



SCA Public Issues Committee

AGENDA

July 10, 2019 – 7:00 PM

Renton City Hall

1. **Welcome and Roll Call** – Ed Prince, Renton, Chair 2 minutes
2. **Public Comment** – Ed Prince, Renton, Chair 10 minutes
3. [Approval of Minutes – June 12, 2019 Meeting](#) 2 minutes
Page 4
4. **Chair’s Report** – Ed Prince, Renton, Chair 5 minutes
5. **Executive Director’s Report** – Deanna Dawson, SCA Executive Director 10 minutes
6. [King County Charter Review](#) 15 minutes
POTENTIAL FUTURE ACTION
Page 11
Brian Parry, Policy Director
7. [VISION 2050](#) 15 minutes
POTENTIAL FUTURE ACTION
Page 14
Brian Parry, Policy Director
8. [HB 1406 State Sales Tax Credit for Affordable Housing](#) 15 minutes
DISCUSSION
Page 19
Brian Parry, Policy Director
9. [Levies and Ballot Measures in King County](#) 10 minutes
UPDATE
Page 28
Brian Parry, Policy Director
10. [Potential Upcoming SCA Issues](#) 5 minutes
UPDATE
Page 29
Brian Parry, Policy Director

11. Upcoming Events

- a. SCA Public Issues Committee – Wednesday, September 11, 2019 – 7:00 to 9:00 PM (6:00 PM Pre PIC Workshop) – Renton City Hall
- b. SCA Networking Dinner (guest speaker Greater Seattle Partners CEO Brian McGowan, sponsor Boeing) – Wednesday, July 31, 2019 – 5:30 to 8:00 PM – Renton Pavilion and Event Center
- c. SCA Networking Dinner (guest speaker Commissioner of Public Lands Hilary Franz, sponsor Foster Pepper) – Wednesday, September 25, 2019 – 5:30 to 8:00 PM – Embassy Suites Tukwila
- d. SCA Annual Meeting (sponsor Comcast) – Wednesday, December 4, 2019 – 5:30 to 8:00 PM – Renton Pavilion and Event Center

12. For the Good of the Order

13. Adjourn

Sound Cities Association

Mission

To provide leadership through advocacy, education, mutual support and networking to cities in King County as they act locally and partner regionally to create livable vital communities.

Vision

Capitalizing on the diversity of our cities to lead policy change to make the Puget Sound region the best in the world.

Values

SCA aspires to create an environment that fosters mutual support, respect, trust, fairness and integrity for the greater good of the association and its membership.

SCA operates in a consistent, inclusive, and transparent manner that respects the diversity of our members and encourages open discussion and risk-taking.



SCA Public Issues Committee MINUTES

June 12, 2019 – 7:00 PM

Renton City Hall

1055 S Grady Way, Renton WA 98057

1. Welcome and Roll Call

SCA President Leanne Guier, called the meeting to order at 7:03 PM. 27 cities had representation ([Attachment A](#)). Guests present included Councilmember Janice Zahn, Bellevue (PIC Alternate); Councilmember Carol Simpson, Newcastle (PIC Alternate); Councilmember Nancy Tosta, Burien (PIC Alternate); Doug McIntyre, Sammamish staff; Brandy Reed, King Conservation District staff; Alex Herzog, Woodinville staff; Simon Farretta, King County staff; Shannon Braddock, King County staff; Colleen Kelly, Shoreline staff.

2. Public Comment

Chair Guier asked if any member of the public would like to provide public comment. Seeing none, Chair Guier closed the public comment portion of the meeting.

3. Approval of the May 8, 2019 PIC Minutes

Chair Guier asked if there were any amendments to the May 8, 2019 PIC minutes **Council President Bill Boyce, Kent, moved, seconded by Councilmember Hank Margeson, Redmond, to approve the May 8, 2019 minutes. The motion passed unanimously.**

4. Chair's Report

Chair Guier reported that the Executive Committee to the SCA Board met recently with King County Executive Dow Constantine. She said topics included homelessness system governance, the King Conservation District's proposed rate changes, and keeping cities informed about the waste-to-energy study being conducted by the County and the future of Cedar Hills landfill.

5. Executive Director's Report

SCA Policy Director Brian Parry reported that it would be the final PIC meeting for SCA Senior Policy Analyst Christa Valles as she is leaving SCA to join the Seattle Housing Authority as their Policy and Evaluation Manager. Members expressed their gratitude to Valles for her work on behalf of SCA.

6. Regional Transit Committee Appointment

Councilmember Chris Roberts, Shoreline, reported that the PIC nominating committee met on June 4 to consider nominations to fill a vacancy on the Regional Transit Committee. He said there were many qualified applicants and noted that several vacancies are expected on the Regional Transit Committee at the end of the year due to members retiring from public office.

Councilmember Chris Roberts, Shoreline, moved, seconded by Councilmember Kate Kruller, Tukwila, to recommend the SCA Board of Directors appoint Regional Transit Committee

alternate Dennis Higgins, Kent, to the vacant member seat, and Mayor Kim Lisk, Carnation, to fill the vacant alternate seat on Regional Transit Committee. There was no discussion. The motion passed unanimously.

7. King County Charter Review

SCA Policy Director Brian Parry updated PIC members on the work of the King County Charter Review commission. He said that since the last time PIC discussed King County charter review, additional focus has been placed on a potential amendment under consideration by the Commission that would consolidate the regional charter committees (the Regional Transit Committee, Regional Policy Committee, and Regional Water Quality Committee) to which SCA appoints city representatives. As part of the Commission's review, the Commission has requested input from SCA via Charter Review Commission member Toby Nixon.

SCA has formed a working group including the SCA caucus chairs from each of the three committees to begin discussing a response to the request for input from the Commission. Members of the working group provided feedback that they do not support consolidating the three regional charter committees. Doing so would limit city participation in regional decision-making. Working group members said that they would like to see the charter regional committees function as originally intended when they were created as a part of the merger of Metro and King County, and provide a mechanism for cities and the county to truly collaborate when making decisions on important regional issues. Members felt that improvements could be made to the charter regional committees without amending the charter and that there would be value in exploring that topic further with the County Council.

Parry said that SCA staff would be meeting with each of the SCA caucuses on the three charter regional committees to get their feedback on the role of the committees and how they could better operate. In July, SCA staff will provide an update on those discussions to PIC and a potential policy statement to respond to the Charter Review Commission, which could then be considered for adoption by PIC and the SCA board.

Councilmember John Stokes, Bellevue, chair of the SCA caucus to the Regional Policy Committee, said that the concern he has about consolidating the regional committees is the ability for city officials to be effectively engaged.

Councilmember Hank Margeson, Redmond, chair of the SCA caucus to the Regional Transit Committee, said that he would be interested in exploring having each committee adopt a set of bylaws or operating procedures to improve how they operate rather than amending what is in the charter.

Councilmember Chris Roberts, Shoreline, said that he would like to see further definition of the scope of work that goes to each of the committees.

Chair Guier, chair of the SCA caucus to the Regional Water Quality Committee, said that city officials that participate on the regional committees are accountable for the work of those committees and should have a real voice in the decision-making process.

8. Homeless Response Governance and System Recommendations

SCA Senior Policy Analyst Christa Valles provided an update on efforts underway to consolidate the region's homelessness response governance system, assess existing investments, and develop a regional action plan.

Valles said the King County Executive and Seattle Mayor anticipate transmitting legislation to their respective councils in August 2019 for approval of an Interlocal Agreement (ILA) to create a unified entity to oversee the region's homeless response. She said it is not yet clear how detailed the ILA will be or what issues it will address, but that discussions are underway to resolve a host of issues related to the governance system's structure, scope, and authority.

Valles said the Regional Policy Committee received a briefing on June 12 and are expected to continue through September. She said a draft of the proposed ILA is anticipated to be transmitted in August.

Deputy Mayor Austin Bell, Burien, said that it is important that the proposed governance changes be referred to the Regional Policy Committee (RPC) to ensure SCA cities have input into the process. He noted there was discussion at the June 12 RPC meeting that indicated the County Council Chair may not refer proposals to RPC despite homeless governance system changes being included on RPC's mandatory referral calendar.

Councilmember John Stokes, Bellevue, said that he agreed with Councilmember Bell that it is important that the RPC have the opportunity to review the proposed system changes so that cities are represented.

Councilmember James McNeal, Bothell, said while it is important that experts are included as part of the governance structure it is also critical that local elected officials are included to ensure local differences are considered.

Chair Guier said that the Executive Committee of the SCA Board recently met with King County Executive Dow Constantine and expressed the importance of including cities to ensure their different perspectives are accounted for.

Councilmember Chris Roberts, Shoreline, said that he would like to see more focus on defining the role of the new regional authority before deciding its structure. He said the authority and funds impacted by the new governance model would impact the level of involvement needed from cities.

Deputy Mayor Bell, Burien, said that people seem to agree that there is a problem with duplication in the current system and that it needs to be better coordinated, but that it has not been clearly articulated how the new governance structure will improve on that. He said the new structure needs to improve accountability.

9. VISION 2050

SCA Policy Director Brian Parry reported that the PSRC Growth Management Policy Board is engaged in ongoing work to extend the region's plan for growth – VISION 2040 – out to the year

2050. Between now and 2050, the four-county region that makes up the Puget Sound Regional Council region is projected to grow by 1.8 million people and 1.2 million jobs. The updated VISION 2050 plan will set expectations for how the region will accommodate that growth while maintaining and improving quality of life.

In February, a Draft Supplemental Environmental Impact Statement (DSEIS) was released for public comment. The DSEIS reviewed three unique growth patterns for their performance and environmental impacts through 2050: Stay the Course, Transit Focused Growth, and Reset Urban Growth. Many SCA cities provided comment letters expressing their preferred growth pattern and priorities for regional planning.

Parry said that in comment letters, SCA cities expressed support for increasing the share of the region's expected future growth around transit, especially around light rail station areas and other modes of high capacity transit. He said that some cities raised concerns about what impact focusing so much growth around these areas will have on displacement of affordable housing and wanted to see strong policies to mitigate that risk. He said that several cities expressed that setting of growth targets needs to include input from cities to ensure targets are realistic on a jurisdiction-by-jurisdiction basis and that they are not built from the "top-down" by the county or PSRC. He said that other themes PIC members have identified as being important were also reflected in comment letters, such as support for strong policies around affordable housing and displacement, social equity, climate change, and improving coordination across the region.

He said the GMPB will be working over the course of June and July to develop a preferred regional growth pattern as well as implementing policies (the Multicounty Planning Policies, or MPP's) to include in a full draft updated VISION 2050. The draft plan is scheduled for release for a 60-day public comment period beginning on July 19.

Parry asked PIC for feedback on whether they would like SCA to provide a comment letter during the public comment period for the update to VISION. If so, PIC would need to provide direction on a potential policy statement at the July meeting and recommend any action to the board at the September PIC meeting.

Parry said the King County Growth Management Planning Council (GMPC), which includes representation from SCA, King County, and special purpose districts, and is responsible for coordinating implementation of VISION at the countywide level, would also be considering whether to provide comments to PSRC. He said PIC could provide input to GMPC members and, based on the final content of any comment letter, PIC could recommend support for signing-on to that letter in addition to, or in lieu of, a separate SCA comment letter.

Parry asked PIC to provide feedback on whether SCA should work toward a position statement that could be adopted in September. He further asked PIC to identify their priorities for the update to VISION, any concerns raised from their cities, and priorities for regional growth.

Councilmember Chris Roberts, Shoreline, said that he had reviewed many of the comment letters provided by SCA cities during the public comment period for the VISION DSEIS. He said

he noted differences in city perspectives and asked whether cities should provide individual comment letters rather than seeking to adopt an SCA statement.

Deputy Mayor Jay Arnold, Kirkland, said that he is an SCA representative on the GMPB. He said SCA representatives have identified the need to differentiate between different types of transit service when planning for growth and that cities need to be able to designate where they want growth to occur.

Councilmember Hank Margeson, Redmond, said that he is also an SCA representative on GMPB. He said the SCA caucus on GMPB has heard from cities that the regional plan needs to be aspirational and take advantage of transit investments, but that when growth targets are set at the countywide level they need to include some flexibility and should not be treated as caps on urban growth within cities.

10. King Conservation District Proposed 2020-2024 Rates and Charges

SCA Senior Policy Analyst Christa Valles reported that the King Conservation District (KCD) has worked with its Advisory Committee, including SCA representatives and City of Seattle and King County staff, to develop a new 2020-2024 work plan and an accompanying rates and charges budget to support it.

Valles said that at the April 17 KCD Advisory Committee meeting, committee members reviewed various rate options provided by KCD staff. Advisory members discussed whether to support a resolution to the KCD Board of Supervisors endorsing a program of work that would require an average per parcel rate increase of \$3.70 per year, generating \$8.9 million annually - up from \$6.1 million currently generated. Committee members decided a letter that simply forwarded the proposal on to the KCD Supervisors for consideration was more appropriate.

Valles said that recently the King County Executive has determined that KCD's rate proposal would benefit from additional review. Consequently, the Executive is discussing a one-year rate extension option with KCD. It is not yet clear at this time what a rate proposal for a one-year extension will look like. Initially, the Executive envisioned a "status quo" rate but KCD is now requesting a "maintenance rate," presumably so that it can cover on-going expenditures incurred during the 2015- 2019 rate period using one-time funds. As a result, it's possible a one-year rate extension could include a rate increase that is higher than the current rates but less than what KCD is seeking for 2020- 2024. KCD has until August 1 to hold a public hearing and transmit a proposal to King County.

Councilmember Hank Margeson, Redmond, said that he is concerned about the rate of increase proposed by KCD, and noted that cities are limited to increases in property taxes of only one percent per year.

Councilmember John Stokes, Bellevue, said that he is a member of the KCD Advisory Committee. He said the committee has worked through a transparent process in which they worked to incorporate feedback from cities. He said that inflation is a driving factor in the rate increases proposed by KCD, and that the Advisory Committee has heard from many parties

about the value and importance of KCD's services. He said KCD operates one of the most successful conservation programs in the country.

Councilmember Kate Kruller, Tukwila, said that she agreed with the comments of Councilmember Stokes. She said KCD has been responsive to requests from cities to streamline their programs and to increase transparency. She said they provide important services that should receive the support of cities in King County.

11. Levies and Ballot Measures in King County

SCA Policy Director Brian Parry reported on measures that will be considered by voters at the August 2019 election. Measures include the renewal of the countywide parks and open space levy, an operations levy proposed by the Seattle Public Library, capital bonds proposed by EvergreenHealth, and an operations levy proposed by Puget Sound Regional Fire.

Parry encouraged members to share information about retiring councilmembers in their cities, particularly of members who are on regional committees or PIC. Members noted there are a significant number of city council seats up for election in 2019 and shared updates about their respective cities.

12. Potential Upcoming Issues

SCA Policy Director Brian Parry reported that there will be a pre-PIC workshop in July with staff from PSRC presenting on the update to VISION 2050. He said SCA staff are also working to organize a pre-PIC workshop on homelessness and the impacts of the *Martin v. City of Boise* decision on cities.

13. Upcoming Events

Chair Guier said there will be an SCA Networking Dinner on Wednesday, July 31, 2019, at 5:30 PM at the Renton Pavilion and Event Center. The guest speaker will be Brian McGowan, CEO of Greater Seattle Partners.

Chair Guier said the next PIC meeting will be held on July 10, 2019 at 7:00 PM at Renton City Hall.

14. For the Good of the Order

Councilmember Kate Kruller shared that the Seattle Seawolves Major League Rugby (MLR) team, which plays their matches in the City of Tukwila, would be competing in the MLR championship game over the weekend in San Diego (*the Seawolves defeated the San Diego Legion 26-23 to become back-to-back MLR champions*).

Deputy Mayor Austin Bell, Burien, shared that the City of Burien would be celebrating the opening of the new Highline Heritage Museum on June 14, and that the city's annual Strawberry Days festival would take place on June 15 and 16. He encouraged PIC members to take the opportunity to visit the City of Burien.

15. Adjourn

The meeting was adjourned at 8:35 PM.

**Public Issues Committee Meeting
June 12, 2019**

City	Representative	Alternate
Algona	Dave Hill	Bill Thomas
Auburn	Nancy Backus	John Holman
Beaux Arts Village	Tom Stowe	Aletha Howes
Bellevue	John Stokes	Janice Zahn
Black Diamond	Janie Edelman	Tamie Deady
Bothell	James McNeal	Davina Duerr
Burien	Austin Bell	Nancy Tosta
Carnation	Dustin Green	Kim Lisk
Clyde Hill	Barre Seibert	George Martin
Covington	Fran Hollums	Joseph Cimaomo, Jr.
Des Moines	Traci Buxton	Matt Mahoney
Duvall	Michelle Hogg	Jennifer Knaplund
Enumclaw	Anthony Wright	Mike Sando
Federal Way	Lydia Assefa-Dawson	Martin Moore
Hunts Point	Joseph Sabey	
Issaquah	Tola Marts	Chris Reh
Kenmore	David Baker	Nigel Herbig
Kent	Bill Boyce	Toni Troutner
Kirkland	Toby Nixon	Jay Arnold
Lake Forest Park	Catherine Stanford	Tom French
Maple Valley	Sean Kelly	Linda Johnson
Medina	Sheree Wen	Alex Morcos
Mercer Island	Benson Wong	Tom Acker
Milton	Shanna Styron Sherrell	Mary Tompkins
Newcastle	Allen Dauterman	Carol Simpson
Normandy Park	Sue-Ann Hohimer	Jonathan Chicquette
North Bend	Ross Loudenback	Ken Hearing
Pacific	Leanne Guier	David Storaasli
Redmond	Hank Margeson	Angela Birney
Renton	Ed Prince	Armondo Pavone
Sammamish	Christie Malchow	Karen Moran
SeaTac	Erin Sitterley	Pam Fernald
Shoreline	Chris Roberts	Keith Scully
Skykomish	Henry Sladek	
Snoqualmie	Katherine Ross	Matt Larson
Tukwila	Kate Kruller	Zac Idan
Woodinville	James Evans	Elaine Cook
Yarrow Point	Dicker Cahill	
SCA	Deanna Dawson Brian Parry	Christa Valles Cynthia Foley

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



July 10, 2019
SCA PIC Meeting

Item 06:

King County Charter Review

POTENTIAL FUTURE ACTION

SCA Staff Contact

Brian Parry, SCA Senior Policy Analyst, brian@soundcities.org, 206-499-4159

SCA Members of the Regional Policy Committee

Councilmember John Stokes, Bellevue; Deputy Mayor Austin Bell, Burien; Council President Angela Birney, Redmond; Deputy Mayor Bill Peloza, Auburn; Mayor Dave Hill, Algona (alternate); Councilmember James McNeal, Bothell (alternate)

SCA Members of the Regional Water Quality Committee

Mayor Leanne Guier, Pacific; Mayor Penny Sweet, Kirkland; Councilmember Benson Wong, Mercer Island; Councilmember John Wright, Lake Forest Park; Councilmember Conrad Lee, Bellevue (alternate); Councilmember Yolanda Trout-Manuel, Auburn (alternate)

SCA Members of the Regional Transit Committee

Councilmember Hank Margeson, Redmond; Councilmember Dave Asher, Kirkland; Councilmember Bruce Bassett, Mercer Island; Councilmember Claude DaCorsi, Auburn; Mayor Leanne Guier, Pacific; Councilmember Dennis Higgins, Kent; Councilmember Kathy Hougardy, Tukwila; Councilmember John Wright, Lake Forest Park; Councilmember Susan Chang, Shoreline (alternate); Mayor John Chelminiak, Bellevue (alternate); Mayor Kim Lisk, Carnation (alternate); Councilmember Ryan McIrvine, Renton (alternate)

Potential Future Action

To bring the following policy position back for adoption at the next PIC meeting:

SCA supports the structure of the regional committees as approved by voters in the King County Charter and value the role they play in ensuring cities and the county truly collaborate when making decisions on important regional issues.

SCA members have serious concerns that consolidating the regional committees would limit city participation in regional decision-making. SCA believes there is significant value in having different perspectives from cities large and small and in different parts of the county brought to bear on regional issues.

SCA would welcome the opportunity to explore how the charter committees can be best utilized to facilitate regional collaboration and communication between cities and the county.

Background

In July of 2018, King County formed a Charter Review Commission to consider potential recommendations to amend the [King County Charter](#).

Among the potential amendments under consideration by the Commission is a proposal from members of the County Council to reform or consolidate the regional charter committees (the Regional Transit Committee, Regional Policy Committee, and Regional Water Quality Committee) to which SCA appoints city representatives. As part of the Commission's review, the Commission has requested input from SCA.

In response to the request for feedback on possible consolidation of the charter regional committees, SCA has formed a working group including the SCA caucus chairs from each of the three committees. At the June PIC meeting, members discussed potentially advancing a formal position related to the regional committees and the importance of including city representation in decisions affecting the region.

At the July PIC meeting, members will have the opportunity to provide feedback on the proposed policy statement and determine whether to bring back a position statement for adoption at the next PIC meeting.

Proposal to Consolidate the Charter Regional Committees

The County's three regional committees – the Regional Policy Committee, Regional Transit Committee, and Regional Water Quality Committee – are required by the King County Charter and the rules pertaining to their administration are defined in the King County Code ([Attachment A](#)). Each committee is composed of representatives from the King County Council, the City of Seattle, and elected representatives appointed by SCA. The Regional Water Quality Committee also includes elected official representatives of local sewer districts.

King County's three regional committees were first established by charter amendment in 1994 as the governing structure that would allow the King County Government to assume the transit and water quality duties of Metro (aka the Municipality of Metropolitan Seattle). The purpose of the committees to ensure better regional coordination and equal representation for all city and county residents in making decisions that were previously under the authority of the Metro Council, where city officials had seats at the table. Suburban city representatives played an integral role in developing the structure and role of the committees in the charter amendment that was ultimately approved by voters (a [contemporaneous article](#) from the Seattle Times provides additional background on the formation of the committees).

Each committee is authorized to propose, review, and recommend action on ordinances and motions to be considered by the King County Council in their respective subject matter areas. The Regional Policy Committee further has the authority to engage in any countywide plan or policy, regardless of subject matter area, if a majority of committee members vote to include the plan or policy on the committee's annual work plan.

SCA members have consistently viewed the regional committees as playing an important role in ensuring regional collaboration by requiring that cities and their residents have a voice in regional decision-making.

During its solicitation of public comments on the Charter, the Charter Review Commission received letters from two County Councilmembers expressing interest in reforming the charter regional committees. County Councilmember Jeanne Kohl-Welles [suggested](#) that the Commission “consider having the Regional Policy Committee absorb the work of the Regional Transit and Regional Water Quality Committee and that this new committee meet twice a month – the same as other standing [County] Council Committees.” She said the intent is to “give cities a more effective voice in County operations” than the current regional committee structure.

County Councilmember Dave Upthegrove [letter](#) states that “his personal experience has been that the Regional Committee process has been inefficient and ineffective,” and he encouraged the Commission to “look at different strategies to improve coordination and communication between King County and our city partners.”

In May, the Commission decided to review the proposal to consolidate the regional charter committees further and to solicit input from SCA.

In response to the request for feedback on possible consolidation of the charter regional committees, SCA has formed a working group including the SCA caucus chairs from each of the three committees and developed the proposed policy statement.

Next Steps

The Charter Review Commission is expected to continue soliciting feedback and developing recommendations through the summer. A draft final report of the Commission, including any recommended amendments under consideration, is planned to be finalized in time to present for public comment in mid-October with final action by the Commission anticipated in November. SCA will continue to engage in discussions related to the regional committees and provide future updates to PIC. Questions or feedback can be provided to SCA Senior Policy Analyst Brian Parry at brian@soundcities.org or 206-499-4159.



July 10, 2019
SCA PIC Meeting

Item 07:
VISION 2050

Potential Future Action

SCA Staff Contact

Brian Parry, Policy Director, brian@soundcities.org, (206) 499-4159

SCA Members of the PSRC Growth Management Policy Board

Councilmember Jay Arnold, Kirkland; Councilmember John Holman, Auburn; Councilmember Hank Margeson, Redmond; Councilmember Nancy Tosta, Burien (alternate); Councilmember Paul Winterstein, Issaquah (alternate); Councilmember Traci Buxton, Des Moines (alternate)

SCA Members of the King County Growth Management Planning Council

Mayor Debbie Bertlin, Mercer Island; Mayor Leanne Guier, Pacific; Mayor Matt Larson, Snoqualmie; Councilmember Tola Marts, Issaquah; Councilmember Thomas McLeod, Tukwila; Council President Ed Prince, Renton; Councilmember Satwinder Kaur, Kent (alternate); Councilmember Chris Roberts, Shoreline (alternate); Councilmember Pam Stuart, Sammamish (alternate); Councilmember Fran Hollums, Covington (alternate)

Potential Future Action

To bring the guiding principles included in [Attachment A](#) back for adoption at the next PIC meeting.

SCA representatives on the PSRC Growth Management Policy Board (GMPB) are currently engaged in updating VISION 2050.

In addition, King County will be proposing a joint comment letter that could be approved through the King County Growth Management Planning Council (GMPC) – the formal body for developing countywide policies to guide the development of each jurisdiction’s comprehensive plan as required by the Growth Management Act.

The proposed guiding principles are based on comments provided by cities during the process of updating VISION 2050 as well as PIC discussion. If approved by PIC, the final guiding principles would be used to guide the work of SCA members on the GMPB and GMPC as they engage with county and regional stakeholders to approve and ultimately implement the updated regional plan.

Background

The PSRC Growth Management Policy Board is engaged in ongoing work to extend the region’s plan for growth – VISION 2040 – out to the year 2050. Between now and 2050, the four-county region that makes up the Puget Sound Regional Council region is projected to grow by 1.8

million people and 1.2 million jobs. The updated VISION 2050 plan will set expectations for how the region will accommodate that growth while maintaining and improving quality of life.

In February, a Draft Supplemental Environmental Impact Statement (DSEIS) was released for public comment. The DSEIS reviewed three unique growth patterns for their performance and environmental impacts through 2050: Stay the Course, Transit Focused Growth, and Reset Urban Growth. Many SCA cities provided comment letters expressing their preferred growth pattern and priorities for regional planning.

The GMPB will be working over the course of June and July to develop a preferred regional growth pattern as well as implementing policies (the Multicounty Planning Policies, or MPP's) to include in a full draft updated VISION 2050. The draft plan is currently scheduled for release for a 60-day public comment period beginning on July 19.

In addition to setting a regional vision for growth, the selected growth pattern and policies will directly impact the growth targets and policies that cities will be required to implement in their next comprehensive plan updates.

In June, PIC was briefed on comments provided by SCA cities and the status of the work of the GMPB. In addition, members were asked to consider whether SCA should work to submit formal comment upon release of the draft VISION 2050.

Proposed Guiding Principles

SCA representatives on the PSRC Growth Management Policy Board (GMPB) are currently engaged in updating VISION 2050.

In addition, King County will be proposing a joint comment letter that could be approved through the King County Growth Management Planning Council (GMPC) – the formal body for developing countywide policies to guide the development of each jurisdiction's comprehensive plan as required by the Growth Management Act.

The proposed guiding principles are based on [comment letters](#) provided by SCA cities, as well as feedback from staff, GMPB members, and PIC throughout the process of updating VISION 2050. If approved by PIC, these guiding principles would be used to guide the work of SCA members on the GMPB and GMPC as they engage with county and regional stakeholders to approve and ultimately implement the updated regional plan.

SCA cities providing comments during the update to VISION broadly offered their support for the Transit Focused Growth alternative at the regional level. Most noted that the alternative leverages ongoing transit investments and performs best in modeling of environmental impacts, climate change, increases in transit usage, access to jobs, air quality, health, and increasing the supply of moderate density housing – the housing type most associated with affordability. Some also noted that the Transit Focused Growth alternative carries with it the

greatest risk of displacement due to redevelopment and encouraged a strong focus in VISION on mitigation measures.

Many cities also stressed the need for clarity around how the distribution of growth ultimately included in the Regional Growth Strategy will be implemented. While growth targets that cities will be required to plan for in their comprehensive plans are set at the countywide level (in King County this is through the Growth Management Planning Council), those targets are required to be consistent with the policies and growth shares included in VISION 2050.

Members generally expressed that the proposed growth shares are regional and should be aspirational while allowing flexibility at the local level and encouraging additional planning to ensure growth targets are realistic on a jurisdiction-by-jurisdiction basis.

In addition to selecting a preferred pattern of future growth, the GMPB is also updating the policies and actions that will implement the Regional Growth Strategy and VISION 2050.

The Growth Management Act requires city comprehensive plans to be consistent with their respective Countywide Planning Policies and Multicounty Planning Policies (MPP's) that are contained in VISION. In concert with these policies, actions are identified in VISION identifying specific steps for PSRC, countywide organizations, local governments, and others that will be necessary to implement the plan and regional goals. These actions include tasks such as developing strategies and studies, and working with jurisdictions to develop local plans.

The full text of draft actions and MPP amendments under consideration by the GMPB can be found on the [PSRC Vision 2050 Policy Review webpage](#). Additional background on the update to VISION 2050 can be found in the [June 12, 2019 PIC Packet](#).

Next Steps

The proposed guiding principles are an initial attempt from SCA staff to consolidate feedback from SCA member cities during the update to VISION 2050. SCA staff are continuing to work with city staff to identify other high priority issues for discussion at the July PIC meeting. If recommended by PIC, the proposed guiding principles including any changes recommended by PIC and SCA members will be incorporated into a final draft that will be circulated in August for city review prior to the next PIC meeting on September 11, 2019. At the September PIC meeting, members could decide to make a recommendation to the SCA Board of Directors, continue to revise the proposed guiding principles, or recommend providing feedback without adopting specific guiding principles.

The GMPB will continue deliberating on the draft policies and Preferred Alternative at their next meeting on July 11. The current schedule of GMPB calls for release of the full draft update to VISION 2050 on July 19 for a 60-day public comment period. A pre-PIC workshop is scheduled for July with a presentation from PSRC to coincide with the release of the draft plan. For more information, contact SCA Policy Director Brian Parry at brian@soundcities.org or 206-499-4159.



July 10, 2019
SCA PIC Meeting

Item 07 – Attachment A:

PROPOSED STATEMENT OF GUIDING PRINCIPLES REGARDING THE UPDATE TO VISION 2050

If approved by PIC, the final guiding principles would be used to guide the work of SCA members on the GMPB and GMPC as they engage with county and regional stakeholders to approve and ultimately implement the update to VISION 2050.

1. Maximize the benefits of the region’s significant investments in high-capacity transit by setting ambitious regional goals for attracting housing and jobs in proximity to this transit.

The Transit Focused Growth alternative analyzed in the DSEIS performed comparably better regionally in modeling potential environmental impacts of 1) air quality and community health; 2) the degree of forecasted climate change; 3) increases in transit use and thus access to jobs; and 4) an increased supply of the moderate-density housing most associated with increasing access to affordability.

The draft Regional Growth Strategy includes an ambitious goal to “attract 65% of the region’s residential and 75% of the region’s employment growth to high-capacity transit station areas.” PSRC has previously affirmed this numerical goal as an aspirational regional statement and not as a standard applied to individual jurisdictions and their station areas and this should be clearly stated in the plan. Implementation of a transit focused strategy should not be one-size-fits-all and significant analysis will be required to determine what can be realistically achieved within individual jurisdictions while promoting improved quality of life.

2. Incorporate policies and regional actions that mitigate displacement risk, ensure equitable outcomes and access to opportunity, and support affordable housing preservation and development most suitable for each city and town across the four-county region.

Because focusing growth near transit emphasizes redevelopment, it also carries a relatively greater risk of displacing existing affordably-priced housing and vulnerable populations. SCA supports the development of effective displacement mitigation tools and strategies for centering equity in regional planning. This work should be supported by the development of a regional housing needs assessment and through direct PSRC technical assistance to develop effective affordable housing goals, strategies, and programs. Providing tools to address affordability is preferable to “top-down” mandates as cities and towns address the region’s affordable housing crisis within the constraints of their own local housing markets.

3. Conduct further work by PSRC and member jurisdictions to mutually clarify expectations related to local plan growth targets.

It is critical to include counties, cities, and towns in a process to transparently set targets, and in developing the guidance that PSRC will provide. Local targets must: 1) be based on real-world circumstances; 2) reflect the ability of jurisdictions to provide necessary services and infrastructure; and 4) recognize that market forces often act independent of local policy.

Meeting the goal of encouraging efficient use of urban land requires that the Regional Growth Strategy not be used to set caps on growth when it can be demonstrated that existing or planned infrastructure—including access to transit—is available to accommodate that growth.

4. Provide technical assistance and advocate for resources for cities and towns to implement VISION 2050.

Developing local comprehensive plans is complex and demands significant resources. It is critical that the four-county region advocate for state resources for local planning, necessary infrastructure investments, and provide technical assistance for cities and towns, especially smaller jurisdictions, to effectively implement VISION 2050.



July 10, 2019
SCA PIC Meeting

Item 08:

HB 1406 State Sales Tax Credit for Affordable Housing

DISCUSSION

SCA Staff Contact

Brian Parry, Policy Director, brian@soundcities.org, (206) 499-4159

Discussion

HB 1406 provides new resources for cities and counties for affordable housing and supportive services in the form of a credit against the state share of local sales taxes. In order to secure the ability to access these funds, cities are required to adopt a resolution of intent to implement the tax credit by January 28, 2020 and implementing legislation by July 28, 2020. If a city does not adopt a resolution of intent by the statutory deadline, the ability to access those funds is transferred to the county.

Many cities in King County have begun initially discussing options for implementing the sales tax credit individually or in concert with other jurisdictions as authorized by the new law. In addition, the King County Affordable Housing Committee was recently briefed on HB 1406 and will be considering if there is support that committee could provide for implementing the tax credit or recommendations for a regional strategy for use of those funds.

At the July PIC meeting, members will be briefed on HB 1406 and have the opportunity to share information about the status of discussions related to implementation within your city; priorities for expending tax credit funds; guidance for what support could be provided regionally to make the most efficient and effective use of tax credit funds; and, feedback on how SCA can support city priorities.

Background

HB 1406 was approved during the 2019 legislative session to provide cities and counties with a new source of funds for affordable housing and supportive services. The bill authorizes cities and counties to retain a portion of sales taxes that would otherwise be paid to the state, which means implementing the tax at the local level results in no increase in the taxes paid by the consumer.

In order to take advantage of this new funding source, cities and counties must act quickly. First, a resolution of intent to implement the tax credit must be adopted by January 28, 2020 (six months after the effective date of the bill) and, second, legislation authorizing the tax credit must be adopted by July 28, 2020 (12 months after the effective date of the bill). Included here as [Attachment A](#) is a resolution template drafted by Pacifica Law Group LLP that jurisdictions may use to express their intent to implement the tax by the January 28, 2020 deadline. A spending plan is not required as part of the initial resolution of intent to implement the tax.

The maximum rate that cities may retain under the bill is either .0146% or .0073% of local sales depending on whether the city has adopted a “qualifying local tax” as described below. If a city does not have a qualifying local tax, the city and county are each eligible to receive a credit of .0073% of local sales. If a city chooses not to implement the .0073% credit, the county is then authorized to retain the full .0146% of local sales generated within that city.

Qualifying local taxes include the following:

- The affordable housing levy authorized under [RCW 84.52.105](#);
- The sales and use tax for housing and related services authorized under [RCW 82.14.530](#);
- The sales tax for chemical dependency and mental health treatment services or therapeutic courts authorized under [RCW 82.14.460](#);
- The property tax levy authorized under [RCW 84.55.050](#) if used solely for affordable housing.

Approximate annual revenues by city, based on 2017 sales figures and a rate of .0073%, can be found in [Attachment B](#). The actual maximum collection amount will be based on state fiscal year 2019 sales in each jurisdiction. Total annual revenue for all SCA cities is anticipated to be greater than \$3 million per year. The credit expires 20-years after it is first implemented.

To assist with understanding the timing and rate options for cities, AWC has provided a helpful guide and decision-making flowchart for cities that is included here as [Attachment C](#).

Eligible Expenditures

Cities may use funds collected from the tax credit for acquiring, rehabilitating, or constructing affordable housing; operations and maintenance of new affordable or supportive housing facilities; and, for cities with populations below 100k, funds may also be used for rental assistance. The funding must be spent on projects that serve persons whose income is at or below sixty percent of the area median income. Revenues from the tax may be pooled with other local governments or a public housing authority via interlocal agreements and may also be used to repay bonds issued to carry out projects authorized under the law.

Regional Collaboration

Because the annual tax credit amounts collected by smaller jurisdictions are projected to be modest, smaller cities may want to consider pooling their resources with other jurisdictions or housing authorities. Many cities in King County have begun initially discussing options for implementing the sales tax credit individually or in concert with other regional or subregional organizations such as A Regional Coalition for Housing (ARCH) and the South King Housing and Homelessness Partners (SKHHP). In addition, the King County Affordable Housing Committee was recently briefed on HB 1406 and will be considering whether that committee could provide support for implementing the tax credit or recommendations for a regional strategy for use of those funds.

At the July PIC meeting, members will have the opportunity to share information about the status of discussions related to implementation of HB 1406 within your city; priorities for expending tax credit funds; guidance for what support could be provided regionally to make the

most efficient and effective use of tax credit funds; and, feedback on how SCA can support city priorities.

Next Steps

For more information, please contact SCA Policy Director Brian Parry, brian@soundcities.org or 206-499-4159.



SAMPLE FORM OF ORDINANCE/RESOLUTION OF INTENT PURSUANT TO HB 1406
Prepared by Pacifica Law Group LLP

[ORDINANCE/RESOLUTION]

No. _____

[AN ORDINANCE][A RESOLUTION] OF THE [CITY COUNCIL][_____
COUNTY BOARD OF COMMISSIONERS] OF [_____
DECLARING THE INTENT OF THE [_____] TO ADOPT
LEGISLATION TO AUTHORIZE A SALES AND USE TAX FOR
AFFORDABLE AND SUPPORTIVE HOUSING IN ACCORDANCE WITH
SUBSTITUTE HOUSE BILL 1406 (CHAPTER 338, LAWS OF 2019), AND
OTHER MATTERS RELATED THERETO.

WHEREAS, in the 2019 Regular Session, the Washington State Legislature approved, and the Governor signed, Substitute House Bill 1406 (Chapter 338, Laws of 2019) (“SHB 1406”); and

WHEREAS, SHB 1406 authorizes the governing body of a city or county to impose a local sales and use tax for the acquisition, construction or rehabilitation of affordable housing or facilities providing supportive housing, [and] for the operations and maintenance costs of affordable or supportive housing, [*FOR COUNTIES of 400,000 or less, or CITIES of 100,000 or less: or, if eligible, for providing rental assistance to tenants*]; and

WHEREAS, the tax will be credited against state sales taxes collected within the [City/County] and, therefore, will not result in higher sales and use taxes within the [City/County] and will represent an additional source of funding to address housing needs in the [City/County]; and

WHEREAS, the tax must be used to assist persons whose income is at or below sixty percent of the [City/County] median income; and

WHEREAS, the [City/County] has [describe housing need] and has determined that imposing the sales and use tax to address this need will benefit its citizens; and

WHEREAS, in order for a city or county to impose the tax, within six months of the effective date of SHB 1406, or January 28, 2020, the governing body must adopt a resolution of intent to authorize the maximum capacity of the tax, and within twelve months of the effective date of SHB 1406, or July 28, 2020, must adopt legislation to authorize the maximum capacity of the tax; and

WHEREAS, this [ordinance/resolution] constitutes the resolution of intent required by SHB 1406; and

WHEREAS, the [City Council/County Board of Commissioners] now desires to declare its intent to impose a local sales and use tax as authorized by SHB 1406 as set forth herein;

NOW, THEREFORE, BE IT [RESOLVED][ORDAINED] BY THE [CITY COUNCIL/COUNTY BOARD OF COMMISSIONERS] OF THE [CITY OF _____/ _____ COUNTY] AS FOLLOWS:

Section 1. Resolution of Intent. The [City Council/County Board of Commissioners] declares its intent to adopt legislation to authorize the maximum capacity of the sales and use tax authorized by SHB 1406 within one year of the effective date of SHB 1406, or by July 28, 2020.

Section 2. Further Authority; Ratification. All [City/County] officials, their agents, and representatives are hereby authorized and directed to undertake all action necessary or desirable from time to time to carry out the terms of, and complete the actions contemplated by, this [resolution][ordinance]. All acts taken pursuant to the authority of this [resolution][ordinance] but prior to its effective date are hereby ratified.

Section 3. Effective Date. This [resolution][ordinance] shall take effect [immediately upon its passage and adoption][_____ days after the passage and publication].

Passed by majority vote of the _____ in open meeting this _____ day of _____, 2019.

[insert appropriate signature blocks]



July 10, 2019
SCA PIC Meeting

Item 08 – Attachment B:

APPROXIMATE HB 1406 ANNUAL SALES TAX REVENUE FOR KING COUNTY CITIES

Cities in King County	Annual HB 1406 Sales Tax Revenue at .0073%*
Algona	\$ 2,684
Auburn	\$ 152,466
Bellevue	\$ 576,632
Black Diamond	\$ 4,949
Bothell	\$ 102,620
Burien	\$ 64,177
Carnation	\$ 3,888
Clyde Hill	\$ 5,170
Covington	\$ 41,465
Des Moines	\$ 28,748
Duvall	\$ 7,798
Enumclaw	\$ 24,686
Federal Way	\$ 121,473
Hunts Point	\$ 1,265
Issaquah	\$ 117,207
Kenmore	\$ 19,011
Kent	\$ 177,277
Kirkland	\$ 188,817
Lake Forest Park	\$ 8,565
Maple Valley	\$ 28,198
Medina	\$ 8,709
Mercer Island	\$ 35,144
Milton	\$ 7,405
Moses Lake	\$ 55,658
Newcastle	\$ 12,690
Normandy Park	\$ 4,636
North Bend	\$ 19,198
Pacific	\$ 7,257
Redmond	\$ 229,292
Renton	\$ 230,145
Sammamish	\$ 48,746
SeaTac	\$ 125,564
Seattle	\$ 1,902,960
Shoreline	\$ 73,829
Skykomish	\$ 585

Snoqualmie	\$	22,319
Tukwila	\$	154,379
Woodinville	\$	53,839
Yarrow Point	\$	2,197

source: <https://wacities.org/docs/default-source/Legislative/hb1406estimatedistributions.pdf?sfvrsn=4>

***Based on 2017 collections. Actual HB 1406 revenue will be based on 2019 sales tax amounts.**

Tax credit rate examples

Max tax credit rate under HB 1406	City with qualifying local tax	City without qualifying local tax	City doesn't levy a tax credit, county does participate	County doesn't participate, city participates but doesn't have a qualifying tax.*
City	0.0146%	0.0073%	0.0%	July 2020: 0.0%
County	0.0%	0.0073%	0.0146%	0.0%

*We believe that this was an error in bill drafting. Please let us know if you are in this situation. We can work to address it in future legislative sessions.

Eligible uses of the funds:

1. Projects must serve those at or below 60% AMI.
2. Acquiring, rehabilitating, or constructing affordable housing, which may include new units of affordable housing within an existing structure or facilities providing supportive housing services. In addition to investing in traditional subsidized housing projects, this authority could potentially be used to provide for land acquisition, down payment assistance, and home repair so long as recipients meet the income guidelines.
3. Funding the operations and maintenance costs of new units of affordable or supportive housing.
4. For cities with a population under 100,000, the funds can also be used for rental assistance to tenants.

Additional timelines to keep in mind:

1. Department of Revenue (DOR) requires 30-days-notice of adoption of sales tax credits. The credit will then take effect on the first day of the month following the 30-day period.
2. If your city is adopting a "qualifying local tax", DOR requires 75-days-notice of adoption of sales tax increases. Local sales tax increases may only take effect on the first day of the first, second, or third quarter – not the fourth (April 1, July 1, or October 1).
3. If your city is adopting a "qualifying local tax" remember to factor in the ballot measure process into the timeline, as these must be approved by the voters.
4. If you are intending to bond the revenues for a project under this authority, check with your legal counsel and bond counsel about other deadlines that may apply to your city.

Frequently asked questions:

1. **This program sounds very familiar. Didn't a local option, affordable housing sales tax law pass a few years ago?** Yes, but the new law has important differences. The Legislature passed HB 2263 in 2015 that authorized cities and towns to levy up to a 0.1% sales tax for affordable housing—

but, importantly, only after voter approval. This sales tax levy is considered a "qualifying local tax" under HB 1406. Another important distinction is that the affordable housing sales tax from 2015 is an additional tax on the consumer, and not a credit on an existing state-imposed tax.

2. **Do we have to levy a "qualifying local tax" to participate?** No. Your city is still eligible to participate in the program, but your tax credit rate will depend on whether the county participates in the program. See *Tax credit rate examples* chart to the left.
3. **Do we only have access to the program if the county declines to participate?** No. A city can participate, and receive funds, even if the county participates. Unfortunately, if your city does not impose a "qualifying local tax" by the deadline and your county declines to participate, then you will not have access to funds after the first year, due to a drafting error in the bill. We don't anticipate this scenario to occur, but please let us know if you find yourself in that situation. We will work with the Legislature to address it if this proves problematic. In all cases you must meet the program deadlines to participate. See *Deadlines to participate*.
4. **Does it make a difference at all if our county participates?** Only if you have not adopted a "qualifying local tax." If you have adopted a "qualifying local tax" you can access the higher credit rate regardless of county participation. If you don't have a "qualifying local tax" then you can only access the higher rate if the county does not participate.
5. **How is "rental assistance" defined? Does that include rent vouchers?** The term "rental assistance" is not defined in the chapter 82.14 RCW; however, both federal and state housing programs use the term "rental assistance" to mean providing rent, security deposits, or utility payment assistance to tenants.
6. **Can we pool our revenue with another entity? Can we issue bonds or use the money to repay bonds?** Yes! Cities can enter into an interlocal agreement with other local governments or a public housing authority to pool tax receipts, pledge tax collections to bonds, allocating collected taxes to authorized affordable housing expenditures, or other agreements authorized under chapter 39.34 RCW. Cities may also use the tax credit revenue to issue or repay bonds in order to carry out the projects authorized under the new law.
7. **Is the amount of tax credit we receive limited only by the amount of sales tax collected per year?** No. The maximum amount will be based on state fiscal year 2019 sales.
8. **Does the tax credit program expire?** Yes, the tax expires 20 years after the date on which the tax is first levied.



Implementing HB 1406

2019

Don't miss out on up to 20 years of shared revenue for affordable housing

In the 2019 legislative session, the state approved a local revenue sharing program for local governments by providing up to a 0.0146% local sales and use tax credited against the state sales tax for housing investments, available in increments of 0.0073%, depending on the imposition of other local taxes and whether your county also takes advantage. The tax credit is in place for up to 20 years and can be used for acquiring, rehabilitating, or constructing affordable housing; operations and maintenance of new affordable or supportive housing facilities; and, for smaller cities, rental assistance. The funding must be spent on projects that serve persons whose income is at or below sixty percent of the area median income. Cities can also issue bonds to finance the authorized projects.

This local sales tax authority is a credit against the state sales tax, so it does not increase the sales tax for the consumer. There are tight timelines that must be met to access this funding source – the first is January 31, 2020 to pass a resolution of intent. The tax ordinance must then be adopted by July 27, 2020 to qualify for a credit.

The following information is intended to assist your city in evaluating its options and timelines. It is not intended as legal advice. Check with your city's legal counsel and/or bond counsel for specific questions on project uses and deadlines for implementation.

Deadlines to participate:

- Resolution to levy tax credit: July 28, 2019 – January 31, 2020
- Ordinance to levy the tax credit: By July 27, 2020
- Adopt "qualifying local tax" (optional): By July 31, 2020

Eligibility to receive shared revenues

- The state is splitting the shared resources between cities and counties. However, cities can receive both shares if they have adopted a "qualifying local tax" by July 31, 2020. Qualifying taxes are detailed below. Cities who are levying a "qualifying local tax" by July 28, 2019, the effective date of the new law, will receive both shares immediately once they impose the new sales tax credit.
- If a city does not implement a qualifying local tax by the deadline, they can still participate in the program if they meet the other deadlines but will be eligible for a lower credit rate.
- A city can adopt the sales tax credit before designating how the funds will be used once collected.

Qualifying local taxes

The following are considered "qualifying local taxes" and, if levied, give the city access to both shares of the tax credit (i.e. 0.0146% rate instead of the single share rate of 0.0073%):

- Affordable housing levy (property tax) under RCW 84.52.105
- Sales and use tax for housing and related services under RCW 82.14.530. The city must have adopted at least half of the authorized maximum rate of 0.001%.
- Sales tax for chemical dependency and mental health (optional .1 MIDD) under RCW 82.14.460
- Levy (property tax) authorized under RCW 84.55.050, if used solely for affordable housing

Think of the "qualifying local tax" as a multiplier or "doubler." It gives the city access to double the tax credit even when the county chooses to participate in the program.

Contact:

Carl Schroeder
Government Relations Advocate
carls@awcnet.org

Shannon McClelland
Legislative & Policy Analyst
shannonm@awcnet.org



Contact:

Carl Schroeder
Government Relations Advocate
carls@awcnet.org

Shannon McClelland
Legislative & Policy Analyst
shannonm@awcnet.org



Six steps to affordable housing revenue

1 Is your city interested in accessing additional funding to support affordable housing for the next 20 years?



All projects must serve households with incomes at or below 60% Area Median Income (AMI). Is the city's population more than 100,000?

2 Does your city levy a "qualifying local tax"?

What's a "qualifying local tax"?



Can your city adopt a "qualifying local tax" by July 31, 2020, including ballot measure?



Your city is still eligible to participate in the program. Go to Step 3 to continue.

All of the options for cities over 100,000, plus rental assistance to tenants.

- 1. Affordable housing levy (RCW 84.52.105)
- OR
- 2. Sales and use tax for housing and related services (RCW 82.14.530). Must impose at least half of the authorized rate.
- OR
- 3. Sales tax for chemical dependency and mental health services or therapeutic courts (RCW 82.14.460).
- OR
- 4. Levy (property tax) under RCW 84.55.050, if used solely for affordable housing.

3 The law requires a resolution of intent to impose the tax credit. Can your city **adopt a resolution of intent** between July 28, 2019 and January 31, 2020?



Unfortunately, your city is no longer eligible to participate in the program.

- Acquiring, rehabing, or constructing affordable housing. Includes new units within an existing structure or supportive housing facilities under RCW 71.24.385. Consider bonding, land acquisition, direct capital investment down payment assistance, and rehabilitation of single-family homes owned by individuals who meet the 60% AMI qualification.
- OR
- Funding the operations and maintenance costs of new units of affordable or supportive housing.

4 Great! Next, your city must **adopt an ordinance** by July 27, 2020 to levy the maximum tax under **HB 1406**. Did you or will you?



Important dates:

- Resolution to levy tax credit: July 28, 2019 – January 31, 2020
- Ordinance to levy the tax credit: By July 27, 2020
- Adopt "qualifying local tax" (optional): By July 31, 2020
- See also **Additional timelines to keep in mind** on the back

5 Great! Now let's find out what your maximum tax rate is. Did your city instate a "qualifying local tax" by the deadline – July 31, 2020? A "qualifying local tax" is not required but can increase your tax credit.



Did your county levy its share of the tax credit?



If the county declared they will not levy the tax or have not adopted a resolution of intent by February 1, 2020, your city's tax rate will be 0.0146%. (See **Important Dates**.)

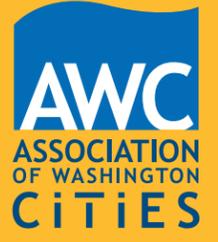
6 Was your city levying the "qualifying local tax" before you instated the tax credit under **HB 1406**?



Your tax credit rate is 0.0073% starting on the date the tax credit is levied. (See **Important Dates**.)

Your tax credit rate is 0.0146% starting on the date the tax credit is levied. (See **Important Dates**.)

Until July 1, 2020, your tax credit rate is 0.0073% starting on the date the tax credit is levied. (See **Important Dates**.) After July 1, 2020, your tax credit rate is 0.0146%.





July 10, 2019
SCA PIC Meeting

Item 09:
Levies and Ballot Measures in King County
UPDATE

SCA Staff Contact

Brian Parry, Policy Director, brian@soundcities.org, (206) 499-4159

Discussion

This is a monthly item on the PIC agenda to share information on recent and upcoming local levies and ballot measures in King County. Items identified as “potential future ballot measures” are under consideration or reflect potential renewal of an existing levy but have not been approved to be placed on the ballot and may not ultimately move forward.

Potential Future Ballot Measures – SCA Cities

Year	Month	Jurisdiction	Measure
2019	Nov.	Shoreline	Community Aquatics Center bond measure
2020		Kirkland	Fire Services and Capital Levy

Future Ballot Measures – Countywide

Year	Month	Jurisdiction	Measure
2019	August	King County	Regional Parks Levy. Six-year, \$810 million levy. Estimated at 18.3-cents per \$1,000 of assessed value.
2019	August	Seattle Public Library	Operations Levy. Seven-year, \$213 million levy to fund operations and maintenance.
2019	August	Evergreen Health	Capital Bonds. \$345 million, 30-year bonds to fund enhancements to the medical center campus. Estimated at 18-cents per \$1,000 of assessed value.*
2019	August	Puget Sound Regional Fire	Levy for fire protection and emergency medical services. Authorizes levy of \$1.00 per \$1,000 of assessed value.

*Requires 60% yes vote and a minimum turnout of 56,283 voters

Potential Future Ballot Measures

Year	Month	Jurisdiction	Measure
2019	Nov.	King County	Medic One/EMS Levy. Six-year, \$1.1 billion levy. Proposed levy rate of 26.5-cents per \$1,000 of assessed value beginning in 2020.
2020		King County Library System	Operations Levy
2020		Seattle	Transportation Benefit District Renewal
2021		King County	Best Starts for Kids Renewal

Next Steps

Please share this information with your city and provide information on upcoming elections in your city to SCA Policy Director Brian Parry at brian@soundcities.org or 206-499-4159.



July 10, 2019
SCA PIC Meeting

Item 10:
Potential Upcoming SCA Issues
UPDATE

SCA Staff Contact

Brian Parry, Policy Director, brian@soundcities.org, (206) 499-4159

Update

This is an ongoing, monthly PIC item noting issues that SCA members have asked to be brought to the PIC.

Potential Issues

Throughout the year, issues brought forward by SCA members are tracked in this ongoing, monthly agenda item and may be taken up by the PIC through workshops, briefings and discussion items, and as action items.

The following issues have been identified as topics for potential workshops or briefings in 2019:

- Homelessness and the impacts of the *Martin v. City of Boise* decision
- Addressing toxic social media
- Equity and inclusion

If you or your city has additional items to be added to the list of potential upcoming SCA issues, or items to suggest for future trainings or workshops, please contact SCA Policy Director Brian Parry, brian@soundcities.org or 206-499-4159.