



SCA Public Issues Committee

MINUTES

September 13, 2017 – 7:00 PM

Renton City Hall

1055 S Grady Way, Renton WA 98057

1. Welcome and Roll Call

PIC Chair Councilmember Tola Marts, Issaquah, called the meeting to order at 7:02 PM. 22 cities had representation ([Attachment A](#)). Guests present included Councilmember John Holman, Auburn (PIC Alternate); Mayor Bob Keller, Sammamish (PIC Alternate); Councilmember Carol Simpson, Newcastle (PIC Alternate); Councilmember John Stilin, Redmond (PIC Alternate); Councilmember Michelle Hogg, Duvall; Lyman Howard, City of Sammamish staff; Danielle Butsick, City of Kent staff; Diane Carlson, King County Executive Office staff; and Michael Huddleston, King County Council staff.

2. Public Comment

Chair Marts asked if any member of the public had any public comment.

Danielle Butsick, City of Kent Economic and Community Development staff, reported that the Mayor of Kent was preparing to send a comment letter ([Attachment B](#)) to the Puget Sound Regional Council Growth Management Policy Board (GMPB) regarding the proposed updates to regional centers policies under consideration by the GMPB. Butsick said the regional centers policies support many of the goals of the City of Kent, which has both a Regional Growth Center and a Regional Manufacturing/Industrial Center (MIC). Areas of agreement include concentration of jobs and plans for growth of MICs as well as walkability, mixed uses, and improved access to transit in Regional Growth Centers. She said a commitment to compact, transit-oriented development and contributions to the local economy are more important than size and shape or other prescriptive designation criteria and should be the basis for allocation of regional funding for centers. She said MIC standards should be more flexible and encourage retail, services, and housing when appropriate to support employees who work in the MIC and that these amenities are necessary to compete globally with advanced manufacturing parks and industrial innovation hubs.

3. Approval of the July 12, 2017 Minutes

Mayor Chris Roberts, Shoreline, moved, seconded by Councilmember Ed Prince, Renton, to approve the July 12, 2017 PIC minutes. Chair Marts noted that the draft minutes included in the PIC packet incorporate changes requested by members in advance of the meeting. The motion passed unanimously.

4. Chair's Report

Chair Marts reported that he would be appointing members to serve on the 2018 PIC Nominating Committee during the October PIC meeting. Marts noted his intention to reappoint the current members of the PIC Nominating Committee to continue serving. Marts also reported that the PIC will elect a 2018 PIC Chair and Vice Chair during the December PIC meeting. The current PIC Vice Chair, Councilmember Ed Prince of Renton, has expressed interest in serving as PIC Chair in 2018. Other members interested in serving as PIC Chair or Vice Chair can contact SCA Senior Policy Analyst Ellie Wilson-Jones at ellie@soundcities.org for more information about the role and process.

5. SCA Staff Report

Brian Parry, SCA Senior Policy Analyst, reported that he would be giving the staff report while SCA Executive Director Deanna Dawson is on maternity leave. Parry reported that there will be a pre-PIC workshop in October with Ann Macfarlane of Jurassic Parliament. The focus of the workshop will be best practices to make the most of public comment and how to avoid or deal with difficult situations. Parry also encouraged members to submit the names of any individuals that should be considered to be honored as an SCA “member emeritus” at this year’s SCA annual meeting in November. Per the SCA Board policies, the criteria for member emeritus status are that the individual be retiring from their elected position with an SCA member city after at least eight years in office, the individual must have provided distinguished service on behalf of member cities in King County, and the individual must have actively participated in SCA, as evidenced by service on the SCA Board or an SCA committee or task force for a minimum of two years. Parry reminded members that in October SCA staff will be sending a call for nominations for all expiring annual appointments and open seats on regional boards and committees. The application deadline will likely be around the first week of November, but responses are encouraged as soon as possible. The PIC Nominating Committee will meet in November, and recommendations will be brought to the PIC for action in December. Application requirements and additional information will be included in the forthcoming call for nominations.

6. Children & Youth Advisory Board and Solid Waste Advisory Committee Appointments

PIC Nominating Committee Chair Leanne Guier gave a report from the September 5, 2017 and September 11, 2017 meetings of the PIC Nominating Committee. The PIC Nominating Committee first met September 5 to consider applications for one vacancy on the Children and Youth Advisory Board, created by the resignation of the member from the South, and two upcoming vacancies on the Solid Waste Advisory Committee. During the September 5 meeting, the PIC Nominating Committee voted to recommend Council President Bill Boyce, Kent, be appointed as a member to the Children and Youth Advisory Board.

Mayor Leanne Guier, Pacific, moved, seconded by Council President Hank Margeson, Redmond, to recommend to the SCA Board of Directors that Council President Bill Boyce, Kent, be appointed as a member to the Children and Youth Advisory Board. There was no further discussion. The motion passed unanimously.

Guier further reported that at the September 5 meeting of the PIC Nominating Committee, members also considered applications for the Solid Waste Advisory Committee. Having only received applications from the North, the PIC Nominating Committee directed SCA staff to

extend the call for nominations for the Solid Waste Advisory Committee to September 8 and to conduct additional outreach to members from other parts of the county. PIC Nominating Committee Members and SCA staff conducted additional outreach to members, seeking an applicant pool that would allow for broader geographic representation. No additional applications were received during the extended call for nominations period.

Mayor Leanne Guier, Pacific, moved, seconded by Councilmember Ed Prince, Renton, to recommend to the SCA Board of Directors that Councilmember Penny Sweet, Kirkland and Councilmember Philippa Kassover, Lake Forest Park, be appointed to fill two member seats on the Solid Waste Advisory Committee. There was no further discussion. The motion passed unanimously.

Guier noted that the PIC Nominating Committee seeks to ensure geographic balance in recommending appointments and encouraged PIC Members to speak with their fellow councilmembers and mayors about the upcoming annual appointment process and to encourage them to apply for committees for which they have relevant experience and interest.

7. Regional Centers

Brian Parry, SCA Senior Policy Analyst, provided an update on regional centers policy changes under consideration by the Puget Sound Regional Council (PSRC) Growth Management Policy Board (GMPB). Parry reported that since the last update to the PIC, the GMPB has continued to work on revisions to the criteria used to designate Regional Growth Centers and Regional Manufacturing/Industrial Centers. Designation as a Regional Center through PSRC requires jurisdictions to do extra planning and meet certain standards, and, in exchange, those jurisdictions qualify to compete for an additional slice of the federal transportation funding allocated through PSRC. Parry noted that various centers originally self-selected before any standards were set by the region and that in many respects updating the minimum criteria will bring the other three counties into better alignment with what is already required of King County cities that want to plan for large growth centers.

Parry said some of the key discussion points for the GMPB relate to how much population is being planned for, the level of existing housing and jobs, and whether military facilities should qualify. Based on prior discussions of the SCA GMPB caucus and by the PIC, staff have developed a draft outline of “guiding principles” to clarify the caucus position as they work through a number of technical decisions that have to be made about planning goals and centers criteria. These “guiding principles” are included in the September PIC packet beginning on page 24.

Parry highlighted some of the overall themes from the draft guiding principles, including: support for centers planning generally to maximize the efficiency of our transportation investments, support major job centers, protect resource lands, and encourage healthy communities; support for cities as the proper location for growth in the region; support for predictable standards that respect the investments made by cities to accommodate growth; and support for flexibility and time for cities that need to do any additional planning due to the new criteria.

Parry reported that during the GMPB meeting in September, PSRC staff provided an updated draft outline of the proposed changes to Regional Centers criteria. He said the outline discussed during the September GMPB meeting has several important changes from what was earlier discussed, including: elimination of “tiers” of regionally designated centers that raised concerns about prioritizing transportation funding; flexibility for currently designated centers to update their policies, including possibly a five-year grace period that would allow cities to update their plans and any other policy changes that come out of the update to VISION; minimum existing jobs criteria for Manufacturing/Industrial Centers; joint planning requirements and minimum criteria addressing how military installations are addressed in planning for growth centers; and new requirements to address social equity concerns including displacement and affordable housing in centers plans.

Parry said a more detailed version of the PSRC staff outline will be presented and discussed during the October 5 GMPB meeting. The GMPB may then release a full draft for public comment in October and November. Parry said the SCA GMPB caucus is requesting feedback from the PIC and member cities about the new proposal and the “guiding principles” prior to the October 5 meeting.

Council President Bill Boyce, Kent, said that Danielle Butsick spoke well on behalf of Kent’s interests during the public comment portion of the meeting. Boyce said that he spoke with the Mayor of Kent and that the city would be sending a comment letter ([Attachment B](#)) to the GMPB regarding centers. Kent has both a Regional Growth Center and a Regional Manufacturing/Industrial Center (MIC) that they have supported while waiting for the market to catch up to the city’s planning efforts. The Kent MIC is the fourth largest industrial area in the nation and had been hard hit by revenue loss from the implementation of Streamlined Sales Tax in Washington State. Boyce said a commitment to compact, transit-oriented development in regional centers is more important than consistency in designation criteria. He said commitment to a concentration of industrial growth, contributions to the regional economy, and support for quality jobs are more important than the size and shape of a MIC. He said that in order to compete globally with advanced manufacturing parks MIC policies should allow for a mix of uses, and that this should be prioritized over identifying specific mixes of uses at the regional level. He said the GMPB should re-examine the purpose and goals of Regional MICs and Regional Growth Centers before making changes.

Council President Hank Margeson, Redmond, said that he was interested in seeing the letter from Kent in more detail before directly addressing issues raised by Council President Boyce. Margeson said that the position the GMPB is coming to is a compromise approach that reflects the interests of other counties and cities in the region in addition to SCA member cities. He said that significant progress had been made in adding minimum job criteria for MICs and that moving away from the concept of “tiers” of Regional Growth Centers removed a major roadblock to updating the policies. He said that the update would hold jurisdictions planning centers to certain standards that reward them for development that is compact and supports regional planning goals. He said the addition of social equity planning to the centers criteria was important, especially in light of historical actions that directed investment to areas based on race. He noted the GMPB representative from the City of Tacoma identifying the need to address “redlining” in the City’s past that left a legacy that negatively impacts communities up

to present day. He said the discussion of new criteria for designating centers at the countywide level is important because King County doesn't currently have a "countywide center" designation, and that creating one could help SCA cities compete for regional transportation funding. He said that another major issue for the GMPB is how to address the transportation infrastructure impacts of military facilities as part of planning for regional centers. He said debate on criteria was ongoing, but the discussion was moving in a positive direction.

Mayor Chris Roberts, Shoreline, asked about the proposal for a grace period for jurisdictions to update their centers plans and ongoing monitoring. Margeson responded that the current expectation is that plan updates would coincide with the next round of required updates to local comprehensive plans expected over the next five years or so. He said that ongoing monitoring would likely occur sometime after growth targets are updated. Parry added that most if not all cities in King County are required to update their comprehensive plans in 2023, and that deferring requirements to update plans until then would allow cities to update their comprehensive plans one time to address changes to VISION 2040 expected in the next two years and the proposed changes to regional centers policies. Margeson added that this was important for cities because of the staffing resources and the costs of adjusting comprehensive plans.

Mayor David Baker, Kenmore, asked whether what was being discussed by PIC members was consistent with ongoing discussions with the King County Executive Office about regional centers. Parry responded that the SCA guiding principles document is closely aligned with the position expressed by the Executive in a letter recently sent to the GMPB. He noted that there are ongoing discussions with the Executive Office to continue to find areas of agreement that can be brought before to the GMPB.

8. Veterans, Seniors and Human Services Levy

Ellie Wilson-Jones, SCA Senior Policy Analyst, reported on the proposal to replace the expiring Veterans and Human Services Levy with an expanded Veterans, Seniors and Human Services Levy. The Regional Policy Committee and King County Council each acted unanimously on July 20 to place the Veterans, Seniors and Human Services Levy on the ballot in November.

If approved by voters, the replacement six-year property tax would be levied at a rate of \$0.10 per \$1,000 in assessed value. The current and original Veterans and Human Services Levies were passed at a rate of \$0.05 per \$1,000 in assessed value. For comparison, the current levy is expected to generate \$18.6 million in 2017, whereas the replacement levy would be anticipated to generate \$52.4 million in levy proceeds in 2018. The \$0.10 rate included in the levy ballot measure is a reduction from the \$0.12 rate originally proposed by the King County Executive for this replacement levy.

After set asides for technical assistance and capacity building and to mitigate prorationing, proceeds from the proposed levy would be split one-third each to services focused on veterans, military service members and their families; seniors; and vulnerable populations, a broader human services category. There would be a substantial housing focus under the levy, with at least half of first year proceeds in each service area being dedicated to housing stability and at least one-quarter thereafter. Additionally, at least half of the funding for seniors would be

dedicated to seniors who are also veterans or military service members until one of two benchmarks related to veterans' homelessness are met.

Detailed implementation planning is forthcoming. Transition, Implementation, and Governance Plans are to be developed and submitted to the Regional Policy Committee and King County Council for approval. The first of those plans, a Governance Plan, has been transmitted and is expected to be considered next month by the Regional Policy Committee. As transmitted by the Executive, the Governance Plan would direct that the boards overseeing the existing Veterans and Human Services Levy be reworked and replaced. In their place, would be three new boards to oversee the three service areas of the levy. Two of these boards—the Seniors Levy and Healthy Aging Advisory Board and the Human Services Levy Advisory Board—would include one seat each for SCA. These would be staff appointments as elected officials would be ineligible for membership on any of the levy oversight boards, a continuation of current policy. SCA is not represented on the oversight boards for the existing Veterans and Human Services Levy.

Wilson-Jones invited feedback from members regarding oversight for the proposed Veterans and Human Services Levy, to be forwarded to the SCA members of the Regional Policy Committee, and noted that cities that wish to schedule an informational briefing on the levy proposal can contact Leo Flor with the King County Department of Community and Human Services at leonardo.flor@kingcounty.gov or (206) 477-4384.

Mayor Rich Crispo, Newcastle, asked whether the decision to place the Veterans, Seniors and Human Services Levy on the November ballot had taken into account actions by the Legislature to address *McCleary* school funding obligations with a new property tax, which will disproportionately impact many King County cities.

Mayor David Baker, Kenmore, stated that the SCA Board leadership met with the King County Executive earlier in the day and discussed the disproportionate impacts of the statewide property tax for schools on local taxpayers. Baker noted the importance of the proposed levy as a source of funding for veterans and seniors.

9. Metro Flat Fare Proposal

Cynthia Foley, SCA Policy Analyst, reported that Metro has proposed changes to its current fare structure, and that three related pieces of legislation will come before the Regional Transit Committee on September 27. Metro's proposal would implement a flat rate of \$2.75 for all adults paying a full fare. Fares for riders using the senior/disabled permit (RRFP), Human Services Tickets, ORCA Lift, and youth would not change. Under the current fare structure, riders are charged greater fares during peak commute times and for trips crossing the Seattle city line. Metro's proposal would eliminate peak and zone charges and is intended to simplify the development of a new ORCA card system, which will be implemented in 2021 when the current ORCA contract expires.

Foley outlined changes to rates under the proposal. At a flat rate of \$2.75, off-peak trips would increase by \$0.25, and two-zone trips during peak hours would decrease by \$0.50. Peak trips within a single zone would stay the same. Metro expects to see benefits from the proposal, including: reduced costs for trips that cross Seattle's borders during typical commuting hours,

fares that are easier to understand, reduced fare disputes between operators and customers, better coordination of fares with regional partners in preparation for the new ORCA card system, and reduced travel time due to faster fare payment. Revenues would increase by \$3.5 million dollars annually under the proposal, or 2.2 percent of the Metro operating budget.

Foley summarized additional proposed changes to the fare program. Metro has proposed using \$1.2 million of this revenue to fund additional fare program changes. These include eliminating the administrative fee for the Regional Reduced Fare Permit (RRFP) for senior and disabled riders, reducing adult and youth ORCA card fees from \$5 to \$3, and increasing human services subsidies. With these changes, Metro does not anticipate the need to increase fares through 2020.

Foley stated that the proposal will be considered by the Regional Transit Committee on September 27. The SeaShore Transportation Forum agreed to support the proposal unanimously and the Chair and Vice Chair of the Eastside Transportation Partnership signed on to a letter of support. Others in ETP may have signed on as well.

Mayor David Baker, Kenmore, stated that he expects that this will be a tremendous boon to the Eastside and those who currently pay extra fares during peak hours.

Councilmember Kate Kruller, Tukwila, asked who the proposal would negatively impact and noted that the projected revenue increase is indicative of some riders paying higher fees. Kruller asked for clarification on how the proposal would impact those who travel during off-peak hours, such as those traveling to night shift jobs and school. Foley described reduced fares currently available through the ORCA LIFT program. She noted that off-peak riders paying full fares will see increased fares under the proposal.

Council President Hank Margeson, Redmond, stated that the change to a flat rate is overdue. Many riders now must pay higher fares to get to Seattle. He said that there are other benefits as well. A single fee would end confusion over pricing whereas the current system slows boarding and frustrates riders, particularly infrequent users. He noted that cost savings are expected due to more efficient operations.

10. 2017 State Legislative Session

Ellie Wilson-Jones, SCA Senior Policy Analyst, reported that the Legislature adjourned after a 105-day regular session and three special sessions without passing a capital budget for the biennium that began July 1. Action on the capital budget was held-up when lawmakers deadlocked on water management issues related to the *Hirst* state Supreme Court decision. As reported to the PIC in July, SCA's three 2017 Legislative Priorities—adjusting the property tax cap, investing in public health services, and addressing the housing and homelessness crisis—remain largely unresolved. Without a capital budget in place for the biennium, investments in the Housing Trust Fund and our state's behavioral health system remain on hold and many other projects throughout King County cities remain in limbo.

In preparation for the 2018 legislative session, the SCA Board is anticipated to act this month to form a 2018 SCA Legislative Committee. The Committee is anticipated to make

recommendations to the PIC this fall for SCA's 2018 Legislative Agenda. Wilson-Jones invited any initial member feedback, to be carried forward to the Committee to help shape SCA's 2018 legislative priorities.

The Association of Washington Cities (AWC) is also preparing their 2018 legislative priorities. AWC's Legislative Priorities Committee will meet September 18 to develop recommendations for the AWC Board. Additionally, cities will also be developing their own legislative agendas over the coming months, and members are encouraged to share those with SCA staff.

Wilson-Jones concluded her report by highlighting the SCA Networking Event, held September 6, which featured a panel of seven legislators moderated by SCA President and Kenmore Mayor David Baker. The panelists spoke to the most significant takeaways for cities from the 2017 session and previewed the 2018 session. Passing a capital budget, addressing the opioid epidemic and the housing and homelessness crisis, and adjourning on time were listed as their top priorities for 2018.

Chair Marts asked whether other cities had seen increased staffing costs related to recent changes in Public Records Act requirements. The City of Issaquah recently decided to add a new FTE to comply with reporting requirements related to the Public Records Act.

Councilmember Amy Ockerlander, Duvall, stated that the City of Duvall has not recently seen increased staffing costs, but has continued to receive a large volume of public records requests. The city has updated its policy related to charging for electronic records in response to the recent changes to state law. Ockerlander noted that the city anticipates the changes in state law to have a positive impact overall.

Mayor Chris Roberts, Shoreline, said that the City of Shoreline also has not experienced additional staffing needs related to the recent changes in state law, but did add additional public records staff capacity some time ago and anticipates needing to continue and possibly expand that staffing.

Deputy Mayor Jay Arnold, Kirkland, reported that the state Attorney General Bob Ferguson recently [proposed an update to the Public Records Act Model Rules](#).

Councilmember Kate Kruller, Tukwila, shared that the City of Tukwila is working to make records available online. The city presented at the September 6 SCA Networking Event about efforts to provide free, self-serve, searchable access to public records.

Councilmember Erin Sitterley, SeaTac, noted that the City of SeaTac has been making operational changes meant to improve access to public records, including placing more records online.

Deputy Mayor Christie Malchow, Sammamish, requested additional information about how the City of Tukwila has made records digitally available. Kruller noted that there have been upfront costs, including staff time to scan documents to create digital files.

11. Future Levies and Ballot Measures in King County

Brian Parry, SCA Senior Policy Analyst, reported on the list of potential levies and ballot measures in the PIC Packet and results from the August 2017 primary election. If members have updates to the list, they can be provided to SCA at brian@soundcities.org. Parry encouraged members to share observations from the August primary or upcoming elections.

Councilmember Janie Edelman, Black Diamond, reported that there would be a recall election on December 5 concerning one of the Black Diamond councilmembers.

Chair Marts reported that two sitting councilmembers, Mary Lou Pauly and Paul Winterstein, are running for mayor in Issaquah. Marts said there is a lot of enthusiasm for both candidates in the city and that it was good to have two candidates who are able to talk about issues important to Issaquah.

Mayor Ken Hearing, North Bend, noted that every seat in the City of Snoqualmie is up for election in November.

Councilmember Amy Ockerlander, Duvall, said that five of the seven Duvall council seats are up for election in November and that it was possible the city could see as many as six new councilmembers depending on the outcome of council and mayoral races.

12. Potential Upcoming SCA Issues

Ellie Wilson-Jones, SCA Senior Policy Analyst, reported that this is a recurring monthly agenda item providing a list of potential issues that SCA will track and may bring back at a later time. Wilson-Jones noted that a pre-PIC workshop on the Local Law Enforcement Perspective on the Heroin and Prescription Opiate Crisis was held prior to the PIC meeting, and the potential upcoming issues list has been updated to reflect that. Members are asked to provide her with any updates to the list via email at ellie@soundcities.org.

13. Upcoming Events

Chair Marts reported that the next PIC meeting will be held October 11, 2017 from 7:00 PM to 9:00 PM at Renton City Hall with a 6:00 PM pre-PIC workshop with Ann Macfarlane of Jurassic Parliament that will focus on public comment.

14. For the Good of the Order

Chair Marts noted that Yarrow Point is now the newest member of SCA, increasing the membership to all 38 cities in King County outside of Seattle. Marts highlighted the month's "Did You Know" on the PIC agenda, which features Yarrow Point. Chair Marts requested a volunteer for the October "Did You Know." Council President Bill Boyce, Kent, volunteered. Chair Marts asked if any member wished to offer further comments.

Deputy Mayor Jay Arnold, Kirkland, reported that Kirkland Councilmember Doreen Marchione will be retiring at the end of the year and that a celebration of her service, which includes time on both the Kirkland City Council and previously as Redmond Mayor, will be held December 14 in Kirkland.

The meeting was adjourned at 8:13 PM.

**Public Issues Committee Meeting
September 13, 2017**

City	Representative	Alternate
Algona	Dave Hill	Bill Thomas
Auburn	Nancy Backus	John Holman
Beaux Arts Village	Tom Stowe	Richard Leider
Bellevue	John Stokes	Kevin Wallace
Black Diamond	Janie Edelman	Tamie Deady
Bothell	James McNeal	Tris Samberg
Burien	Austin Bell	Nancy Tosta
Carnation	Dustin Green	Jim Berger
Clyde Hill	Barre Seibert	George Martin
Covington	Fran Hollums	Joseph Cimaomo, Jr.
Des Moines	Robert Back	Melissa Musser
Duvall	Amy Ockerlander	Will Ibershof
Enumclaw	Jan Molinaro	Mike Sando
Federal Way	Lydia Assefa-Dawson	Dini Duclos
Hunts Point	Joseph Sabey	
Issaquah	Tola Marts	Mariah Bettise
Kenmore	David Baker	Nigel Herbig
Kent	Bill Boyce	Dana Ralph
Kirkland	Toby Nixon	Jay Arnold
Lake Forest Park	Catherine Stanford	Tom French
Maple Valley	Erin Weaver	Bill Allison
Medina	Sheree Wen	
Mercer Island	Benson Wong	Wendy Weiker
Milton	Susan Johnson	Debra Perry
Newcastle	Rich Crispo	Carol Simpson
Normandy Park	Michelle Sipes-Marvin	Jonathan Chicquette
North Bend	Ross Loudenback	Ken Hearing
Pacific	Leanne Guier	David Storaasli
Redmond	Hank Margeson	John Stilin
Renton	Ed Prince	Armondo Pavone
Sammamish	Christie Malchow	Bob Keller
SeaTac	Erin Sitterley	Pam Fernald
Shoreline	Chris Roberts	Keith Scully
Skykomish	Henry Sladek	
Snoqualmie	Bob Jeans	Matt Larson
Tukwila	Kate Kruller	Thomas McLeod
Woodinville	Bernie Talmas	Susan Boundy-Sanders
SCA Staff Brian Parry Ella Williams Cynthia Foley Ellie Wilson-Jones		

Voting members are highlighted in gray. Cities represented are **bolded**.



OFFICE OF THE MAYOR

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September 13, 2017

Ryan Mello, Chair
Growth Management Policy Board
Puget Sound Regional Council
1011 Western Avenue, #500
Seattle, WA 98104

RE: Centers Framework Report

Dear Chair Mello:

As you continue your review of the February 2017 report from the stakeholder working group pertaining to regional centers, I offer the following comments for your consideration. These comments provide perspective from a community with both a Regional Growth Center (RGC) and a Manufacturing/Industrial Center (MIC); a community who has waited for the market to catch up to its planning initiatives; and a community who is affected by decisions beyond its control that affect its sustainability. Kent's RGC is experiencing significant downtown residential housing after 40 years of planning for it. Our MIC is included in the 4th largest industrial area in the nation, and is affected by an annual \$13 million loss as a result of the state implementing Streamlined Sales Tax (local sales tax revenue based on the goods' destination versus origin.)

The centers framework report captures many key elements of centers with which Kent is in agreement – for MIC: jobs, plans for growth, infrastructure; and for RGC: walkability, transit service and mix of uses. However, I would like the GMPB to consider the following comments where Kent's perspective diverges from the report:

- A commitment to compact, transit-oriented development in an RGC is more important than consistency in designation criteria. It's not a threat to the urban growth boundaries to have multiple centers in varying contexts and with varying market timing. Boundary size and shape do not necessarily equate to a well-functioning center.

- Although increasing the number of centers means broader distribution of available funds, allocation of funds should be based on justification of need and economic contributions rather than center type or scale.
- Similarly with an MIC, commitment to concentration of industrial growth, contributions to the regional economy and support for good quality jobs are more important than size and shape of an MIC.
- MICs should encourage retail, service amenities, and even housing when appropriate, to support industrial employees in an MIC. Manufacturing and warehousing uses are becoming more automated and less dirty, with a larger proportion of workers having advanced skills, training and demands for services.
- Our MICs must compete globally with advanced manufacturing parks and industrial innovation hubs that allow mixed uses. Indeed, our Kent Industrial Valley built up around an advanced manufacturing research and development park (Boeing Space, Security and Defense Campus) that included offices, recreation and internal eateries. To be competitive in the 21st century means this region's MICs should update to economic and technological realities and not be purely about preservation of heritage land use zones. Fostering supportive uses for the people who work in MICs is a better determinant of a well-functioning industrial area than isolation of those uses or an arbitrary percentage for the mix of uses.
- Transit, training centers, and other types of infrastructure in MICs are important ingredients for a well-functioning MIC.
- A growing Puget Sound population is demanding more consumer goods—from cars to produce—and the pressures of fast delivery to population centers is placing a premium on close-in warehouse space. Therefore, Kent's industrial real estate is becoming much more expensive. Manufacturers are competing with distribution and wholesaling—a type of use presumed directly supportive of local advanced manufacturing—for valuable space in MICs. For instance, the 63 acres of open-air car auction in Kent's MIC is not supporting advanced manufacturing (and all sales tax goes to other jurisdictions), yet it's protected by an MIC.
- Closer evaluation of MICs around the percentage of key industrial cluster businesses and distribution of important regional occupations should be included in determining the value and functions of an MIC.

In general, Kent is questioning whether preservation of industrial land as currently defined accomplishes the MIC goals of family-wage jobs when each MIC has its own economic context, and MICs together provide the sector diversity and competitiveness needed by the region. Rather, the region needs to work on creative ways to invest in all of the MICs.

Kent suggests the region not move forward with the centers designation criteria. For MICs, we recommend re-examining the objectives and tools in light of overarching goals of quality manufacturing jobs, not seeking to protect and count only certain kinds of land use. For RGCs, Kent recommends re-examining the purpose of the new designations against the goals of an RGC.

Kent looks forward to the regional discussion on centers, and we appreciate the time and effort that goes into updating Vision 2040.

Respectfully,

A handwritten signature in cursive script that reads "Suzette Cooke".

Suzette Cooke
Mayor, City of Kent