goal, the City of Auburn must differentiate resource allocations to serve every resident with the support and opportunities they need to succeed at the City of Auburn.

• The City of Auburn should systemically implement the Inclusive Auburn Initiative Racial Equity Analysis Tool that R2E has co-developed with the mayor and the City Council's input. This tool will ensure that a racial equity lens is applied when making decisions that will impact residents.

• The City of Auburn provides training for City Directors and their Teams on how to implement the City of Auburn Racial Equity Analysis Tool to intentionally, meaningfully, and proactively interrupt systemic and structural inequities from taking place at city government. Implementing the City of Auburn Racial Equity Analysis Tool creates a system to monitor and assess decision making to ensure it advances the Inclusive Auburn Initiative.

• City leadership and staff should use the City of Auburn Racial Equity Analysis Tool to create an equity lens for Team Auburn: The Racial Equity Analysis Toolkit provides a set of guiding questions to determine if existing and proposed policies, ordinances, budgetary decisions, programs, professional development, and citywide practices are likely to eliminate racial and other inequities at the City of Auburn.

Develop a Citywide Racial Equity Plan to Advance the Inclusive Auburn Initiative. Individual Departments Develop Plans to Implement the Citywide Racial Equity Plan to ensure the success of the Inclusive Auburn Initiative.

The City of Auburn should develop a Comprehensive Racial Equity Plan for eliminating racial and other inequities. The Inclusive Auburn Initiative's implementation will then be monitored at all organization levels with clear lines of accountability and responsibility.

To accomplish this, we recommend the following:

• The City of Auburn should develop a multi-year plan with specific actions and metrics to advance the Inclusive Auburn Initiative.
• City and Departmental plans to support the City of Auburn Initiative's implementation should be comprehensive, ongoing, and designed to support the Inclusive Auburn Initiative. It is recommended that the Citywide plan and the Departmental plans be completed by the beginning of 2022.
The city of Auburn should dedicate infrastructure to ensure implementation of the Inclusive Auburn Initiative by designating Senior leadership to play an integral role in its implantation and oversight.
• The City of Auburn should engage the private sector to raise external resources needed to implement the Inclusive Auburn Initiative.
• The City of Auburn should dedicate new or existing resources to support implementing the Inclusive Auburn Initiative across its departments.
• The City of Auburn should identify opportunities to support staff and residents motivated by ensuring racial equity and social justice at the City of Auburn.

Implement a City of Auburn Racial Equity Policy to Systemically and Strategically Advance the Inclusive Auburn Initiative

If the City of Auburn Implements a Racial Equity Policy Citywide, then the City of Auburn will structuralize the implementation of the Inclusive Auburn Initiative into City Government.

To accomplish this, we recommend the following:

• City Council should adopt the Racial Equity Policy proposed by R2E. The mayor and her Departmental Directors should develop an implementation plan for a system-wide rollout of the Racial Equity Policy.
• The City of Auburn Racial Equity Implementation plan should include clear accountability and metrics, which will result in measurable outcomes and improvements for City of Auburn residents of color.
• The Mayor or her designee shall report monthly progress on implementing the City of Auburn Racial Equity Policy and the Inclusive Auburn Initiative to the Auburn City Council.

Build a Leadership Development Pipeline or Create a Succession Plan to Ensure that the City Leadership is Reflective of its Resident Population

• The City of Auburn should create institutional and structural practices to disrupt and dismantle institutionalized racism. Our society, institutions, and city government have been conditioned to accept the myth that including people of color in leadership positions, specifically in Departmental Directorship positions, in majority-white workplaces, especially Black people, equates to lowering the bar in these leadership roles.

• The City of Auburn should create a comprehensive structural succession plan that provides access, opportunities, and supports for Black, Indigenous, and other Staff of Color to occupy leadership positions within the City of Auburn. This succession plan will ensure that their brilliance and genius increase the City of Auburn's vibrancy and prosperity.



RACIAL EQUITY & SOCIAL JUSTICE **IS A JOURNEY,** NOT A DESTINATION

We recommend that the City of Auburn embraces the reality that implementing the Inclusive Auburn Initiative is a life-long journey. Auburn will not complete the Inclusive Auburn Initiative and racial equity in our lifetimes; this work never ends in actuality. We can't ever check it off the list and state that we have arrived. However, many of the very promising steps undertaken by the City of Auburn in the name of the Inclusive Auburn Initiative have just begun. Our interviews revealed that the newest initiatives are not well communicated or understood, depending on the person. As a result, these initiatives' impact on the effort to reduce disparities and improve life outcomes for ethnically and linguistically diverse of the City of Auburn have not yet reached significant milestones.

RACING TO EQUITY



CITY OF AUBURN
CONCLUSION

To achieve justice, we must claim our shared, collective, and common humanity. For centuries, we as a nation have carried the burden and the weight of the mythology of a hierarchy of human value and white supremacy, allowing it to negatively impact our communities and hinder the opportunities and development of our Black, Indigenous, and other People of Color. The explicit discrimination of Jim Crow laws has been replaced with redlining segregation through neighborhood covenants and unwritten arrangements. Today, the City of Auburn, like many other cities in the United States, has become racially, ethnically, and linguistically diverse. However, the pervasiveness of racial hierarchy and institutionalized racism have proven that diversity alone will not dismantle these issues, but instead, they will continue to become increasingly exacerbated. Professor John Powell from the University of California Berkeley Law School indicates that even though overt institutional and governmental supports for the current racial caste system in the United States have been dismantled, "race-neutral" policies, practices, laws, and procedures perpetuate the status quo.

Until now, we have seen racial hierarchy reinscribed in city government in many different ways. Without the intentional, explicit, and systemic examination of implicit and cultural bias and explicitly examining the role institutional racism plays in city government, oppression, marginalization, and discrimination against Black,

Indigenous, and other People of Color will persist. It is pivotal to understand that Black, Indigenous, and other People of Color will become the majority demographic in this country in the coming decades. Further, most of the children born across the United States today are children of color; therefore, creating an environment that allows them to realize their full potential must be the most important thing this country and city government does.

It is of paramount significance that through this organizational assessment, we have found that a majority of internal and external stakeholders acknowledge that racism still exists in the City of Auburn. Further, racism perpetuates racialized collective bias across every indicator for life success—including health, education, employment, housing, criminal justice, and beyond, provided by and within the City of Auburn.
Overall, the data collected demonstrates a collective and consistent desire for a positive change to institutionalize racial equity throughout the City of Auburn to eliminate the opportunity gaps between affluent white residents and residents of color experiencing racism and other systems of oppression.

We heard from the staff interviews and focus groups that there is a readiness of the City of Auburn Leadership and Staff to find and support innovative ways to challenge the status quo and improve each resident's outcomes. We are heartened that this assessment suggests that the community in Auburn is ready to meaningfully engage and implement new and innovative approaches to unapologetically address and combat racism in every context in which it manifests within the City of Auburn. We must also emphasize that advancing racial equity is not the sole responsibility of the City of Auburn. It requires a City-wide, County-wide, State-wide, and Country-wide conversation about race and how to advance racial equity and social justice together. It also requires partnering with nearby municipalities and institutions to structuralize racial equity and social justice. While normalizing the conversation on dismantling systemic oppression is needed, it cannot be the only action the City of Auburn takes. This action alone minimizes the broader, comprehensive work of organizing and operationalizing practices, policies, and procedures that need to be done to dismantle institutionalized racism and white supremacy. There is often a tendency to collectively think that when organizations normalize conversations about racial equity, the oppression, marginalization, and discrimination of Black, Indigenous, and People of Color will eliminate themselves.

The assessment indicated that the City of Auburn stakeholders could identify the impact of racism across the City government. Still, it also identified City Staff's inability to recognize how their individual leadership/role/work contributes to exacerbating the negative impacts of systemic racism and implicit bias in their departments and divisions. We are inspired to share the hopefulness shown by City Leadership and staff and the fact that hundreds of people are ready for progress and understand it will take individual and collective learning, strategy, and decisive action. The City of Auburn must strengthen their commitment and willingness to offer the necessary support, vision, strategies, funding, and courage to lead with racial equity at the forefront. As Mayor Backus has stated numerous times, "this is one of the most, if not the most, important issues of our time."

Today's changing demographics coupled with historical systemic inequities are now driving public discourse towards a tipping point on the necessity to address institutionalized racism through policy development and beyond. Until the City of Auburn invests the human and financial resources needed for the long term and complicated work required to unearth and undo the embedded belief in the hierarchy of human value, the ideals of life, liberty, and the pursuit of excellence and racial equity will not be fully realized. The Racing to Equity Consulting Group is confident and hopeful that under the leadership of Mayor Backus, her Cabinet, and the Auburn City Council, the City of Auburn will advance racial equity and social justice to honor, value, and dignify the humanity of each and every resident and city staff.



RACING TO EQUITY
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“Our neighborhood has become increasingly diverse over the 13+ years we have lived here, and it has stayed safe and welcoming. We feel fortunate that our children are growing up with friends from a wide-range of ethnic backgrounds. I feel our neighborhood is reflective of the broader city.”

“We may have a female Mayor and racially diverse council, but Auburn still very much exemplifies the stereotypical standard expected in society: Money talks, and if you’re not an old white guy your opinion and voice don’t matter. The attempts at progression unfortunately appear to be window dressings at this point.”

“I think of Auburn as a place where the city government wants all of its citizens to lead happy, successful lives and is willing to help them achieve that through education and community support. The Inclusive Auburn Initiative is an example of this.”

RENCES



APPENDIX
A - F

HISTORICAL DOCUMENTS

1. 2020 Q4 Workforce Counts (Benefited Employees); As of March 31, 2020.
2. City of Auburn Community Needs Assessment; November 2019.
3. 2019 King County Analysis of Impediments to Fair Housing Choice.
4. Cultural Diversity Program Power Point.
5. City of Auburn Community Engagement Process DRAFT Stakeholder Report.
6. Imagine Auburn | City of Auburn Comprehensive Plan | Core Plan.
7. Auburn Financial Report 2018.
8. Auburn Economic Development Strategic Plan.
9. EEO Utilization Report.
10. City of Auburn Core Competencies.

A

CITY OF AUBURN INCLUSIVE INITIATIVE STAFF INTERVIEW QUESTIONS

1. Have you heard about the Inclusive Auburn Initiative? If you have, what do you know about it? If you have not, what would you like to know?

2. Do you believe that is a responsibility of City Government in Auburn to ensure equity and inclusion for staff and City residents?

3. Is the City of Auburn making progress in creating an inclusive environment where each and every staff member feels honored, valued and dignified?
If your answer is yes, please give examples to support your response. If your answer is no, please give suggestions on how to create a more inclusive City of Auburn to strengthen inclusion to eliminate racial and other inequities.

4. What is your "current reality" regarding knowledge about diversity, equity and inclusion and its impact on City residents and City staff?

5. To what extent do you feel comfortable to discuss and address inclusion, inequities, institutional racism and inclusion with colleagues to strengthen the Auburn Inclusive Initiative? Please provide specific examples.

6. To what extent do you feel competent to discuss and address inequities, institutional racism and inclusion with colleagues to strengthen the Auburn Inclusive Initiative? Please provide specific examples.

7. What would it take for the City of Auburn to adequately support your competency and your comfort level to address inclusion, inequities, and institutional racism in the context of your job so that each and every staff and resident has the access, opportunities, and support to excel?

8. What could be done within your department, or program to strengthen inclusion to eliminate institutional racism and other inequities?

9. What type of leadership must be in place and what needs must be met to ensure there is the necessary trust to have the discourse that will lead to the appropriate actions to replace institutional inequities with institutional equity?

10. Name some specific examples in which the City of Auburn or your department is ensuring an environment of inclusion and equity for the staff and city residents?

11. Do you believe that the work you have identified on ensuring equity and inclusion that City of Auburn is undertaking will make a positive and long-lasting impact in eliminating opportunity and achievement gaps? If yes, why do you believe this? If no, why do you believe this?

12. Is there anything else that you would like to add that we did not ask you?

FOCUS GROUP & INTERVIEW PROTOCOL

Focus Group & Interview Protocol
Read the introduction part that explains who you are, why you are doing this focus group, and what the expectations are for the group.

Introduction
"Hi, my name is _____. I am a researcher at Race to Equity Consulting. I am gathering information to find out how well the City of Auburn lives into its mission statement. Everything you share with me will be kept confidential. There are no "right" or "wrong" answers to the questions I ask. Some of you may have different opinions and that is good for me to hear. Most of all, I appreciate your honesty.

I would like to record our conversation. This helps me gather some great quotes that I might miss if I just take notes. I am the only person who will listen to this recording. If anyone objects to recording our conversation, we won't record it. Is it OK to use the recorder?

Focus Group Questions (and prompts for more detail if necessary):

- Do you believe that it is the responsibility of the City of Auburn to establish equity?
- In what ways are the City of Auburn inclusive for every City resident?
- What do you believe are the barriers that you confront when trying to establish an equitable opportunities and exclusive environment, where do you see room for improvement?
- Do you believe the City of residents feel honored, valued and dignified?
- What do you need as a City employee to advance equity in the contact of your work?
- How has the City built more character into the City of government?
- How does the City of Auburn promote health and safety?
- How has the City of Auburn been efficient, approachable, and responsible?
- How has the City of Auburn encouraged a diverse and thriving marketplace for consumers and businesses?
- How has the City of Auburn celebrated cultures, heritage, and community.
- How has the City of Auburn stewarded our environment to protect the natural environment, preserve open space, and create appropriate access?
- How has the City of Auburn created a sustainable future for our community?

Staff interview questions (and prompts for more detail if necessary):

- Have you heard about the Inclusive Auburn Initiative? Please share what you know about the initiative and what you would like to know.
- Do you believe it is the city's responsibility to establish equity and inclusion for staff and city residents?
- Is the City of Auburn making progress in creating an inclusive environment where every staff member feels honored, valued and dignified?
- What is your knowledge about diversity, equity, inclusion, and its impact on residents and City staff?
- Do you feel comfortable to discuss and address inclusion, inequities, and institutional racism with colleagues to strengthen the Auburn Inclusive Initiative?
- Do you feel knowledgeable enough to discuss and address inequities, institutional racism, and inclusion with colleagues to strengthen Auburn's Inclusive Initiative?

- Keeping your knowledge and comfort in mind, how can the City of Auburn support you to address inclusion, inequities, and institutional racism in the context of your job so that all staff and residents have the access, opportunities, and support to excel?
- What could be done within your department, or program to strengthen inclusion to eliminate institutional racism and other inequities?
- What characteristics should leadership embody to work towards institutional equity? Are there needs that must be met in this process?
- Share examples when the City of Auburn or your department demonstrated an environment of inclusion and equity for staff and city residents.
- Do you believe the work you have identified on ensuring equity and inclusion will make a positive and long-lasting impact in eliminating opportunity and achievement gaps? If yes, why do you believe this? If no, why do you believe this?
- Is there anything else that you would like to add that we did not ask you?

General Tips for Focus Groups and Interviews

Watch your time and pace the questions so that you can gather some thoughts for each of the three questions.

For focus groups - For most questions, just ask the question and let whoever wants to respond speak. For other questions, go around the room and ask each youth to respond. If some staff have not spoken as much as others, direct a question to them or ask them what their thoughts are on the question.

For all questions, keep in mind the purpose of the questions. Think about the factors that the questions are exploring. Use prompts to elicit better responses – more focused, more depth, more detail. For example:

- Would you give me an example of that?
- Can you tell me more about that?
- Can you elaborate on that idea?
- Would you explain that further?
- I'm not sure I understand what you're saying. Tell me more
- Is there anything else you can say about that?

Try not to sum up their statements for them – ask them to sum up.

- Can you sum up what this group has been saying?

City of Auburn Comprehensive Value Questions (Directors and Senior Managers)
Character means developing and preserving attractive and interesting places where people want to be. We will create and maintain high quality neighborhoods, places, and space.

1. Does this statement provide a clear understanding of what it means?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
2. Do you concur that this is an important value that should be used to guide decision making and investments in our community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
3. Do you believe that City leadership strives to consider this value when making decisions and investments in the community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
4. When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
5. Do you factor in this value when you consider your own approaches to your work?
● Always ● Sometimes ● Neutral ● Rarely ● Never
6. Are there examples of ways the city falls short of living by this value?
Insert free form text box
7. Are there examples of ways that the city delivers positive outcomes for this value?
Insert free form text box
8. Do you have ideas on how to better incorporate this value into your work?
● Yes ● No

Wellness means the promotion of community-wide health and safety. We will build and maintain an environment that promotes public safety and healthy lifestyle options.

1. Does this statement provide a clear understanding of what it means?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
2. Do you concur that this is an important value that should be used to guide decision making and investments in our community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
3. Do you believe that City leadership strives to consider this value when making decisions and investments in the community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
4. When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
5. Do you factor in this value when you consider your own approaches to your work?
● Always ● Sometimes ● Neutral ● Rarely ● Never
6. Are there examples of ways the city falls short of living by this value?
Insert free form text box

7. Are there examples of ways that the city delivers positive outcomes for this value?
Insert free form text box
8. Do you have ideas on how to better incorporate this value into your work?
● Yes ● No

Service includes providing transparent government service. We will be an efficient, approachable, and responsive City government.

1. Does this statement provide a clear understanding of what it means?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
2. Do you concur that this is an important value that should be used to guide decision making and investments in our community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
3. Do you believe that City leadership strives to consider this value when making decisions and investments in the community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
4. When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
5. Do you factor in this value when you consider your own approaches to your work?
● Always ● Sometimes ● Neutral ● Rarely ● Never
6. Are there examples of ways the city falls short of living by this value?
Insert free form text box
7. Are there examples of ways that the city delivers positive outcomes for this value?
Insert free form text box
8. Do you have ideas on how to better incorporate this value into your work?
● Yes ● No

Economy includes encouraging a diverse and thriving marketplace for consumers and businesses. We will provide a diverse and vibrant local economy with employment, retail, and entertainment opportunities for citizens and a growing marketplace for homegrown and regional-scale businesses.

1. Does this statement provide a clear understanding of what it means?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
2. Do you concur that this is an important value that should be used to guide decision making and investments in our community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
3. Do you believe that City leadership strives to consider this value when making decisions and investments in the community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
4. When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
5. Do you factor in this value when you consider your own approaches to your work?
● Always ● Sometimes ● Neutral ● Rarely ● Never
6. Are there examples of ways the city falls short of living by this value?
Insert free form text box
7. Are there examples of ways that the city delivers positive outcomes for this value?
Insert free form text box
8. Do you have ideas on how to better incorporate this value into your work?
● Yes ● No

Celebration includes celebrating our cultures, heritage, and community. We will celebrate diversity and creativity and come together to teach, learn, and have fun.

1. Does this statement provide a clear understanding of what it means?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
2. Do you concur that this is an important value that should be used to guide decision making and investments in our community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
3. Do you believe that City leadership strives to consider this value when making decisions and investments in the community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
4. When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
5. Do you factor in this value when you consider your own approaches to your work?
● Always ● Sometimes ● Neutral ● Rarely ● Never
6. Are there examples of ways the city falls short of living by this value?
Insert free form text box
7. Are there examples of ways that the city delivers positive outcomes for this value?
Insert free form text box
8. Do you have ideas on how to better incorporate this value into your work?
● Yes ● No

Environment means stewarding our environment. We will protect the natural environment, preserve open space, and create appropriate access.
1. Does this statement provide a clear understanding of what it means?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
2. Do you concur that this is an important value that should be used to guide decision making and investments in our community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
3. Do you believe that City leadership strives to consider this value when making decisions and investments in the community?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
4. When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?
● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All
5. Do you factor in this value when you consider your own approaches to your work?
● Always ● Sometimes ● Neutral ● Rarely ● Never
6. Are there examples of ways the city falls short of living by this value?
Insert free form text box
7. Are there examples of ways that the city delivers positive outcomes for this value?
Insert free form text box
8. Do you have ideas on how to better incorporate this value into your work?
● Yes ● No

Sustainability means creating a sustainable future for our community. We will balance natural resource

protection, economic prosperity, and cultural vibrancy in order to build a thriving and long-lasting community.

1. Does this statement provide a clear understanding of what it means?

● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All

2. Do you concur that this is an important value that should be used to guide decision making and investments in our community?

● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All

3. Do you believe that City leadership strives to consider this value when making decisions and investments in the community?

● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All

4. When you think about the various neighborhoods within the community, do you believe that all areas of the community have equal outcomes as it relates to this value?

● Definitely ● Somewhat ● Neutral ● Not Really ● Not at All

5. Do you factor in this value when you consider your own approaches to your work?

● Always ● Sometimes ● Neutral ● Rarely ● Never

6. Are there examples of ways the city falls short of living by this value?

Insert free form text box

7. Are there examples of ways that the city delivers positive outcomes for this value?

Insert free form text box

8. Do you have ideas on how to better incorporate this value into your work?

● Yes ● No

INCLUSIVE AUBURN SURVEY FOR ALL STAFF

1) How do you identify yourself by race or ethnicity?

- Middle Eastern
- East Asian
- Southeast Asian
- South Asian
- Asian Pacific Islander
- Native Hawiian
- American Indian
- Black / African
- Black / Caribbean
- Latinx / Caribbean
- Mexican
- Latinx / Central American
- Latinx / South American
- American Indian / Alaska Native
- White, non-Hispanic
- White / Western European
- White / Eastern European
- Multiracial
- Other (SPECIFY) _____

2. Gender (optional; select all that apply):

- Agender
- Genderqueer
- Gender fluid
- Man
- Non-binary
- Questioning or unsure
- Transgender
- Trans man
- Trans woman
- Woman
- Additional gender category/identity: please specify _____
- Prefer not to disclose

3. Sexual Orientation (optional; select all that apply):

- Straight
- Lesbian
- Gay
- Bisexual
- Queer
- Other

4. Were you born in the United States or another country?
- United States
- Another country
- If responding another country (Please Specify):

5. Are you a person with a disability?
- Yes
- No

6. Is your age between:
- 15 and 25
- 26 and 35
- 36 and 50
- 51 and 64
- 65 year of age or older

Please mark the correct response for the _____ space:

1. I have been in my position at my work setting _____ years.

0-3 years 4-7 years 8-11 years 12-15 years 15+ years

2. Beyond contract expectations, I spend _____ additional hours "on the job" in my work setting.

0-3 hours 4-7 hours 8-11 hours 12-15 hours 15 hours+

3. In the past 12 months _____ hours of diversity, equity and inclusion focused professional development have been offered to me.

0-3 hours 4-7 hours 8-11hours 12-15 hours 15 hours+

4. In the past 12 months, I have participated in _____ hours of diversity, equity and inclusion focused professional development on my own.

0-3 hours 4-7 hours 8-11hours 12-15 hours 15 hours+

On a scale of 1-5, 5 being the highest and 1 being the lowest, please mark your response:

RESPECT

5. Do you feel that your unique attributes, traits, characteristics, skills, experience and backgrounds are valued and honored at work?

1 2 3 4 5

6. To what extent do you feel comfortable bringing/being your whole self at work?

1 2 3 4 5

7. Do you mas or downplay any aspect of your physical, cultural, spiritual, emotional self or gender identity at work?

1 2 3 4 5

BELONGING

8. Do you feel like you belong as a staff member at the City of Auburn? Why or why not?
1 2 3 4 5

9. Do you feel that you are a valued and essential member of your department, division or workgroup?
1 2 3 4 5

10. Do you ever feel like you are left out or important projects, activities and/or meetings at work? Socially?
1 2 3 4 5

11. Do you feel that your contributions are valued and honored at work?
1 2 3 4 5

12. Do you feel emotionally and socially supported at work?
1 2 3 4 5

13. Relationships between employees of different ethnicity and/or racial groups in my work setting are positive and collaborative.
1 2 3 4 5

14. In my work setting, input from economically diverse communities and communities color is sought and valued.
1 2 3 4 5

EMPOWER

15. Have you faced any obstacles in your career progression or ability to fully participate in work processes that are not experienced by the majority of your colleagues?
1 2 3 4 5

16. Can you identify people similar to yourself in leadership positions at the City of Auburn?
1 2 3 4 5

17. How often do you interact with colleagues from a different race or ethnic group in your department? In the City of Auburn?
1 2 3 4 5

18. Do you know which specific projects or programs your department can focus on to increase equity and inclusion in the City of Auburn?

19. Do you feel prepared to identify opportunities to advance equity and inclusion in the City of Auburn?
1 2 3 4 5

Professional Development Supports

20. Have you been provided with diversity, equity and inclusion professional development supports?
1 2 3 4 5

21. The diversity, equity and Inclusion professional development I have been provided by the City of Auburn has been relevant to my professional practice.

1 2 3 4 5

22. Diversity, equity and inclusion are part of the conversation and/or decision-making in my department or program.

1 2 3 4 5

23. I am comfortable talking about diversity, equity, inclusion and institutional racism with my supervisor and/or colleagues

1 2 3 4 5

24. I feel competent in my interactions (serving) with ethnically and linguistically diverse colleagues, City resident populations and communities.

1 2 3 4 5

25. I have participated in the following professional development. Please mark all that apply

A. Undoing institutionalized racism
B. Interrupting Microaggressions
C. Culturally responsive leadership/teaching
D. Implicit Bias
E. Adaptive Leadership
F. Critical Race Theory
G. Historical national and local context or racism
H. Privilege and power

COMMUNITY ENGAGEMENT

26. The leaders in my work setting support dialogue about how to ensure diversity, equity and inclusion in the City of Auburn.

1 2 3 4 5

27. The City of Auburn values examining the impact of systemic inequities, institutional racism and marginalization in my work setting.

1 2 3 4 5

28. The City of Auburn demonstrates a strong commitment to ensuring diversity, equity and inclusion in the context of the services we provide to our residents.

1 2 3 4 5

26. The City of Auburn provides culturally responsive outreach to ethnically and linguistically diverse residents, business owners and communities to make feel included.

1 2 3 4 5

27. At my work setting, we have protocols in place to ensure that support for refugees and immigrants is readily available.

1 2 3 4 5

28. The City of Auburn provides adequate supports to Native American residents and their communities.

1 2 3 4 5

Work Advancement

29. Have you faced or witnessed prejudice, bias or discrimination in your work setting?

1 2 3 4 5

30. What characteristics, traits, contributions, and behaviors are most valued, honored and rewarded at the City of Auburn? In your department?

1 2 3 4 5

31. What kind of specifics supports do you need from your immediate supervisor or the City of Auburn to advance and get ahead at work?

1 2 3 4 5

COMMUNITY SURVEY

Thank you for your participation in the City of Auburn Inclusive Initiative survey. The purpose of this survey is to capture the voices of our residents to give us valuable insights to better serve all of you by becoming an inclusive Auburn. This short survey will only take approximately 15 - 20 minutes. Please answer the questions below to the best of your ability. Again, thank you very much for your participation!

Demographics

2) How do you identify yourself by race or ethnicity?

- Middle Eastern
- East Asian
- Southeast Asian
- South Asian
- Asian Pacific Islander
- Native Hawiian
- American Indian
- Black / African
- Black / Caribbean
- Latinx / Caribbean
- Mexican
- Latinx / Central American
- Latinx / South American
- American Indian / Alaska Native
- White, non-Hispanic
- White / Western European
- White / Eastern European
- Multiracial
- Other (SPECIFY) _____

3. Gender (optional; select all that apply):

- Agender
- Genderqueer
- Gender fluid
- Man
- Non-binary
- Questioning or unsure
- Transgender
- Trans man
- Trans woman
- Woman
- Additional gender category/identity: please specify _____
- Prefer not to disclose

4. Sexual Orientation (optional; select all that apply):

- Straight
- Lesbian
- Gay
- Bisexual
- Queer
- Other

5. Were you born in the United States or another country?

- United States
- Another country
- If responding another country (Please Specify):

6. Are you a person with a disability?

- Yes
- No

7. Is your age between:

- 15 and 25
- 26 and 35
- 36 and 50
- 51 and 64
- 65 year of age or older

Please mark the correct response for the ____ space:

7. I have been living in the City of Auburn for ____ years.

0-3 years 4-7 years 8-11 years 12-15 years 15+ years

8. How many hours of your day do you spend in the City of Auburn _____ hours?

0-3 hours 4-7 hours 8-11 hours 12-15 hours 15 hours+

9. How many interactions do you have with the City of Auburn staff during a month?

0-3 months 4-7 months 8-11 months 12-15 months 15+ months

Short Answers

10. What makes you proud about the City of Auburn?
11. What are you most proud about in your neighborhood in the City of Auburn?
12. What are the core values of City Government in Auburn?
13. How are these values permeated throughout the City government and your neighborhood?
14. In what ways does the City Government in Auburn inform, cultivate, nurture and support these values?
15. Are you aware about the City Government's Inclusive Auburn Initiative? If yes, how did you hear about it?
16. What are the underlying causes of inequity in the City of Auburn and in your community?
17. What are the immediate actions that you would like the City Government in Auburn to take to ensure inclusion for each and every resident?
18. How will we know that we are advancing inclusion and equity in the City of Auburn?
19. How are you able to support City Government in establishing an inclusive environment in which every resident feels honored, valued and dignified?

Based on each statement, please circle your answer.

20. I believe equity and inclusion in the City of Auburn is _____.

Very good Good Only fair Poor Very Poor

21. I believe race relations in the City of Auburn is _____.

Very good Good Only fair Poor Very Poor

22. Over the last two years, equity and inclusion in the City of Auburn have _____.

Improved Stayed the same Gotten Worse

23. Over the last two years, race relations in the City of Auburn have _____.

Improved Stayed the same Gotten Worse

24. Please rank in order from most important to least important issues facing Auburn today?

___ Behavioral Health
___ Crime
___ Development Impacts
___ Education
___ Employment
___ Environment
___ Healthcare
___ Homelessness
___ Housing
___ Neighborhood Quality
___ None
___ Other



Racing to Equity's mission is to catalyze communities, government, and other institutions to dismantle structural racial inequity and create equitable outcomes for all. We design and apply tools and strategies to dismantle structural racial inequity, in order to achieve racial equity.

The Racing to Equity consulting group believes in the brilliance, strength, and beauty of every person in the world. We are responsible for supporting leaders, cities, municipalities and countries to honor, value and dignify the humanity of Black, Indigenous and People of Color.

racingtoequity.org

AGENDA BILL APPROVAL FORM

Agenda Subject:
Ordinance No. 6812 (Thomas)(10 Minutes)

Date:
January 29, 2021

Department:
Finance

Attachments:
Ordinance No. 6812

Budget Impact:

Administrative Recommendation:

For discussion only.

Background Summary:

Ordinance No. 6812 levies a 0.0192% sales tax credit against the state sales tax for local revitalization financing. SB 5045 authorizing the tax credit was passed by the state legislature during the 2009 regular session. The intent of the legislation was to provide financial assistance to cities to assist with financing public improvements in an identified revitalization area to promote community and economic development.

The City first applied for the use of local revitalization financing on August 11, 2009 and the Department of Revenue approved the City's application on September 16, 2009, authorizing up to $250,000 per year for the local revitalization program (Promenade capital improvements).

In 2010, the City issued $7.24 million in 2010 C/D Bonds for the purpose of funding capital improvements for the Promenade. In October 2020, the City refunded the remaining portion of these bonds by issuing the 2020B LTGO Bonds. The balance of the 2020B bonds at the end of 2020 was $4.14 million. Funds from REET2 funds, combined with EDA grants and interest earnings, are used to pay the annual debt service costs of the local revitalization project.

The tax credit is available to the City for up to 25 years. 2021 will be the twelfth year that the City has asked the State for the tax credit. As provided by the State, in order for the City to continue receiving the tax credit, the City must request this each year by ordinance.

Based upon historical taxable retail sales, the above rate of 0.0192% is estimated to generate $250,000 for local revitalization funding during the State's fiscal year, July 1, 2021 to June 30, 2021.

Reviewed by Council Committees:

Councilmember:

Staff: Thomas

Meeting Date: February 8, 2021

Item Number:

ORDINANCE NO. 6812

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, ESTABLISHING THE LOCAL SALES AND USE TAX RATE FOR LOCAL REVITALIZATION FINANCING FOR 2021

WHEREAS, The City of Auburn ("City") enacted Ordinance No. 6301 on April 19, 2010, which established a local sales and use tax as provided for in Section 39.14.510 of the Revised Code of Washington ("RCW"); and,

WHEREAS, this tax is imposed in order to pay the debt service on Local Revitalization Financing bonds in accordance with Chapter 39.104 RCW; and,

WHEREAS, Chapter 39.104 RCW provides that the City shall, from time to time, adjust the tax rate so that it is set at the rate reasonably necessary to receive the state contribution over 10 months, in accordance with RCW 82.14.510(3); and

WHEREAS, the Local Sales and Use Tax Rate is set at a rate to generate approximately $250,000 between July 1, 2021 through June 30, 2022, for Local Revitalization Financing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

Section 1. The sales and use tax rate initially established in Section 3.2 of Ordinance No. 6301, and most recently amended by Ordinance No. 6760, is hereby amended to 0.0192%, effective July 1, 2021.

Section 2. Implementation. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation.

Section 3. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this ordinance, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 4. Effective date. This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED:_____

PASSED: _____

APPROVED: _____

_____

NANCY BACKUS, MAYOR

ATTEST:

_____

Shawn Campbell, MMC, City Clerk

APPROVED AS TO FORM:

_____

Kendra Comeau, City Attorney

Published: _____

AGENDA BILL APPROVAL FORM

Agenda Subject:
Ordinance No. 6814 (Thomas)(60 Minutes)

Date:
January 29, 2021

Department:
Finance

Attachments:
Draft B&O Tax Code

Budget Impact:

Administrative Recommendation:

For discussion only.

Background Summary:

In February 2020, BERK Consulting gave the City Council a presentation on the City's General Fund eight-year forecast, and identified some of the fiscal sustainability issues. In March 2020 the council participated in a council retreat where they explored the reasons for the sustainability issues BERK presented. They studied, in depth, several different strategies to remain financially proactive. Based on the Council's analysis, several strategies were identified and were built into the City's 2021-2022 Biennial Budget, which was adopted on November 16, 2020. Strategies imbedded in the budget include: cost recovery analysis, utility rate increases for city utilities, and revenue from a new business and occupation (B&O) tax. While the budget was balanced and adopted with estimated revenue from a B&O tax, a code and related ordinance to actually implement the B&O tax had not been adopted. The Council asked staff to move forward with meeting with the business community and drafting a B&O code for further analysis and review.

This presentation is the Council's first review of the draft B&O code. Comments and suggestions received from Council and the business community have been imbedded in the draft code and those will be highlighted and discussed. The purpose of this meeting is to review and discuss the:

1. Proposed tax rates and reporting thresholds;

2. Proposed square footage tax;

3. Proposed tax credits;

4. Required language (RCW) vs. the optional language addressing the exemptions and deductions that best suit Auburn's needs.

Reviewed by Council Committees:

Councilmember:

Staff: Thomas

Meeting Date: February 8, 2021

Item Number:

CHAPTER 1
BUSINESS AND OCCUPATION TAX CODE

SECTION:

1.1.1. : Exercise Of Revenue License Power
1.1.2. : Administrative Provisions
1.1.3. : Definitions
1.1.4. : Agency – Sales And Services By Agent, Consignee, Bailee, Factor Or Auctioneer
1.1.5. : Imposition Of The Tax – Tax Or Fee Levied; Business License Fee Exemption
1.1.6. : Multiple Activities Credit When Activities Take Place In One Or More Cities With Eligible Gross Receipt Taxes
1.1.7. : Deductions To Prevent Multiple Taxation Of Manufacturing Activities And Prior To January 1, 2008, Transactions Involving More Than One City With An Eligible Gross Receipts Tax
1.1.8. : Assignment Of Gross Income Derived From Intangibles
1.1.9. : Allocation And Apportionment Of Income When Activities Take Place In More Than One Jurisdiction
1.1.10. : Allocation And Apportionment Of Printing And Publishing Income When Activities Take Place In More Than One Jurisdiction
1.1.11. : Exemptions
1.1.12. : Deductions
1.1.13. : Tax Credits
1.1.14. : Tax Part Of Overhead
1.1.15. : Administrative Provisions
1.1.16. : Severability Clause

1-1-1 EXERCISE OF REVENUE LICENSE POWER:

The provisions of this chapter shall be deemed an exercise of the power of the City to license for revenue. The provisions of this chapter are subject to periodic statutory or administrative rule changes or judicial interpretations of the ordinances or rules. The responsibility rests solely with the licensee or taxpayer to reconfirm tax computation procedures and remain in compliance with the City code.

1-1-2 ADMINISTRATIVE PROVISIONS

The administrative provisions contained in Chapter 1.2 ACC shall be fully applicable to the provisions of this chapter except as expressly stated to the contrary herein.

1-1-3 DEFINITIONS:

In construing the provisions of this chapter, the following definitions shall be applied. Words in the singular number shall include the plural, and the plural shall include the singular. In the event that a word, term or phrase defined in this section shall conflict with a word, term or

phrase as defined in this title, this chapter shall control to the extent of the conflict.

A. “Agricultural product”, “farmer”

1. “Agricultural product” means any product of plant cultivation or animal husbandry including, but not limited to: a product of horticulture, grain cultivation, vermiculture, viticulture, or aquaculture as defined in RCW 15.85.020; plantation Christmas trees; turf; or any animal including but not limited to an animal that is a private sector cultured aquatic product as defined in RCW 15.85.020, or a bird, or insect, or the substances obtained from such animal. “Agricultural product” does not include animals intended to be pets.

2. “Farmer” means any person engaged in the business of growing or producing, upon the person’s own lands in which the person has a present right of possession, any agricultural product whatsoever for sale. “Farmer” does not include a person using such products as ingredients in a manufacturing process, or a person growing or producing such products for the person’s own consumption. “Farmer” does not include a person selling any animal or substance obtained therefrom in connection with the person’s business of operating a stockyard or a slaughter or packing house. “Farmer” does not include any person in respect to the business of taking, cultivating, or raising timber.

B. “Artistic or cultural organization,” as used in this chapter means the following:

1. The organization is organized and operated exclusively for the purpose of providing artistic or cultural exhibitions, presentations, or performances or cultural or art education programs, as defined in subsection 10 of this section, for viewing or attendance by the general public.

2. The organization must be a not-for-profit corporation under RCW Chapter 24.03.

3. The organization must be managed by a governing board of not less than eight (8) individuals none of whom is a paid employee of the organization or by a corporation under RCW Chapter 24.12.

4. No part of its income may be paid directly or indirectly to its members, stockholders, officers, directors, or trustees except in the form of services rendered by the corporation in accordance with its purposes and bylaws.

5. Salary or compensation paid to its officers and executives must be only for actual services rendered, and at levels comparable to the salary or compensation of like positions within the state.

6. Assets of the corporation must be irrevocably dedicated to the activities for which the

exemption is granted and, on the liquidation, dissolution, or abandonment by the corporation, may not inure directly or indirectly to the benefit of any member or individual except a non-profit organization, association, or corporation which also would be entitled to the exemption.

7. The corporation must be duly licensed or certified when licensing or certification is required by law or regulation.

8. The amounts received that qualify for exemption must be used for the activities for which the exemption is granted.

9. Services must be available regardless of race, color, national origin, ancestry, religion, age, sex, marital status, sexual orientation, or the presence of any mental or physical disability.

10. The term "artistic or cultural exhibitions, presentations, or performances or cultural or art education programs" is limited to:

a. An exhibition or presentation of works of art or objects of cultural or historical significance, such as those commonly displayed in art or history museums;

b. A musical or dramatic performance or series of performances; or

c. An educational seminar or program, or series of such programs, offered by the organization to the general public on an artistic, cultural, or historical subject.

C. "Business" includes all activities engaged in with the purpose of gain, benefit, or advantage to the taxpayer or to another person or class, directly or indirectly.

D. "Business and occupation tax" or "gross receipts tax" means a tax imposed on or measured by the value of products, the gross income of the business, or the gross proceeds of sales, as the case may be, and that is the legal liability of the business.

E. "Commercial or industrial use" means the following uses of products, including by-products, by the extractor or manufacturer of the products:

1. Any use as a consumer; and

2. The manufacturing of products including articles, substances or commodities.

F. "Delivery" means the transfer of possession of tangible personal property between the seller and the buyer or the buyer's representative. Delivery to an employee of a buyer is considered delivery to the buyer. Transfer of possession of tangible personal property occurs when the buyer

or the buyer's representative first takes physical control of the property or exercises dominion and control over the property. Dominion and control means the buyer has the ability to possess, use, convey or dispose the property as the buyer chooses. It means the buyer or the buyer's representative has made the final decision to accept or reject the property, and the seller has no further right to possession of the property and the buyer has no right to return the property to the seller, other than under a warranty contract. A buyer does not exercise dominion and control over tangible personal property merely by arranging for shipment of the property from the seller to itself. A buyer's representative is a person, other than an employee of the buyer, who has the buyer's written authorization to receive tangible personal property and take dominion and control by making the final decision to accept or reject the property. Neither a shipping company nor a seller can serve as a buyer's representative. It is immaterial where the contract of sale is negotiated or where the buyer obtains title to the property. Delivery terms and other provisions of the Uniform Commercial Code (RCW Title 62A) do not determine when or where delivery of tangible personal property occurs for purposes of taxation.

G. "Digital automated service", "digital code" and "digital goods" have the same meaning as in RCW 82.04.192, Digital products definition.

H. "Director" means the finance director of the city or any officer, agent or employee of the city designated to act on the director's behalf.

I. "Digital automated service," "digital code," and "digital goods" have the same meaning as in RCW 82.04.192, Digital products definitions.

J. "Digital products" means digital goods, digital codes, digital automated services, and the services described in RCW 82.04.050(2)(g) and (6)(b), "Sale at retail," "retail sale."

K. Eligible gross receipts tax:

The term "eligible gross receipts tax" means a tax which:

1. Is imposed on the act or privilege of engaging in business activities within section ACC 1-1-5; and

2. Is measured by the gross volume of business, in terms of gross receipts and is not an income tax or value-added tax (VAT); and

3. Is not, pursuant to law or custom, separately stated from the sales price; and

4. Is not a sales or use tax, business license fee, franchise fee, royalty or severance tax measured by volume or weight, or concession charge, or payment for the use and enjoyment of property, property right or a privilege; and

5. Is a tax imposed by a local jurisdiction, whether within or without the State of Washington, and not by a country, state, province, or any other non-local jurisdiction above the county level.

L. Engaging in business:

1. The term “engaging in business” means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators hold themselves out to the public as conducting such business.

2. This section sets forth examples of activities that constitute engaging in business in the City, and establishes safe harbors for certain activities so that a person who meets the criteria may engage in de minimis business activities in the City without having to register and obtain a business license or pay City business and occupation taxes. The activities listed in this section are illustrative only and are not intended to narrow the definition of “engaging in business” in subsection 1. If an activity is not listed, whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.

3. Without being all-inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another person acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license:

a. Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City.

b. Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the City.

c. Soliciting sales.

d. Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.

e. Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.

f. Installing, constructing, or supervising installation or construction of, real or tangible personal property.

g. Soliciting, negotiating, or approving franchise, license, or other similar agreements.

h. Collecting current or delinquent accounts.

i. Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.

j. Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.

k. Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.

l. Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.

m. Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers.

n. Investigating, resolving, or otherwise assisting in resolving customer complaints.

o. In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.

p. Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another person acting on its behalf.

4. If a person, or its employee, agent, representative, independent contractor, broker or another person acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license and pay tax:

a. Meeting with suppliers of goods and services as a customer.

b. Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.

c. Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

d. Renting tangible or intangible property as a customer when the property is not used in the City.

e. Attending, but not participating in a “trade show” or “multiple vendor events”. Persons participating at a trade show shall review ACC Chapter 2.23 Special Event Permits.

f. Conducting advertising through the mail.

g. Soliciting sales by phone from a location outside the City.

5. A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection 4.

6. The City expressly intends that engaging in business includes any activity sufficient to establish nexus for purposes of applying the tax under the law and the constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.

M. “Extracting” is the activity engaged in by an extractor and is reportable under the extracting classification.

N. “Extractor” means every person who from that person’s land or from the land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services, for sale or for commercial or industrial use, mines, quarries, takes or produces coal, oil, natural gas, ore, stone, sand, gravel, clay, mineral or other natural resource product; or fells, cuts or takes timber, Christmas trees, other than plantation Christmas trees, or other natural products; or takes fish, shellfish, or other sea or inland water foods or products. “Extractor” does not include persons performing under contract the necessary labor or mechanical services for others; or persons meeting the definition of farmer.

O. “Extractor for hire” means a person who performs under contract necessary labor or mechanical services for an extractor.

P. “Gross income of the business” means the value proceeding or accruing by reason of the transaction of the business engaged in and includes gross proceeds of sales, compensation for the rendition of services, gains realized from trading in stocks, bonds, or other evidences of indebtedness, interest, discount, rents, royalties, fees, commissions, dividends, and other emoluments however designated, all without any deduction on account of the cost of tangible property sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes, or any other expense whatsoever paid or accrued and without any deduction on account of losses.

Q. “Gross proceeds of sales” means the value proceeding or accruing from the sale of tangible personal property, digital goods, digital codes, digital automated services or for other services rendered, without any deduction on account of the cost of property sold, the cost of materials used, labor costs, interest, discount paid, delivery costs, taxes, or any other expense paid or accrued and without any deduction on account of losses.

R. “Inflation Adjustment” shall be an amount equal to the amount and direction of change determined by the Settle-Tacoma- Bremerton Urban Wage Earners and Clerical Workers Consumer Price Index (CPI-W) for each twelve (12)-month period ending on August 31st as published by the United States Department of Labor. To calculate this adjustment, the current rate will be multiplied by one (1) plus or minus, as the case may be, the annual change in the CPI-W.

S. “Manufacturing” means the activity conducted by a manufacturer and is reported under the manufacturing classification.

T. Manufacture, to manufacture:

1. “Manufacturer” means every person who, either directly or by contracting with others for the necessary labor or mechanical services, manufactures for sale or for commercial or industrial use from the person’s own materials or ingredients any products. When the owner of equipment or facilities furnishes, or sells to the customer prior to manufacture, materials or ingredients equal to less than twenty percent (20%) of the total value of all materials or ingredients that become a part of the finished product, the owner of the equipment or facilities will be deemed to be a processor for hire, and not a manufacturer. A business not located in this City that is the owner of materials or ingredients processed for it in this City by a processor for hire shall be deemed to be engaged in business as a manufacturer in this City.

2. “To manufacture” means all activities of a commercial or industrial nature requiring the use of labor or skill, by hand or machinery, to materials or ingredients resulting in a new,

different or useful product for sale or commercial or industrial use, and shall include:

a. The production of special made or custom made articles;

b. The production of dental appliances, devices, restorations, substitutes, or other dental laboratory products by a dental laboratory or dental technician;

c. Crushing and/or blending of rock, sand, stone, gravel, or ore; and

d. The producing of articles for sale, or for commercial or industrial use from raw materials or prepared materials by giving such materials, articles, and substances of trade or commerce new forms, qualities, properties or combinations including, but not limited to, such activities as making, fabricating, processing, refining, mixing, slaughtering, packing, aging, curing, mild curing, preserving, canning, and the preparing and freezing of fresh fruits and vegetables.

"To manufacture" shall not include the production of digital goods or the production of computer software if the computer software is delivered from the seller to the purchaser by means other than tangible storage media, including the delivery by use of a tangible storage media where the tangible storage media is not physically transferred to the purchaser.

U. "Non-profit organization" means a corporation or organization in which no part of the income can be distributed to its members, directors, or officers and that holds a current tax exempt status as provided under Internal Revenue Code Sec. 501(c), or is specifically exempted from the requirement to apply for tax exempt status under Internal Revenue Code Sec. 501(c). Where the term "non-profit organization" is used, it is meant to include a non-profit corporation.

V. "Office" or "place of business" means a fixed location or permanent facility where the regular business of the person is conducted and which is either owned by the person or over which the person exercises legal dominion and control. The regular business of the person is presumed conducted at a location:

1. Whose address the person uses as its business mailing address;

2. Where the place of primary use is shown on a telephone billing of a location containing a telephone line listed in public telephone directory or other similar publication under the business name;

3. Where the person holds itself out to the general public as conducting its regular business through signage or other means; and

4. Where the person is required to obtain any appropriate state and local business license or registration unless they are exempted by law from such requirement.

A vehicle such as a pick-up, van, truck, boat, or other motor vehicle is not an office or place of business. A post office box is not an office or place of business.

If a person has on office or place of business, the person's home is not an office or place of business unless it meets the criteria for office or place of business above. If a person has no office or place of business, the person's home or apartment within the city will be deemed the place of business.

W. "Person" means any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, co- partnership, joint venture, club, company, joint stock company, business trust, municipal corporation, political subdivision of the State of Washington, corporation, limited liability company, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, non-profit, or otherwise and the United States of America or any of its instrumentalities.

X. "Product" means tangible personal property, including articles, substances, or commodities created, brought forth, extracted, or manufactured by human or mechanical effort. "Byproduct" means any additional product, other than the principal or intended product, which results from extracting or manufacturing activities and which has a market value without regard to whether or no such additional product was an expected or intended result of the extracting or manufacturing activities.

Y. "Processor for hire" means the performance of labor and mechanical services upon materials or ingredients belonging to others so that as a result a new, different or useful product is produced for sale, or commercial or industrial use. A processor for hire is any person who would be a manufacturer if that person were performing the labor and mechanical services upon that person's own materials or ingredients. If a person furnishes, or sells to the customer prior to manufacture, materials or ingredients equal to twenty percent (20%) or more of the total value of all materials or ingredients that become part of the finished product the person will be deemed the manufacturer and not a processor for hire.

Z. "Retailing" means the activity of engaging in making sales at retail and is reported under the retailing classification.

AA. "Retail service" shall include the sale of or charge made for personal, business, or professional services including amounts designated as interest, rents, fees, admission, and other service emoluments however designated, received by persons engaging in the following business activities:

1. Amusement and recreation services including but not limited to golf, pool, billiards, skating, bowling, swimming, bungee jumping, ski lifts and tows, basketball, racquet ball,

handball, squash, tennis, batting cages, day trips for sightseeing purposes, and others, when provided to consumers. “Amusement and recreation services” also include the provision of related facilities such as basketball courts, tennis courts, handball courts, swimming pools, and charges made for providing the opportunity to dance. The term “amusement and recreation services” does not include instructional lessons to learn a particular activity such as tennis lessons, swimming lessons, or archery lessons.

2. Abstract, title insurance, and escrow services;

3. Credit bureau services;

4. Automobile parking and storage garage services;

5. Landscape maintenance and horticultural services but excluding (a) horticultural services provided to farmers and (b) pruning, trimming, repairing, removing, and clearing of trees and brush near electric transmission or distribution lines or equipment, if performed by or at the direction of an electric utility;

6. Service charges associated with tickets to professional sporting events; and

7. The following personal services: Physical fitness services, tanning salon services, tattoo parlor services, steam bath services, Turkish bath services, escort services, and dating services.

8. The term shall also include the renting or leasing of tangible personal property to consumers and the rental of equipment with an operator.

BB. Sale, casual or isolated sale:

1. “Sale” means any transfer of the ownership of, title to, right to control, or possession of, property for a valuable consideration and includes any activity classified as a “sale at retail,” “retail sale,” or “retail service.” It includes renting or leasing, conditional sale contracts, leases with option to purchase, and any contract under which possession of the property is given to the purchaser but title is retained by the vendor as security for the payment of the purchase price. It also includes the furnishing of food, drink, or meals for compensation whether consumed upon the premises or not.

2. “Casual or isolated sale” means a sale made by a person who is not engaged in the business of selling the type of property involved on a routine or continuous basis.

CC. Sale at retail, retail sale:

1.“Sale at retail” or “retail sale” means every sale of tangible personal property (including articles produced, fabricated, or imprinted) to all persons irrespective of the nature of their business and including but not limited to, persons who install, repair, clean, alter, improve, construct, or decorate real or personal property of or for consumers, other than a sale to a person who presents a resale certificate under RCW 82.04.470, and who:

a. Purchases for the purpose of resale as tangible personal property in the regular course of business without intervening use by such person; or

b. Installs, repairs, cleans, alters, imprints, improves, constructs, or decorates real or personal property of or for consumers, if such tangible personal property becomes an ingredient or component of such real or personal property without intervening use by such person; or

c. Purchases for the purpose of consuming the property purchased in producing for sale a new article of tangible personal property or substance, of which such property becomes an ingredient or component or is a chemical used in processing, when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new article being produced for sale; or

d. Purchases for the purpose of consuming the property purchased in producing ferrosilicon which is subsequently used in producing magnesium for sale, if the primary purpose of such property is to create a chemical reaction directly through contact with an ingredient of ferrosilicon; or

e. Purchases for the purpose of providing the property to consumers as part of competitive telephone service, as defined in RCW 82.04.065. The term shall include every sale of tangible personal property which is used or consumed or to be used or consumed in the performance of any activity classified as a “sale at retail” or “retail sale” even though such property is resold or utilized as provided in a through e of this subsection following such use.

f. Purchases for the purpose of satisfying the person’s obligations under an extended warranty as defined in subsection 7 of this section, if such tangible personal property replaces or becomes an ingredient or component of property covered by the extended warranty without intervening use by such person.

2.“Sale at retail” or “retail sale” also means every sale of tangible personal property to persons engaged in any business activity which is taxable under this chapter.

3.“Sale at retail” or “retail sale” shall include the sale of or charge made for tangible personal property consumed and/or for labor and services rendered in respect to the

following:

a. The installing, repairing, cleaning, altering, imprinting, or improving of tangible personal property of or for consumers, including charges made for the mere use of facilities, but excluding charges made for the use of coin- operated laundry facilities when such facilities are situated in and for the exclusive use of tenants of an apartment house, rooming house, or mobile home park, and also excluding sales of laundry service to nonprofit health care facilities, and excluding services rendered in respect to live animals, birds and insects;

b. The constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for consumers, including the installing or attaching of any tangible personal property, whether or not such personal property becomes a part of the realty by virtue of installation, and shall also include the sale of services or charges made for the clearing of land and the moving of earth excepting the mere leveling of land used in commercial farming or agriculture;

c. The charge for labor and services rendered in respect to constructing, repairing, or improving any structure upon, above, or under any real property owned by an owner who conveys the property by title, possession, or any other means to the person performing such construction, repair, or improvement for the purpose of performing such construction, repair, or improvement and the property is then reconveyed by title, possession, or any other means to the original owner;

d. The sale of or charge made for labor and services rendered in respect to the cleaning, fumigating, razing or moving of existing buildings or structures, but shall not include the charge made for janitorial services; and for purposes of this section the term “janitorial services” shall mean those cleaning and caretaking services ordinarily performed by commercial janitor service businesses including, but not limited to, wall and window washing, floor cleaning and waxing, and the cleaning in place of rugs, drapes and upholstery. The term “janitorial services” does not include painting, papering, repairing, furnace or septic tank cleaning, snow removal or sandblasting;

e. The sale of or charge made for labor and services rendered in respect to automobile towing and similar automotive transportation services, but not in respect to those required to report and pay taxes under RCW Chapter 82.16, Public Utility Tax;

f. The sale of and charge made for the furnishing of lodging and all other services, except telephone business and cable service, by a hotel, rooming house, tourist court, motel, trailer camp, and the granting of any similar license to use real property, as distinguished from the renting or leasing of real property, and it shall be presumed that the

occupancy of real property for a continuous period of one (1) month or more constitutes a rental or lease of real property and not a mere license to use or enjoy the same. For the purposes of this subsection, it shall be presumed that the sale of and charge made for the furnishing of lodging for a continuous period of one (1) month or more to a person is a rental or lease of real property and not a mere license to enjoy the same;

g. The installing, repairing, altering, or improving of digital goods for consumers;

h. The sale of or charge made for tangible personal property, labor and services to persons taxable under a through g of this subsection when such sales or charges are for property, labor and services which are used or consumed in whole or in part by such persons in the performance of any activity defined as a "sale at retail" or "retail sale" even though such property, labor and services may be resold after such use or consumption. Nothing contained in this subsection shall be construed to modify subsection 1 of this section and nothing contained in subsection 1 of this section shall be construed to modify this subsection.

4. "Sale at retail" or "retail sale" shall also include the providing of competitive telephone service to consumers.

5. "Sale at retail" or "retail sale":

a. shall also include the sale of prewritten software other than a sale to a person who presents a resale certificate under RCW 82.04.470, regardless of the method of delivery to the end user. For purposes of this subsection 5.a the sale of prewritten computer software includes the sale of or charge made for a key or an enabling or activation code, where the key or code is required to activate prewritten computer software and use the software. There is no separate sale of the key or code from the prewritten computer software, regardless of how the sale may characterized by the vendor or by the purchaser.

The term "sale at retail" or "retail sale" does not include the sale of or charge made for:

i. Custom software; or

ii. The customization of prewritten software.

b. i. The term also includes the charge made to consumers for the right to access and use prewritten computer software, where possession of the software is maintained by the seller or a third-party, regardless of whether the charge for the service is on a per use, per user, per license, subscription, or some other basis.

ii. (a) The service described in b.i of this subsection 5 includes the right to access and use prewritten software to perform data processing.

(b) For purposes of this subsection b.ii "data processing" means the systematic performance of operations on data to extract the required information in an appropriate form or to convert the data to usable information. Data processing includes check processing, image processing, form processing, survey processing, payroll processing, claim processing, and similar activities.

6. "Sale at retail" or "retail sale" shall also include the sale of or charge made for labor and services rendered in respect to the building, repairing, or improving of any street, place, road, highway, easement, right of way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state, the State of Washington, or the United States of America and which is used or to be used primarily for foot or vehicular traffic including mass transportation vehicles of any kind (public road construction).

7."Sale at retail" or "retail sale" shall also include the sale of or charge made for an extended warranty to a consumer. For purposes of this subsection, "extended warranty" means an agreement for a specified duration to perform the replacement or repair of tangible personal property at no additional charge or a reduced charge for tangible personal property, labor, or both, or to provide indemnification for the replacement or repair of tangible personal property, based on the occurrence of specified events. The term "extended warranty" does not include an agreement, otherwise meeting the definition of extended warranty in this subsection, if no separate charge is made for the agreement and the value of the agreement is included in the sales price of the tangible personal property covered by the agreement.

8."Sale at retail" or "retail sale" shall also include the sale of or charge made for labor and services rendered in respect to the constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to RCW Chapter 35.82, including the installing, or attaching of any article of tangible personal property, whether or not such personal property becomes a part of the real property by virtue of installation (government contracting).

9."Sale at retail" or "retail sale" shall not include the sale of services or charges made for the clearing of land and the moving of earth of or for the United States of America, or any of its instrumentality, or a county or city housing authority. The term does not include the sale of services or charges made for cleaning up for the United States of America, or any of its instrumentalities, radioactive waste and other byproducts of weapons production and nuclear research and development. (This should be reported under the service and other classification as defined under ACC Chapter 1-1-5.A.7.)

10. “Sale at retail” or “retail sale” shall not include the sale of or charge made for labor and services rendered for environmental remedial action. (This should be reported under the service and other classification as defined under ACC Chapter 1-1-5.A.7.)

11. “Sale at retail” or “retail sale” shall also include the following sales to consumers of digital goods, digital codes, and digital automated services:

a. Sales in which the seller has granted the purchaser the right of permanent use;

b. Sales in which the seller has granted the purchaser a right of use that is less than permanent;

c. Sales in which the purchaser is not obligated to make continued payment as a condition of the sale; and

d. Sales in which the purchaser is obligated to make continued payment as a condition of the sale.

A retail sale of digital goods, digital codes, or digital automated services under this subsection Y.11 includes any services provided by the seller exclusively in connection with the digital goods, digital codes, or digital automated services, whether or not a separate charge is made for such services.

For purposes of this subsection, “permanent” means perpetual or for an indefinite or unspecified length of time. A right of permanent use is presumed to have been granted unless the agreement between the seller and the purchaser specifies or the circumstances surrounding the transaction suggest or indicate that the right to use terminates on the occurrence of a condition subsequent.

12. “Sale at retail” or “retail sale” shall also include the installing, repairing, altering, or improving of digital goods for consumers.

DD. “Sale at wholesale” or “wholesale sale” means any sale of tangible personal property, digital goods, digital codes, digital automated services, prewritten computer software, or services described in subsection Y.5.b.i, “Sale at retail”, which is not a retail sale, and any charge made for labor and services rendered for persons who are not consumers, in respect to real or personal property and retail services, if such charge is expressly defined as a retail sale or retail service when rendered to or for consumers. Sale at wholesale also includes the sale of telephone business to another telecommunications company as defined in RCW 80.04.010 for the purpose of resale, as contemplated by RCW 35.21.715.

EE. “Service” means any sale or charge made for personal, business or professional service,

including amounts designated as rents, fees, or admissions, not otherwise included within any other tax classification defined herein; provided that, the term “service” excludes retail or wholesale services.

FF. Software, prewritten software, custom software, customization of canned software, master copies, retained rights

1. *Prewritten software* or *canned software* means computer software, including prewritten upgrades, that is not designed and developed by the author or other creator to the specifications of a specific purchaser. The combining of two or more prewritten computer software programs or prewritten portions thereof does not cause the combination to be other than prewritten computer software. Prewritten computer software includes software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than such purchaser. Where a person modifies or enhances computer software of which such person is not the author or creator, the person shall be deemed to be the author or creator only of the person’s modifications or enhancements. Prewritten computer software or a prewritten portion thereof that is modified or enhanced to any degree, where such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software; however, where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for the modification or enhancement, the modification or enhancement shall not constitute prewritten computer software.

2. *Custom software* means software created for a single person.

3. *Customization of canned software* means any alteration, modification, or development of applications using or incorporating canned software to specific individualized requirements of a single person. Customization of canned software includes individualized configuration of software to work with other software and computer hardware but does not include routine installation. Customization of canned software does not change the underlying character or taxability of the original canned software.

4. *Master copies* of software means copies of software from which a software developer, author, inventor, publisher, licensor, sublicensor, or distributor makes copies for sale or license. The software encoded on a master copy and the media upon which the software resides are both ingredients of the master copy.

5. *Retained rights* means any and all rights, including intellectual property rights such as those rights arising from copyrights, patents, and trade secret laws, that are owned or are held under contract or license by a software developer, author, inventor, publisher, licensor, sublicensor, or distributor.

6. *Software* means any information, program, or routine, or any set of one or more programs,

routines, or collections of information, used, or intended for use, to convey information that causes one or more computers or pieces of computer-related peripheral equipment, or any combination thereof, to perform a task or set of tasks. “Software” includes the associated documentation, materials, or ingredients, regardless of the media upon which that documentation is provided, that describe the code and its use, operation, and maintenance and that typically are delivered with the code to the consumer. All software is classified as either canned or custom.

GG. “Taxpayer” means any “person”, as defined in subsection T, required to have a business license under this chapter or liable for the collection of any tax or fee under this chapter, or who engages in any business or who performs any act for which a tax or fee is imposed by this chapter.

HH. “Tuition” includes library, laboratory, health service, and other special fees, and amounts charged for room and board by an educational institution when the property or service for which such charges are made is furnished exclusively to the students or faculty of such institution. *Educational institution*, as used in this section, means only those institutions created or generally accredited as such by the state and includes educational programs that such educational institution cosponsors with a nonprofit organization, as defined by the Internal Revenue Code Section 501(c)(3), as hereafter amended, if such educational institution grants college credit for coursework successfully completed through the educational program, or an approved branch campus of a foreign degree-granting institution in compliance with Chapter 28B.90 RCW, and in accordance with RCW 82.04.4332 or defined as a degree-granting institution under RCW 28B.85.010(3) and accredited by an accrediting association recognized by the United States Secretary of Education, and offering to students an educational program of a general academic nature or those institutions which are not operated for profit and which are privately endowed under a deed of trust to offer instruction in trade, industry, and agriculture, but not including specialty schools, business colleges, other trade schools, or similar institutions.

II. “Value proceeding or accruing” means the consideration, whether money, credits, rights, or other property expressed in terms of money, a person is entitled to receive or which is actually received or accrued. The term shall be applied, in each case, on a cash receipts or accrual basis according to which method of accounting is regularly employed in keeping the books of the taxpayer.

JJ.Value of products:

1. The value of products, including by-products, extracted or manufactured, shall be determined by the gross proceeds derived from the sale of those products, whether such sale is at wholesale or at retail, to which shall be added all subsidies and bonuses received from the purchaser or from any other person with respect to the extraction, manufacture, or sale of such products or by-products by the seller.

2. Where such products, including by-products, are extracted or manufactured for commercial or industrial use; and where such products, including by-products, are shipped, transported or transferred out of the City, or to another person, without prior sale or are sold

under circumstances such that the gross proceeds from the sale are not indicative of the true value of the subject matter of the sale; the value shall correspond as nearly as possible to the gross proceeds from sales in this state of similar products of like quality and character, and in similar quantities by other taxpayers, plus the amount of subsidies or bonuses ordinarily payable by the purchaser or by any third person with respect to the extraction, manufacture, or sale of such products. In the absence of sales of similar products as a guide to value, such value may be determined upon a cost basis. In such cases, there shall be included every item of cost attributable to the particular article or article extracted or manufactured, including direct and indirect overhead costs. The Administrator may prescribe rules for the purpose of ascertaining such values.

3. Notwithstanding subsection 2 above, the value of a product manufactured or produced for purposes of serving as a prototype for the development of a new or improved product shall correspond to (a) the retail selling price of such new or improved product when first offered for sale; or (b) the value of materials incorporated into the prototype in cases in which the new or improved product is not offered for sale.

EE. "Wholesaling" means engaging in the activity of making sales at wholesale, and is reported under the wholesaling classification.

1-1-4 AGENCY – SALES AND SERVICES BY AGENT, CONSIGNEE, BAILEE, FACTOR OR AUCTIONEER:

A. Sales in Own Name – Sales or Purchases as Agent: Consistent with RCW 82.04.480, every person, including agents, consignees, bailees, factors or auctioneers having either actual or constructive possession of tangible personal property or having possession of the documents of title, with power to sell such tangible personal property in the person's own name and actually so selling, shall be deemed the seller of such tangible personal property within the meaning of this chapter. Furthermore, the consignor, bailor, principal, or owner is deemed a seller of such property to the consignee, bailee, factor, or auctioneer.

The burden shall be solely upon the taxpayer in every case to establish the fact that such taxpayer is not engaged in the business of selling tangible personal property but is acting merely as broker or agent in promoting sales or making purchases for a principal. Such claim will be recognized only when the contract or agreement between such persons clearly establishes the relationship of principal and agent and when the following conditions are complied with:

1. The books and records of the broker or agent show the transactions were made in the name and for the account of the principal, and show the name of the actual owner of the property for whom the sale was made, or the actual buyer for whom the purchase was made.

2. The books and records show the amount of the principal's gross sales, the amount of

commissions and any other incidental income derived by the broker or agent from such sales. The principal's gross sales must not be reflected as the agent's income on any of the agent's books and records. Commissions must be computed according to a set percentage or amount, which is agreed upon in the agency agreement.

3. No ownership rights may be conferred to the agent unless the principal refuses to pay, or refuses to abide by the agency agreement. Sales or purchases of any goods by a person who has any ownership rights in such goods shall be taxed as retail or wholesale sales.

4. Bulk goods sold or purchased on behalf of a principal must not be commingled with goods belonging to another principal or lose their identity as belonging to the particular principal. Sales or purchases of any goods which have been commingled or lost their identity as belonging to the principal shall be taxed as retail or wholesale sales.

B. If the above requirements are not met the consignor, bailor, principal or other shall be deemed a seller of such property to the agent, consignee, bailee, factor or auctioneer.

C. Services in Own Name – Procuring Services as Agent: For purposes of this subsection, an agent is a person who acts under the direction and control of the principal in procuring services on behalf of the principal that the person could not itself render or supply. Amounts received by an agent for the account of its principal as advances or reimbursements are exempted from the measure of the tax only when the agent is not primarily or secondarily liable to pay for the services procured.

Any person who claims to be acting merely as agent in obtaining services for a principal will have such claim recognized only when the contract or agreement between such persons clearly establishes the relationship of principal and agent and when the following conditions are complied with:

1. The books and records of the agent show that the services were obtained in the name and for the account of the principal, and show the actual principal for whom the purchase was made.

2. The books and records show the amount of the service that was obtained for the principal, the amount of commissions and any other income derived by the agent for acting as such. Amounts received from the principal as advances and reimbursements must not be reflected as the agent's income on any of the agent's books and records. Commissions must be computed according to a set percentage or amount, which is agreed upon in the agency agreement.

D. A consignee, bailee, factor, agent or auctioneer, as used in this section, refers to one who has either actual or constructive possession of tangible personal property, the actual ownership of

such property being in another, or one calling for bids on such property. The term “constructive possession” means possession of the power to pass title to tangible personal property of others.

1-1-5 IMPOSITION OF THE TAX – TAX OR FEE LEVIED; BUSINESS LICENSE FEE EXEMPTION:

Except as provided in ACC 1-1-5.C (Tax Thresholds) and 1-1-5.D (Amounts in Excess of Cap), effective January 1, 2022 at 12:01 a.m. there is levied upon and shall be collected from every person a tax for the act or privilege of engaging in business activities in the City of Auburn, whether the person’s office or place of business be within or without the City. The tax shall be in amounts to be determined by application of rates against gross proceeds of sale, gross income of business, or value of products, including by-products, as the case may be, as follows:

A. Gross receipts tax

1. Upon every person engaging within the City in business as an extractor; as to such persons, the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, extracted within the City for sale or for commercial or industrial use, multiplied by the rate of .100 of one percent (.001). The measure of the tax is the value of the products, including by-products, so extracted, regardless of the place of sale or the fact that deliveries may be made to points outside the City.

2. Upon every person engaging within the City in business as a manufacturer; as to such persons, the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, manufactured within the City, multiplied by the rate of .100 of one percent (.001). The measure of the tax is the value of the products, including by-products, so manufactured, regardless of the place of sale or the fact that deliveries may be made to points outside the City.

3. Upon every person engaging within the City in the business of making sales at wholesale; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business without regard to the place of delivery of articles, commodities or merchandise sold, multiplied by the rate of .180 of one percent (.0018).

4. Upon every person engaging within the City in the business of making sales at retail; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business, without regard to the place of delivery of articles, commodities or merchandise sold, multiplied by the rate of .050 of one percent (.00050).

5. Upon every person engaging within the City in the business of (a) printing, (b) both printing and publishing newspapers, magazines, periodicals, books, music, and other printed

items, (c) publishing newspapers, magazines and periodicals, (d) extracting for hire, and (e) processing for hire; as to such persons, the amount of tax on such business shall be equal to the gross income of the business multiplied by the rate of .100 of one percent (.001).

6. Upon every person engaging within the City in the business of sales of retail services; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of sales multiplied by the rate of .150 of one percent (.0015).

7. Upon every other person engaging within the City in any business activity other than or in addition to those enumerated in the above subsections; as to such persons, the amount of tax on account of such activities shall be equal to the gross income of the business multiplied by the rate of .100 of one percent (.001). This subsection includes, among others, and without limitation whether or not title to material used in the performance of such business passes to another by accession, merger or other than by outright sale, persons engaged in the business of developing, or producing custom software or of customizing canned software, producing royalties or commissions, and persons engaged in the business of rendering any type of service which does not constitute a sale at retail, a sale at wholesale, or a retail service.

B. Square footage tax

1. Upon every person who leases, owns, occupies, or otherwise maintains a ~~an office,~~ warehouse or outdoor warehouse, ~~or other place of business~~ within the city for purposes of engaging in business activities in the city there shall be a tax measured by the number of square feet of business warehouse floor space or outdoor warehouse space. The amount of the tax shall be equal to $0.10 for each quarterly period of a calendar year for each square foot of warehouse or outdoor warehouse floor space ~~, or other business floor space for each office, or other place of business~~ that is leased, owned, occupied, or otherwise maintained within the city during the reporting period, calculated to the nearest square foot.

2. For purposes of this section, *warehouse* means a building or structure, or any part thereof, in which goods, wares, merchandise, or commodities are received or stored, whether or not for compensation, in furtherance of engaging in business.

3. For purposes of this section, *outdoor warehouse* means an area that is outdoors and is primarily used for the transloading of goods, wares, merchandise, or commodities on property for purposes of switching modes or vehicles of conveyance for the primary purpose of wholesaling, distributing, or reorganizing goods, wares, merchandise, or commodities en route to final destinations of sale or other transaction. Transloading generally involves the transfer of goods from one mode of transportation to another en route to an ultimate destination and, for purposes of the square footage tax, includes areas used for crossdocking, waylaying, temporary embarkment, and other similar activities.

4. ~~For purposes of this section, *other business floor space* means the floor space of an office or place of business, other than a business warehouse or outdoor warehouse.~~

5. For purposes of this section, the square footage of a business warehouse ~~and other business floor space~~ shall be computed by measuring to the inside finish of permanent outer building walls and shall include space used by columns and projections necessary to the building. Square footage shall not include stairs, elevator shafts, flues, pipe shafts, vertical ducts, heating or ventilation shafts, janitor closets, and electrical or utility closets.

6. For purposes of this section, the square footage of an outdoor warehouse shall only include those areas used for the receipt or storage of goods, wares, merchandise, or commodities that are being received and temporarily stored for transloading, whether or not for compensation, in furtherance of engaging in business. Such areas will typically include those areas where goods, wares, merchandise, and commodities, in transit to their ultimate destination, are parked, packaged, or stored after transloading, waylaying, or crossdocking. Square footage shall not include areas used only for employee, customer, or visitor parking, dock high loading areas used primarily for a business warehouse, buildings, areas used only for direct sales or rentals to consumers, landscaped areas, stormwater facilities, maneuvering areas and drive aisles, areas used only for garbage or recycling pickup, rights-of-way, or other areas clearly not used for the temporary storage of goods, wares, merchandise, and commodities in transit. Outdoor areas used for storage of agricultural products or for ancillary storage of materials utilized in, or products resulting from, onsite manufacturing operations are not considered outdoor warehouses.

7. Persons with more than one ~~office,~~ business warehouse or outdoor warehouse ~~or other place of business~~ within the city must include all business warehouse floor space and outdoor warehouse space~~, and other business floor space~~ for all locations within the city. When a person rents space to another person, the person occupying the rental space is responsible for the square footage business tax on that rental space only if the renter has exclusive right of possession in the space as against the landlord. Space rented for the storage of goods in a warehouse or outdoor warehouse where no walls or other barriers separate the goods, and where the exclusive right of possession in the space is not held by the person to whom the space is rented, shall be included in the business warehouse floor space of the person that operates the business warehouse, and not by the person renting the warehouse space.

8. If the square footage tax imposed in this subsection (B) is less than or equal to the gross receipts tax imposed in subsection (A) of this section, no square footage tax will be due; if the square footage tax imposed in this subsection (B) exceeds the gross receipts tax imposed in subsection (A) of this section, the taxpayer shall also remit the excess over the gross receipts tax payable under subsection (A) of this section.

C. Gross receipt and square footage tax thresholds

1. Gross receipts threshold: This chapter shall not apply to any person engaging in any one (1) or more business activities which are otherwise taxable pursuant to ACC 1-1-5 .A, whose value of products, including by-products, gross proceeds of sales, and gross income of the business, less any deductions, as the case may be, from all activities conducted during any calendar year, is less than or equal to the threshold amount of five hundred thousand dollars ($500,000).

2. Square footage threshold: The square footage tax imposed in subsection (B) of this section shall not apply to any person unless that person's total area of business space within the city exceeds one of the following thresholds:

   a. Four thousand taxable square feet of business warehouse space; or

   b. Two hundred sixty-one thousand three hundred sixty taxable square feet (six acres) of outdoor warehouse space;

If the square footage tax applies, it applies to all business space leased, owned, occupied, or otherwise maintained by the taxpayer during the applicable reporting period.

D. Annual Tax Cap: The tax imposed under this chapter shall not exceed four million two hundred fifty thousand dollars ($4,250,000) during any calendar year. The cap set forth in this subsection shall be administratively adjusted by the Administrator on January 1st of each year, beginning on January 1, 2023, to reflect the inflation adjustment, as defined and calculated pursuant to ACC 1-1-3 Q. The amount of the cap so calculated shall be rounded to the nearest ten dollars ($10).

1-1-6 MULTIPLE ACTIVITIES CREDIT WHEN ACTIVITIES TAKE PLACE IN ONE OR MORE CITIES WITH ELIGIBLE GROSS RECEIPT TAXES:

A. Persons who engage in business activities that are within the purview of two (2) or more subsections of ACC 1-1-5. A shall be taxable under each applicable subsection.

B. Notwithstanding any provision to the contrary, if the Administrator finds that the imposition of the City's tax would place an undue burden upon interstate commerce or violate constitutional requirements, a taxpayer shall be allowed a credit to the extent necessary to preserve the validity of the City's tax, and still apply the City tax to as much of the taxpayer's activities as may be subject to the City's taxing authority.

C. To take the credit authorized by this section, a taxpayer must be able to document that the amount of tax sought to be credited was paid upon the same gross receipts used in computing the tax against which the credit is applied.

D. Credit for Persons That Sell in the City Products That They Extract or Manufacture. Persons

taxable under the retailing or wholesaling classification with respect to selling products in this City shall be allowed a credit against those taxes for any eligible gross receipts taxes paid (1) with respect to the manufacturing of the products sold in the City, and (2) with respect to the extracting of the products, or the ingredients used in the products, sold in the City. The amount of the credit shall not exceed the tax liability arising under this chapter with respect to the sale of those products.

E. Credit for persons that manufacture products in the City using ingredients they extract. Persons taxable under the manufacturing classification with respect to manufacturing products in this City shall be allowed a credit against those taxes for any eligible gross receipts tax paid with respect to extracting the ingredients of the products manufactured in the City. The amount of the credit shall not exceed the tax liability arising under this chapter with respect to the manufacturing of those products.

F. Credit for persons that sell within the City products that they print, or publish and print. Persons taxable under the retailing or wholesaling classification with respect to selling products in this City shall be allowed a credit against those taxes for any eligible gross receipts taxes paid with respect to the printing, or the printing and publishing, of the products sold within the City. The amount of the credit shall not exceed the tax liability arising under this chapter with respect to the sale of those products

1-1-7 DEDUCTIONS TO PREVENT MULTIPLE TAXATION OF MANUFACTURING ACTIVITIES AND PRIOR TO JANUARY 1, 2008, TRANSACTIONS INVOLVING MORE THAN ONE CITY WITH AN ELIGIBLE GROSS RECEIPTS TAX:

A. Amounts Subject to an Eligible Gross Receipts Tax in Another City That Also Maintains Nexus Over the Same Activity: For taxes due prior to January 1, 2008, a taxpayer that is subject to an eligible gross receipts tax on the same activity in more than one (1) jurisdiction may be entitled to a deduction as follows:

1. A taxpayer that has paid an eligible gross receipts tax, with respect to a sale of goods or services, to a jurisdiction in which the goods are delivered or the services are provided may deduct an amount equal to the gross receipts used to measure that tax from the measure of the tax owed to the City.

2. Notwithstanding the above, a person that is subject to an eligible gross receipts tax in more than one (1) jurisdiction on the gross income derived from intangibles such as royalties, trademarks, patents, or goodwill shall assign those gross receipts to the jurisdiction where the person is domiciled (its headquarters is located).

3. A taxpayer that has paid an eligible gross receipts tax on the privilege of accepting or executing a contract with another city may deduct an amount equal to the contract price

used to measure the tax due to the other city from the measure of the tax owed to the City.

B. Person Manufacturing Products Within and Without: A person manufacturing products within the City using products manufactured by the same person outside the City may deduct from the measure of the manufacturing tax the value of products manufactured outside the City and included in the measure of an eligible gross receipts tax paid to the other jurisdiction with respect to manufacturing such products.

1-1-8 ASSIGNMENT OF GROSS INCOME DERIVED FROM INTANGIBLES:

Gross income derived from the sale of intangibles such as royalties, trademarks, patents, or goodwill shall be assigned to the jurisdiction where the person is domiciled (its headquarters is located).

1-1-9 ALLOCATION AND APPORTIONMENT OF INCOME WHEN ACTIVITIES TAKE PLACE IN MORE THAN ONE JURISDICTION:

Gross income, other than persons subject to the provisions of RCW Chapter 82.14A, shall be allocated and apportioned as follows:

A. Gross income derived from all activities other than those taxed as service or royalties under ACC 1-1-5.A.7 shall be allocated to the location where the activity takes place.

B. In the case of sales of tangible personal property, the activity takes place where delivery to the buyer occurs.

C. In the case of sales of digital products, the activity takes place where delivery to the buyer occurs. The delivery of digital products will be deemed to occur at:

1. The seller's place of business if the purchaser receives the digital product at the seller's place of business;

2. If not received at the seller's place of business, the location where the purchaser or the purchaser's donee, designated as such by the purchaser, receives the digital product, including the location indicated by instructions for delivery to the purchaser or donee, known to the seller;

3. If the location where the purchaser or the purchaser's donee receives the digital product is not known, the purchaser's address maintained in the ordinary course of the seller's business when use of this address does not constitute bad faith;

4. If no address for the purchaser is maintained in the ordinary course of the seller's

business, the purchaser's address obtained during the consummation of the sale, including the address of a purchaser's payment instrument, if no other address is available, when use of this address does not constitute bad faith; and

5. If no address for the purchaser is obtained during the consummation of the sale, the address where the digital good or digital code is first made available for transmission by the seller or the address from which the digital automated service or service described in RCW 82.04.050(2)(g) or (6)(b) was provided, disregarding for these purposes any location that merely provided the digital transfer of the product sold.

D. If none of the methods in ACC 1-1-9.C for determining where the delivery of digital products occurs are available after a good faith effort by the taxpayer to apply the methods provided in ACC 1-1-19C.1 through 5, then the City and the taxpayer may mutually agree to employ any other method to effectuate an equitable allocation of income from the sale of digital products. The taxpayer will be responsible for petitioning the City to use an alternative method under ACC 1-1-9 .D. The City may employ an alternative method for allocating the income from the sale of digital products if the methods provided in ACC1-1-9.C.1 through 5 are not available and the taxpayer and the City are unable to mutually agree on an alternative method to effectuate an equitable allocation of income from the sale of digital products.

E. For purposes of ACC 1-1-9.C.1 through 5, the following definitions apply:

1. "Digital automated services," "digital codes," and "digital goods" have the same meaning as in RCW 82.04.192;

2. "Digital products" means digital goods, digital codes, digital automated services, and the services described in RCW 82.04.050 (2)(g) and (6)(c); and

3. "Receive" has the same meaning as in RCW 82.32.730.

F. Effective January 1, 2020, gross income derived from activities taxed as services and other activities taxed under ACC 1-1-5.A.7 shall be apportioned to the City by multiplying apportionable income by a fraction, the numerator of which is the payroll factor plus the service-income factor and the denominator of which is two (2).

1. The payroll factor is a fraction, the numerator of which is the total amount paid in the City during the tax period by the taxpayer for compensation and the denominator of which is the total compensation paid everywhere during the tax period. Compensation is paid in the City if:

a. The individual is primarily assigned within the City;

b. The individual is not primarily assigned to any place of business for the tax period and

the employee performs fifty percent (50%) or more of his or her service for the tax period in the City; or

c. The individual is not primarily assigned to any place of business for the tax period, the individual does not perform fifty percent (50%) or more of his or her service in any city and the employee resides in the City.

2. The service income factor is a fraction, the numerator of which is the total service income of the taxpayer in the City during the tax period, and the denominator of which is the total service income of the taxpayer everywhere during the tax period. Service income is in the City if the customer location is in the City.

3. Gross income of the business from engaging in an apportionable activity must be excluded from the denominator of the service income factor if, in respect to such activity, at least some of the activity is performed in the City, and the gross income is attributable under subsection F.2 to a city or unincorporated area of a county within the United States or to a foreign country in which the taxpayer is not taxable. For purposes of this subsection F.3, "not taxable" means that the taxpayer is not subject to a business activities tax by that city or county within the United States or by that foreign country, except that a taxpayer is taxable in a city or county within the United States or in a foreign country in which it would be deemed to have a substantial nexus with the city or county within the United States or with the foreign country under the standards in RCW 35.102.050 regardless of whether that city or county within the United States or that foreign country imposes such a tax.

4. If the allocation and apportionment provisions of this subsection F do not fairly represent the extent of the taxpayer's business activity in the City , the taxpayer may petition for or the tax administrator may require, in respect to all or any part of the taxpayer's business activity, if reasonable:

a. Separate accounting;

b. The exclusion of any one (1) or more of the factors;

c. The inclusion of one (1) or more additional factors that will fairly represent the taxpayer's business activity in the City; or

d. The employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

5. The party petitioning for, or the tax administrator requiring, the use of any method to effectuate an equitable allocation and apportionment of the taxpayer's income pursuant to subsection F.4 must prove by a preponderance of the evidence:

a. That the allocation and apportionment provisions of this subsection F do not fairly represent the extent of the taxpayer's business activity in the City; and

b. That the alternative to such provisions is reasonable.

The same burden of proof shall apply whether the taxpayer is petitioning for, or the tax administrator is requiring, the use of an alternative, reasonable method to effectuate an equitable allocation and apportionment of the taxpayer's income.

6. If the tax administrator requires any method to effectuate an equitable allocation and apportionment of the taxpayer's income, the tax administrator cannot impose any civil or criminal penalty with reference to the tax due that is attributable to the taxpayer's reasonable reliance solely on the allocation and apportionment provisions of this subsection F.

7. A taxpayer that has received written permission from the tax administrator to use a reasonable method to effectuate an equitable allocation and apportionment of the taxpayer's income shall not have that permission revoked with respect to transactions and activities that have already occurred unless there has been a material change in, or a material misrepresentation of, the facts provided by the taxpayer upon which the tax administrator reasonably relied in approving a reasonable alternative method.

G. The definitions in this subsection apply throughout this section:

1. "Apportionable income" means the gross income of the business taxable under the service classifications of a city's gross receipts tax, including income received from activities outside the City if the income would be taxable under the service classification if received from activities within the City, less any exemptions or deductions available.

2. "Business activities tax" means a tax measured by the amount of, or economic results of, business activity conducted in a city or county within the United States or within a foreign country. The term includes taxes measured in whole or in part on net income or gross income or receipts. "Business activities tax" does not include a sales tax, use tax, or a similar transaction tax, imposed on the sale or acquisition of goods or services, whether or not denominated a gross receipts tax or a tax imposed on the privilege of doing business.

3. "Compensation" means wages, salaries, commissions, and any other form of remuneration paid to individuals for personal services that are or would be included in the individual's gross income under the federal internal revenue code.

4. "Customer" means a person or entity to whom the taxpayer makes a sale or renders services or from whom the taxpayer otherwise receives gross income of the business.

5. “Customer location” means the following:

a. For a customer not engaged in business, if the service requires the customer to be physically present, where the service is performed.

b. For a customer not engaged in business, if the service does not require the customer to be physically present:

i. The customer’s residence; or

ii. If the customer’s residence is not known, the customer’s billing/mailing address.

c. For a customer engaged in business:

i. Where the services are ordered from;

ii. At the customer’s billing/mailing address if the location from which the services are ordered is not known; or

iii. At the customer’s commercial domicile if none of the above are known.

6. “Individual” means any individual who, under the usual common law rules applicable in determining the employer- employee relationship, has the status of an employee of that taxpayer.

7. “Primarily assigned” means the business location of the taxpayer where the individual performs his or her duties.

8. “Service-taxable income” or “service income” means gross income of the business subject to tax under either the service or royalty classification.

9. “Tax period” means the calendar year during which tax liability is accrued. If taxes are reported by a taxpayer on a basis more frequent than once per year, taxpayers shall calculate the factors for the previous calendar year for reporting in the current calendar year and correct the reporting for the previous year when the factors are calculated for that year, but not later than the end of the first quarter of the following year.

H. Assignment or apportionment of revenue under this section shall be made in accordance with and in full compliance with the provisions of the interstate commerce clause of the United States Constitution where applicable.

1-1-10 ALLOCATION AND APPORTIONMENT OF PRINTING AND PUBLISHING INCOME

WHEN ACTIVITIES TAKE PLACE IN MORE THAN ONE JURISDICTION:

Notwithstanding RCW 35.102.130, effective January 1, 2008, gross income from the activities of printing, and of publishing newspapers, periodicals, or magazines, shall be allocated to the principal place in this state from which the taxpayer's business is directed or managed. As used in this section, the activities of printing, and of publishing newspapers, periodicals, or magazines, have the same meanings as attributed to those terms in RCW 82.04.280(1) by the Department of Revenue.

1-1-11 EXEMPTIONS:

A. Adult Family Homes: This chapter does not apply to adult family homes which are licensed as such, or which are specifically exempt from licensing, under rules of the Washington State Department of Social and Health Services.

B. Day Care Provided By Churches: This chapter shall not apply to amounts derived by a church that is exempt from property tax under RCW 84.36.020 from the provision of care for children for periods of less than twenty-four (24) hours.

C. Child Care Resource and Referral Services by Nonprofit Organizations: This chapter does not apply to nonprofit organizations in respect to amounts derived from the provision of child-care resource and referral services.

D. Non-Profit Organizations That are Guarantee Agencies, Issue Debt, or Provide Guarantees for Student Loans: This chapter does not apply to gross income received by non-profit organizations exempt from federal income tax under Internal Revenue Code Section 501(c)(3), that:

1. Are guarantee agencies under the federal guaranteed student loan program or that issue debt to provide or acquire student loans; or

2. Provide guarantees for student loans made through programs other than the federal guaranteed student loan program.

E. Nonprofit Organizations—Credit and Debt Services: This chapter does not apply to nonprofit organizations in respect to amounts derived from provision of the following services:

1. Presenting individual and community credit education programs including credit and debt counseling;

2. Obtaining creditor cooperation allowing a debtor to repay debt in an orderly manner;

3. Establishing and administering negotiated repayment programs for debtors; or

4. Providing advice or assistance to a debtor with regard to 1, 2, or 3, above, of this subsection E.

F. Certain fraternal and beneficiary organizations: This chapter shall not apply to fraternal benefit societies or fraternal fire insurance associations, as described in Title 48 RCW; nor to beneficiary corporations or societies organized under and existing by virtue of RCW Title 24, if such beneficiary corporations or societies provide in their bylaws for the payment of death benefits. This exemption is limited, however, to gross income from premiums, fees, assessments, dues or other charges directly attributable to the insurance or death benefits provided by such societies, associations, or corporations.

G. Certain Corporations Furnishing Aid and Relief: This chapter shall not apply to the gross sales or the gross income received by corporations which have been incorporated under any act of the congress of the United States of America and whose principal purposes are to furnish volunteer aid to the United States of America armed force members and also to carry on a system of national and international relief and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, floods, and other national calamities and to devise and carry on measures for preventing the same.

H. Operation of Sheltered Workshops: This chapter shall not apply to income received from the Department of Social and Health Services for the cost of care, maintenance, support and training of persons with developmental disabilities at nonprofit group training homes as defined by RCW Chapter 71A.22 or to the business activities of nonprofit organizations from the operation of sheltered workshops. For the purposes of this subsection, ACC 1-1-11.H, “the operation of sheltered workshops” means performance of business activities of any kind on or off the premises of such nonprofit organizations which are performed for the primary purpose of:

1. Providing gainful employment or rehabilitation services to the handicapped or disabled as an interim step in the rehabilitation process for those who cannot be readily absorbed in the competitive labor market or during such time as employment opportunities for them in the competitive labor market do not exist; or

2. Providing evaluation and work adjustment services for handicapped or disabled individuals.

I. Investments—Dividends From Subsidiary Corporations: This chapter shall not apply to amounts derived by persons, other than those engaging in banking, loan, security or other financial businesses, from investments or the use of money as such, and also amounts derived as dividends by a parent from its subsidiary corporations.

J. The City of Auburn is exempt from the tax levied by this chapter.

K. Gross Receipts Taxed Under Other Auburn City Code (ACC) Sections: This chapter shall not apply to:

1. Any person in respect to a business activity with respect to which tax liability is specifically imposed under the provisions of ACC Chapter 3-88 (Utility Tax); or

2. Any person in respect to a business activity with respect to which tax liability is specifically imposed under the provisions of ACC Chapter 3-80 (Gambling Tax).

L. Credit Unions: This chapter shall not apply to the gross income of credit unions organized under the laws of this state, any other state, or the United States.

M. International Banking Facilities: This chapter shall not apply to the gross receipts of an international banking facility. As used in this subsection, ACC 1-1-11.M, an "international banking facility" means a facility represented by a set of asset and liability accounts segregated on the books and records of a commercial bank, the principal office of which is located in this state, and which is incorporated and doing business under the laws of the United States of America or of this state, a United States branch or agency of a foreign bank, an Edge corporation organized under Section 25(A) of the Federal Reserve Act, 12 United States Code 611-631, or an Agreement corporation having an agreement or undertaking with the Board of Governors of the Federal Reserve System under Section 25 of the Federal Reserve Act, 12 United States Code 11 601-604(a), that includes only international banking facility time deposits (as defined in subsection (a)(2) of Section 204.8 of Regulation D (12 CFR Part 204), as promulgated by the Board of Governors of the Federal Reserve System), and international banking facility extensions of credit (as defined in subsection (a)(3) of Section 204.8 of Regulation D).

N. Insurance Business: This chapter shall not apply to amounts received by any person who is an insurer or their appointed insurance producer upon which a tax based on gross premiums is paid to the state pursuant to RCW 48.14.020, and provided further, that the provisions of this subsection shall not exempt any bonding company from tax with respect to gross income derived from the completion of any contract as to which it is a surety, or as to any liability as successor to the liability of the defaulting contractor.

O. Farmers – Agriculture: This chapter shall not apply to any farmer in respect to amounts received from selling fruits, vegetables, berries, butter, eggs, fish, milk, poultry, meats or any other agricultural product that is raised, caught, produced or manufactured by such persons. "Agricultural product" does not include animals intended to be pets, marijuana, or marijuana infused products as defined by RCW 69.50.101(t) and (x). "Farmer" does not include any person engaged in the business of growing, producing, processing, selling or distributing marijuana.

P. Athletic Exhibitions: This chapter shall not apply to any person in respect to the business of conducting boxing contests and sparring or wrestling matches and exhibitions for the conduct of

which a license must be secured from the State Boxing Commission.

Q. Racing: This chapter shall not apply to any person in respect to the business of conducting race meets for the conduct of which a license must be secured from the Washington State Horse Racing Commission.

R. Ride Sharing: This chapter does not apply to any funds received in the course of commuter ride sharing or ride sharing for persons with special transportation needs in accordance with RCW 46.74.010.

S. Employees: This chapter shall not apply to any person in respect to his or her employment in the capacity as an employee or servant as distinguished from that of an independent contractor. For the purposes of this subsection, ACC1-1-11.S the definition of employee shall include those persons that are defined in section 3121(d)(3)(B) of the Internal Revenue Code, as hereafter amended. For purposes of this chapter, a booth renter, as defined by RCW 18.16.020, is an independent contractor.

T. Amounts Derived from Sale of Real Estate: This chapter shall not apply to gross proceeds derived from the sale of real estate. This, however, shall not be construed to allow an exemption of amounts received as commissions from the sale of real estate, nor as fees, handling charges, discounts, interest or similar financial charges resulting from, or relating to, real estate transactions. This chapter shall also not apply to amounts received for the rental of real estate if the rental income is derived from a contract to rent for a continuous period of thirty (30) calendar days or longer.

U. Mortgage Brokers' Third-Party Provider Services Trust Accounts: This chapter shall not apply to amounts received from trust accounts to mortgage brokers for the payment of third-party costs if the accounts are operated in a manner consistent with RCW 19.146.050 and any rules adopted by the director of financial institutions.

V. Amounts Derived From Manufacturing, Selling or Distributing Motor Vehicle Fuel: This chapter shall not apply to the manufacturing, selling or distributing motor vehicle fuel, as the term "motor vehicle fuel" is defined in RCW 82.38.020 and exempt under RCW 82.38.280, provided that any fuel not subjected to the state fuel excise tax, or any other applicable deduction or exemption, will be taxable under this chapter.

W. Amounts Derived From Liquor, and the Sale or Distribution of Liquor: This chapter shall not apply to liquor as defined in RCW 66.04.010 and exempted in RCW 66.08.120.

X. Casual and Isolated Sales: This chapter shall not apply to the gross proceeds derived from casual or isolated sales.

Y. Accommodation Sales: This chapter shall not apply to sales for resale by persons regularly engaged in the business of making retail sales of the type of property so sold to other persons similarly engaged in the business of selling such property where:

1. The amount paid by the buyer does not exceed the amount paid by the seller to his vendor in the acquisition of the article; and

2. The sale is made as an accommodation to the buyer to enable the buyer to fill a bona fide existing order of a customer or is made within fourteen (14) calendar days to reimburse in kind a previous accommodation sale by the buyer to the seller.
Provided, that where the seller holds himself or herself out as being regularly engaged in the business of making sales at wholesale of such property, such sales shall be included in his principal business activity, and not exempt from tax.

Z. Real Estate Brokers and Associated Brokers, Agents, or Salesmen: This chapter does not apply to that portion of a real estate commission assigned to another brokerage office pursuant to the division of revenue between the originating brokerage office and a cooperating brokerage office on a particular transaction. Each brokerage office shall pay the tax upon its respective revenue share of the transaction. Furthermore, where a brokerage office has paid the business and occupation tax on the gross commission earned by that brokerage office, associate brokers, salesmen or agents within the same office shall not be required to pay the tax upon their share of the commission from the same transaction.

AA. Taxes Collected as Trust Funds: This chapter shall not apply to amounts collected by the taxpayer from third-parties to satisfy third party obligations to pay taxes such as the retail sales tax, use tax, commercial parking tax, and admission tax.

BB. Health Maintenance Organization, Health Care Service Contractor, Certified Health Plan: This chapter does not apply to any health maintenance organization, health care service contractor, or certified health plan with respect to premiums or prepayments that are taxable under RCW 48.14.0201.

1-1-12 DEDUCTIONS:

In computing the license fee or tax, there may be deducted from the measure of tax the following items:

A. Membership Fees and Certain Service Fees By Non-Profit Youth Organization: For purposes of this subsection, “non- profit youth organization” means a non-profit organization engaged in character building of youth which is exempt from property tax under RCW 8 4.36.030. In computing tax due under this chapter, there may be deducted from the measure of tax all amounts received by a non-profit youth organization:

1. As membership fees or dues, irrespective of the fact that the payment of the membership fees or dues to the organization may entitle its members, in addition to other rights or privileges, to receive services from the organization or to use the organization's facilities; or

2. From members of the organization for camping and recreational services provided by the organization or for the use of the organization's camping and recreational facilities.

B. Bona-Fide Initiation Fees, Dues, and Certain Charges Received by Non-Profit Organizations: In computing tax, a non- profit organization may deduct from the measure of tax amounts derived from bona-fide:

1. Initiation fees;

2. Dues;

3. Contributions;

4. Donations;

5. Tuition fees or charges made for operation of non-profit kindergartens;

6. Charges made by a non-profit trade or professional organization for attending or occupying space at a trade show, convention, or educational seminar sponsored by the non-profit trade or professional organization, which trade show, convention, or educational seminar is not open to the general public; and

7. Endowment funds.

Except as specified in subsection A above, this subsection shall not be construed to exempt any non-profit organization, association, or society from tax liability upon selling tangible personal property or upon providing facilities or services for which a special charge is made to members or others. If dues are in exchange for any significant amount of goods or services rendered by the recipient to members without any additional charge to the member, or if the dues are graduated upon the amount of goods or services rendered, the value of such goods or services shall not be considered as a deduction under this subsection.

C. Artistic and Cultural Organizations - Income From Business Activities: In computing tax, there may be deducted from the measure of tax those amounts received by artistic or cultural organizations, as defined in this chapter, which represent:

1. Income derived from business activities conducted by the organization, provided that this deduction does not apply to retail sales made by artistic and cultural organizations;

2. Amounts received from the United States of America or any of its instrumentalities or from the State of Washington or any municipal corporation or subdivision thereof as compensation for; or to support, artistic or cultural exhibitions, performances, or programs provided by an artistic or cultural organization for attendance or viewing by the general public; or

3. Amounts received as tuition charges collected for the privilege of attending artistic or cultural education programs.

D. Artistic or Cultural Organization - Deduction For Tax Under the Manufacturing Classification - Value of Articles For Use In Displaying Art Objects or Presenting Artistic or Cultural Exhibitions, Performances, or Programs: In computing tax, there may be deducted from the measure of tax by persons subject to payment of the tax under the manufacturing classification, the value of articles to the extent manufacturing activities are undertaken by an artistic or cultural organization, as defined in this chapter, solely for the purpose of manufacturing articles for use by the organization in displaying art objects or presenting artistic or cultural exhibitions, performances, or programs for attendance or viewing by the general public.

E. Day Care Activities: In computing tax, there may be deducted from the measure of tax amounts derived from day care activities by any organization organized and operated for charitable, educational, or other purposes which is exempt from taxation pursuant to Internal Revenue Code Section 501(c)(3), provided, however, that amounts derived from selling, altering or repairing tangible personal property shall not be deductible.

F. Compensation from public entities for health or social welfare services – Deduction: In computing tax, there may be deducted from the measure of tax amounts received from the United States or any instrumentality thereof or from the state of Washington or any municipal corporation or political subdivision thereof as compensation for, or to support, health or social welfare services rendered by a health or social welfare organization (as defined in RCW 82.04.431) or by a municipal corporation or political subdivision, except deductions are not allowed under this subsection for amounts that are received under an employee benefit plan. For purposes of this subsection, “employee benefit plan” includes the military benefits program authorized in 10 U.S.C. Section 1071 et seq., as amended, or amounts payable pursuant thereto.

G. Interest on Investments or Loans Secured By Mortgages or Deeds of Trust: In computing tax, to the extent permitted by RCW Chapter 82.14A, there may be deducted from the measure of tax by those engaged in banking, loan, security or other financial businesses, amounts derived from interest received on investments or loans primarily secured by first mortgages or trust deeds on non-transient residential properties.

H. Interest on Obligations of the State, its Political Subdivisions, and Municipal Corporations: In computing tax, there may be deducted from the measure of tax by those engaged in banking, loan, security or other financial businesses, amounts derived from interest paid on all obligations of the State of Washington, its political subdivisions, and municipal corporations.

I. Interest on Loans to Farmers and Ranchers, Producers or Harvesters of Aquatic Products, or Their Cooperatives: In computing tax, there may be deducted from the measure of tax amounts derived as interest on loans to bona fide farmers and ranchers, producers or harvesters of aquatic products, or their cooperatives by a lending institution which is owned exclusively by its borrowers or members and which is engaged solely in the business of making loans and providing finance-related services to bona fide farmers and ranchers, producers or harvesters of aquatic products, their cooperatives, rural residents for housing, or persons engaged in furnishing farm-related or aquatic-related services to these individuals or entities.

J. Receipts From Tangible Personal Property Delivered Outside the State: In computing tax, there may be deducted from the measure of tax under retailing or wholesaling amounts derived from the sale of tangible personal property that is delivered by the seller to the buyer or the buyer's representative at a location outside the state of Washington.

K. Cash Discount Taken by Purchaser: In computing tax, there may be deducted from the measure of tax the cash discount amounts actually taken by the purchaser. This deduction is not allowed in arriving at the taxable amount under the extracting or manufacturing classifications with respect to articles produced or manufactured, the reported values of which, for the purposes of this tax, have been computed according to the "value of product" provisions.

L. Credit Losses of Accrual Basis Taxpayers: In computing tax, there may be deducted from the measure of tax the amount of credit losses actually sustained by taxpayers whose regular books of account are kept upon an accrual basis.

M. Repair, Maintenance, Replacement, Etc., of Residential Structures and Commonly Held Property – Eligible Organizations:

1. In computing tax, there may be deducted from the measure of tax amounts used solely for repair, maintenance, replacement, management, or improvement of the residential structures and commonly held property, but excluding property where fees or charges are made for use by the public who are not guests accompanied by a member, which are derived by:

a. A cooperative housing association, corporation, or partnership from a person who resides in a structure owned by the cooperative housing association, corporation, or partnership;

b. An association of owners of property as defined in RCW 64.32.010, as now or

hereafter amended, from a person who is an apartment owner as defined in RCW 64.32.010; or

c. An association of owners of residential property from a person who is a member of the association. "Association of owners of residential property" means any organization of all the owners of residential property in a defined area who all hold the same property in common within the area.

2. For the purposes of this subsection "commonly held property" includes areas required for common access such as reception areas, halls, stairways, parking, etc., and may include recreation rooms, swimming pools and small parks or recreation areas; but is not intended to include more grounds than are normally required in a residential area, or to include such extensive areas as required for golf courses, campgrounds, hiking and riding areas, boating areas, etc.

3. To qualify for the deductions under this subsection:

a. The salary or compensation paid to officers, managers, or employees must be only for actual services rendered and at levels comparable to the salary or compensation of like positions within the county wherein the property is located;

b. Dues, fees, or assessments in excess of amounts needed for the purposes for which the deduction is allowed must be refunded to the members of the association;

c. Assets of the association or organization must be distributable to all members and must not inure to the benefit of any single member or group of members.

N. Radio and Television Broadcasting - Advertising Agency Fees - National, Regional, and Network Advertising - Interstate Allocations: In computing tax, there may be deducted from the measure of tax by radio and television broadcasters amounts representing the following:

1. Advertising agencies' fees when such fees or allowances are shown as a discount or price reduction in the billing or that the billing is on a net basis, i.e., less the discount;

2. Actual gross receipts from national network, and regional advertising or a "standard deduction" as provided by RCW 82.04.280; and

3. Local advertising revenue that represent advertising which is intended to reach potential customers of the advertiser who are located outside the State of Washington. The Administrator may issue a rule that provides detailed guidance as to how these deductions are to be calculated.

O. Constitutional and Statutory Prohibitions: In computing tax, there may be deducted from the measure of the tax amounts derived from business which the City is prohibited from taxing under the Constitution or laws of the State of Washington or the United States of America.

P. Receipts From The Sale of Tangible Personal Property and Retail Services Delivered Outside the City But Within Washington: Effective January 1, 2008, amounts included in the gross receipts reported on the tax return derived from the sale of tangible personal property delivered to the buyer or the buyer's representative outside the City but within the State of Washington may be deducted from the measure of tax under the retailing, retail services, or wholesaling classification.

Q. Professional Employer Services: In computing the tax, a professional employer organization may deduct from the calculation of gross income the gross income of the business derived from performing professional employer services that is equal to the portion of the fee charged to a client that represents the actual cost of wages and salaries, benefits, workers' compensation, payroll taxes, withholding, or other assessments paid to or on behalf of a covered employee by the professional employer organization under a professional employer agreement.

1-1-13 TAX CREDITS:

A. New business tax credit

1. Purpose: The City believes that providing a temporary tax credit relating to new businesses is a meaningful method of fostering such new businesses to establish a solid financial foundation during its start-up process. Further, the City finds that a credit related to the creation of ~~of fifty (50) or more~~ new full-time equivalent ("FTE") employees within the City will benefit other local businesses.

2. There may be credited against the tax imposed by ACC Chapter 1-1-5, the amount up to one thousand dollars ($1,000) per FTE position in the City of Auburn per quarter. To take the credit authorized by this section, a taxpayer must be able to document all of the following:

    - The taxpayer has not, for any period of time, engaged in business in the City of Auburn within the five (5) years preceding application of the tax credit;

    - The taxpayer employs twenty (20) or more full-time equivalent positions in Auburn. An FTE position is defined as each one thousand nine hundred and twenty (1,920) worker hours per calendar year; and

    - The taxpayer may be required to submit its payroll information and/or other documentation in support of such employee hours worked in the City.

- The taxpayer must report, on each return filed, the taxpayer's total number of full-time employment positions created and positions currently filled.

3. The tax credit can be taken for the first twelve (12) consecutive reporting quarters or three (3) reporting years.

4. This credit is not considered a payment of taxes for purposes of seeking a refund of overpayment of tax pursuant to the provisions contained in ACC Chapter 1-2 Tax Administrative Code, or any other purpose. As such, unused credit amounts will not be refunded, carried over from reporting period(s) to reporting period(s), and will not accrue interest.

5. The Administrator is authorized to promulgate rules implementing, interpreting, and enforcing the provisions of this section.

B. Auburn business area improvement assessment credit

1. Purpose: Certain businesses operating within the Business Area Improvement (BIA) boundaries, as identified in ACC Chapter 2.98, are subject to an annual assessment. The purpose of the assessment is to enhance trade, economic vitality, and livability within the City of Auburn. The City believes that providing business and occupation tax relief to local businesses that are subject to the BIA assessment helps ensure their continued downtown presence, which contributes towards a vibrant downtown core and further benefits other local businesses not subject to the BIA assessment.

2. There may be credited against the tax imposed by ACC Chapter 1-1-5, an amount equal to the BIA assessment fee paid as imposed by ACC Chapter 2.98.

3. This credit is not considered a payment of taxes for purposes of seeking a refund of overpayment of tax pursuant to the provisions contained in ACC Chapter 1-2 Tax Administrative Code, or any other purpose. As such, unused credit amounts will not be refunded, carried over from reporting period(s) to reporting period(s), and will not accrue interest.

4. The Administrator is authorized to promulgate rules implementing, interpreting, and enforcing the provisions of this section.

1-1-14 TAX PART OF OVERHEAD:

It is not the intention of this chapter that the taxes or fees herein levied upon persons engaging in business be construed as taxes or fees upon the purchasers or customer, but that such taxes or fees shall be levied upon, and collectible from, the person engaging in the business activities

herein designated and that such taxes or fees shall constitute a part of the cost of doing business of such persons.

1-1-15 ADMINISTRATIVE PROVISIONS

The provisions contained in Chapter 1-2, Tax Administrative Code, shall be fully applicable to the provisions of this chapter except as expressly stated to the contrary herein.

1-1-16 SEVERABILITY CLAUSE:

If any provision of this chapter or its application to any person or circumstance is held invalid, the remainder of the chapter or the application of the provision to other persons or circumstances shall not be affected.