



**SCA Public Issues Committee  
AGENDA**

**September 11, 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 – July 10, 2019 Meeting](#) 2 minutes  
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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 Regional Committees](#) 15 minutes  
ACTION  
Page 15  
Brian Parry, Policy Director
7. [VISION 2050 Guiding Principles](#) 15 minutes  
ACTION  
Page 18  
Brian Parry, Policy Director
8. [Proposed King County Regional Homelessness Authority](#) 15 minutes  
DISCUSSION/POTENTIAL FUTURE ACTION  
Page 30  
Deanna Dawson, Executive Director
9. [Affordable Housing](#) 15 minutes  
DISCUSSION  
Page 56  
Brian Parry, Policy Director
10. [SCA 2020 Legislative Agenda](#) 10 minutes  
DISCUSSION  
Page 66  
Brian Parry, Policy Director
11. [Domestic Violence Awareness Month](#) 5 minutes  
DISCUSSION  
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Cynthia Foley, Policy Analyst

12. [I-976](#)  
UPDATE 5 minutes  
Page 75  
Brian Parry, Policy Director

13. [Levies and Ballot Measures in King County](#)  
UPDATE 5 minutes  
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Brian Parry, Policy Director

14. [Potential Upcoming SCA Issues](#)  
UPDATE 5 minutes  
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Brian Parry, Policy Director

**15. Informational Items**

- a. [King County Clean Water Plan](#)  
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**16. Upcoming Events**

- a. 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
- b. SCA Public Issues Committee – Wednesday, October 9, 2019 – 7:00 to 9:00 PM (6:00 PM Pre PIC Workshop on Social Media) – Renton City Hall
- c. SCA Partner Forum with Seattle/King County Building Trades (topic: Community Workforce Agreements) – Wednesday, October 23, 2019 – 11:30 AM – Local 32, Renton
- d. SCA Networking Dinner (guest speakers SCA Past Presidents Mayor Ken Hearing, Mayor Denis Law, and Mayor John Marchione, sponsor Sound Transit) – Wednesday, October 30, 2019 – 5:30 to 8:00 PM – Renton Pavilion Event Center
- e. SCA Public Issues Committee – Wednesday, November 13, 2019 – 7:00 to 9:00 PM (6:00 PM Pre PIC Workshop on *Martin v. City of Boise* decision and implications for cities) – Renton City Hall
- f. SCA Partner Forum with CenturyLink (topic: infrastructure and economic development) – Thursday, November 21, 2019 – 3:00 PM – location to be determined
- g. SCA Annual Meeting (guest speaker University of Washington President Ana Mari Cauce, sponsor Comcast) – Wednesday, December 4, 2019 – 5:30 to 8:00 PM – Renton Pavilion and Event Center
- h. SCA Public Issues Committee – Wednesday, December 11, 2019 – 7:00 to 9:00 PM (6:00 PM SCA Board Elections) – Renton City Hall

**17. For the Good of the Order**

**18. 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

### DRAFT MINUTES

July 10, 2019 – 7:00 PM

Renton City Hall

1055 S Grady Way, Renton WA 98057

#### 1. Welcome and Roll Call

PIC Chair Council President Ed Prince, Renton, called the meeting to order at 7:01 PM. 23 cities had representation ([Attachment A](#)). Guests present included Councilmember John Holman, Auburn (PIC Alternate); Council President Angela Birney, Redmond (PIC Alternate); Deputy Mayor Jay Arnold, Kirkland (PIC Alternate); Mayor Debbie Bertlin, Mercer Island; Councilmember Stanley Tombs, SeaTac; Colleen Kelly, City of Shoreline staff; Alex Herzog, City of Woodinville staff; Doug Levy, City of Renton consultant; Tom Goff, King County Council staff; Erica Harris, PSRC staff; Sarah Stiteler, City of Redmond staff.

#### 2. Public Comment

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

#### 3. Approval of the June 12, 2019 PIC Minutes

Chair Prince asked if there were any amendments to the June 12, 2019 PIC minutes as included in the agenda packet. **Councilmember Hank Margeson, Redmond, moved, seconded by Councilmember James McNeal, Bothell, to approve the June 12, 2019 minutes. The motion passed unanimously.**

#### 4. Chair's Report

Chair Prince reminded members to RSVP for PIC meetings and to let staff know whether they need a printed copy of the PIC agenda packet. Prince also reminded members that the August PIC meeting is cancelled. Prince said that he would be rotating out of the PIC chair position in 2020. He noted that current PIC Vice Chair Christie Malchow was interested in serving as Chair for 2020, and asked members to consider running for PIC-Vice Chair. He especially encouraged South and South Valley members to consider serving

#### 5. Executive Director's Report

SCA Executive Director Deanna Dawson reported on upcoming SCA Networking Dinners and the SCA Annual Meeting. There will be an SCA Networking Dinner on Wednesday, July 31, 2019 at the Renton Pavilion and Event Center. The guest speaker is Greater Seattle Partners CEO Brian McGowan and the sponsor is Boeing. There will be an SCA Networking Dinner on Wednesday, September 25, 2019 at Embassy Suites Tukwila. The guest speaker is Commissioner of Public Lands Hilary Franz and the sponsor is Foster Pepper. There will be an SCA Networking Dinner on Wednesday, October 30, 2019 at the Renton Pavilion and Event Center. The guest speaker is to be determined and the sponsor is Sound Transit. The SCA Annual Meeting will take place

Wednesday, December 4, 2019 at the Renton Pavilion and Event Center. All SCA Networking Dinners and the Annual Meeting are from 5:30 to 8:00 PM.

Dawson provided an update about ongoing discussions to reform the region's homeless response system and governance model. SCA is working with King County to schedule a meeting to be held with representation from all cities to discuss proposals under consideration.

Dawson said that work is ongoing with Challenge Seattle and Microsoft to implement the call to action to address the need for affordable middle-income housing in the region.

Dawson introduced King County's new Municipal Relations Manager, Tom Goff, as a guest at the meeting.

Dawson said that SCA is in the process of hiring to fill a vacant Policy Analyst position and expects to be back to full staffing in the coming weeks.

## **6. King County Charter Review**

SCA Policy Director Brian Parry reported on a potential King County Charter amendment proposal under consideration by the Charter Review Commission to consolidate the three charter-established regional committees: the Regional Policy Committee, the Regional Transit Committee, and the Regional Water Quality Committee. He said the proposal was brought forward by members of the county council during the Commission's public outreach process and that the Commission has asked for input from SCA to inform its deliberations.

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.

SCA staff proposed the following draft policy position for PIC to provide feedback and to consider taking action on at its next meeting on September 11, 2019:

*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.*

Parry said the proposed policy position is still in draft form and that SCA is seeking input from PIC as well as members of the three charter regional committees. A revised version of the policy statement reflecting that input will be sent to PIC members well in advance of the September PIC meeting so that members have time to review with their respective councils.

SCA Executive Director Deanna Dawson noted that a meeting of the Commission is scheduled for September 25, and that SCA could offer testimony at that meeting if a position is adopted.

Mayor David Baker, Kenmore, said that he is troubled by the suggestion to dissolve any of the charter regional committees. He said he would like SCA to make a loud and clear statement of support for the committees as currently described in the King County Charter.

Deputy Mayor Austin Bell, Burien, said the SCA caucus to the Regional Policy Committee discussed the proposal and is strongly opposed to consolidating the regional committees.

Councilmember Toby Nixon, Kirkland, noted that he serves on the Charter Review Commission and was tasked with doing outreach to SCA about regional collaboration and the regional committee structure. He said the Commission is looking for information and has not taken a position on the proposal. He said SCA providing clear feedback will be very helpful to Commission members.

Councilmember Hank Margeson, Redmond, said that he agreed with Mayor Baker about the importance of sending a strong message of support for the regional committees. He said the County Council should better utilize the committees to provide a voice to cities in regional policymaking. He noted the King County Charter calls for the committees to have the power to “develop, propose, review and recommend action” on ordinances and motions affecting regional plans and policies within the subject matter of each committee. He said too often the committees are not included in the development of policy as prescribed in the charter and only brought in late in the process to review a final proposal. He said each committee adopting rules of procedure could provide for a more efficient process, but that a charter amendment is not necessary to achieve that goal if the charter is followed as written. In response to a request from Councilmember Nixon, Margeson said that he would ask City of Redmond staff to work with SCA to include additional language in the proposed policy statement about the importance of cities having a voice in regional policy development and decision-making.

Mayor Sean Kelly, Maple Valley, said that SCA should include background on the work of the regional committees in any testimony or letter to help educate members of the Commission who may not be as familiar with how they function.

Councilmember Benson Wong, Mercer Island, said that a recent meeting of the Regional Water Quality Committee was the best meeting in many months because it was truly a working meeting to include city input rather than just briefings about ongoing work. He said he hoped this will continue into the future.

Councilmember Sue-Ann Hohimer, Normandy Park, asked if there are any issues or concerns related to which topics are brought before the regional committees. Councilmember Margeson

said that at times there have been concerns that issues that should go before the committees are not referred to them by the County Council as expected.

**Councilmember Toby Nixon, Kirkland, moved, seconded by Mayor Sean Kelly, Maple Valley, to bring back to PIC for consideration at its September 11, 2019 meeting the proposed policy statement related to charter regional committees as amended by SCA staff. There was no discussion. The motion passed unanimously.**

## **7. VISION 2050**

SCA Policy Director Brian Parry reported on ongoing work by the PSRC Growth Management Policy Board (GMPB) to update and 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 in local comprehensive plans to maintaining and improving quality of life.

In June, PIC was briefed on comments provided by SCA cities related to the update to VISION 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.

Parry said PSRC is expected to release a full draft update to VISION on July 19 for a 60-day comment period. SCA staff drafted a proposed statement of guiding principles for PIC consideration ([Attachment B](#)) that could be recommended as feedback for SCA representatives on the GMPB, or as the basis for any comment letter signed on behalf of SCA. King County has proposed working through the King County Growth Management Planning Council (GMPC), which includes representatives of SCA, to develop and submit a joint comment letter. Feedback on the proposed guiding principles will help inform the work of members on GMPC and, based on the content of the proposed GMPC letter, PIC may consider recommending SCA sign-on to that letter rather than (or in addition to) adopting a separate statement of principles at the September 11, 2019 PIC meeting.

Parry said the proposed statement of guiding principles is an initial proposal 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. He encouraged members to discuss the proposed principles with their city councils and staff and to provide any feedback or proposed changes. He noted that the GMPC will be meeting on July 24, and that any feedback before that meeting would be especially helpful. A revised version of the guiding principles based on any feedback received will be provided in August to provide additional time to review in preparation for the September PIC meeting.

Parry noted that the 60-day PSRC comment period is expected to end on September 16, which is after the September 11 PIC meeting but is two days before the September SCA Board meeting. He said that staff are working on how to address the timing of submitting comments, but that regardless of whether PIC made a formal recommendation in September or determined to continue developing feedback, those discussions would help inform SCA members of the GMPB and GMPC as they engage with other regional partners.

Chair Prince recognized Mayor Debbie Bertlin, Mercer Island, who is a member of the GMPC and a guest at the PIC meeting. Bertlin said the GMPC would be meeting on July 24 and that hearing feedback from SCA cities is really important so that she and other SCA members are able to represent those interests.

Councilmember Hank Margeson, Redmond, said that he agrees with the direction of the draft guiding principles and recommended bringing them back to the September PIC meeting for adoption.

**Councilmember Hank Margeson, Redmond, moved, seconded by Councilmember Barre Siebert, Clyde Hill, to bring back to PIC for consideration at its September 11, 2019 meeting the proposed policy statement ([Attachment B](#)), as amended by SCA staff.**

Chair Prince asked if there was any discussion.

Councilmember Tola Marts, Issaquah, noted that he is an SCA member on the GMPC and said that he is concerned that GMPC may be asked to take action on a joint letter before the full SCA membership has had a chance to develop a formal policy position. Parry said the GMPC would be asked at its July 24 meeting only to direct staff to develop a joint comment letter. He said the proposed comment letter would be provided to PIC well in advance of the September 11 PIC meeting for member feedback. He said the PIC could provide feedback for GMPC members related to the joint letter in September, but acknowledged the timeline is challenging.

**There was no further discussion. The motion passed unanimously.**

## **8. HB 1406 State Sales Tax Credit for Affordable Housing**

SCA Policy Director Brian Parry reported on HB 1406, a bill approved during the 2019 legislative session to provide cities and counties with a new source of funds for affordable housing and supportive services. The funding comes from a credit against the state share of the sales tax, meaning it provides funding to cities and counties without any increase in the amount of taxes being paid by the consumer.

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.

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” prior to July 31, 2020. 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. The City of Seattle is the only city in King County that has a qualifying local tax currently in place. 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. Parry noted that approximate annual revenues by city, based on 2017 sales figures, can be found in the PIC Packet on [page 24](#).

Qualifying local taxes include:

- 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.

Parry noted the process to accept the tax credit can be confusing, and encouraged members to utilize a helpful [HB 1406 overview created by the Association of Washington Cities](#).

Parry encouraged PIC members 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.

Deputy Mayor Austin Bell, Burien, said the tax credit is on an upcoming city council agenda and that they will be considering partnering with other cities through the South King Housing and Homelessness Partners ([SKHHP](#)).

Mayor David Baker, Kenmore, said the tax credit is on an upcoming city council agenda and that the city is considering partnering with other cities through A Regional Coalition for Housing ([ARCH](#)).

Councilmember Hank Margeson, Redmond, said the Redmond city council recently discussed the tax credit and that they are considering options including partnering with ARCH or bonding against the funds.

Mayor Nancy Backus, Auburn, said that the Auburn city council would be discussing the tax credit and that she is supportive of partnering with SKHHP.

Councilmember Margeson said that cities have a July 2020 deadline to impose a qualifying local tax if they wish to collect the full amount of the credit rather than a share being collected by the county. Colleen Kelly, Shoreline staff, noted that the qualifying local tax sources cities are eligible to implement would require a ballot measure.

Councilmember Janice Zahn, Bellevue, thanked staff for providing information about HB 1406 and said that she supports partnering with each other to determine the best ways to utilize the credit.

Councilmember Sue-Ann Hohimer, Normandy Park, asked what cities with very small sales tax credit amounts could do to best utilize those funds. SCA Executive Director Deanna Dawson said that cities with smaller credit amounts may benefit from partnering with groups like ARCH, SKHHP, the King County Housing Authority, or King County to leverage their funds. Cities have the option to pass a resolution of intent by the end of January 2020 to ensure they collect the funds and then can enter into an agreement with other cities or regional organizations at a later date directing how those funds are spent.

Mayor Backus noted that jurisdictions are authorized under the law to collect the funding over multiple years if they would like to save for a project that could not be adequately supported by funding from a single year.

### **9. Levies and Ballot Measures in King County**

SCA Policy Director Brian Parry reported on future levies and ballot measures in King County. He noted several bond and levy measures that will be considered by voters during the August 2019 election, including: 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 also highlighted that the City of Shoreline is discussing potentially going to voters with a Community Aquatics Center bond measure in November 2019. Dawson noted that King County METRO has indicated that a levy to support the METRO CONNECTS plan may be considered in 2020 or 2024.

### **10. Potential Upcoming SCA Issues**

SCA Executive Director Deanna Dawson reported that a pre-PIC workshop is scheduled for November concerning the impact of the *Martin v. City of Boise* decision on city homelessness policies. SCA is also working on pre-PIC workshops related to equity and inclusion, and on best practices related to city and elected official use of social media.

### **11. Upcoming Events**

Chair Prince said there will be an SCA Networking Dinner on Wednesday, July 31, 2019 at the Renton Pavilion and Event Center. The guest speaker is Greater Seattle Partners CEO Brian McGowan and the sponsor is Boeing. There will be an SCA Networking Dinner on Wednesday, September 25, 2019 at Embassy Suites Tukwila. The guest speaker is Commissioner of Public Lands Hilary Franz and the sponsor is Foster Pepper. There will be an SCA Networking Dinner on Wednesday, October 30, 2019 at the Renton Pavilion and Event Center. The guest speaker is to be determined and the sponsor is Sound Transit. The SCA Annual Meeting will take place Wednesday, December 4, 2019 at the Renton Pavilion and Event Center, with sponsor Comcast. All SCA Networking Dinners and the Annual Meeting are from 5:30 to 8:00 PM.

Chair Prince said the next PIC meeting will be held on September 11, 2019 at 7:00 PM at Renton City Hall (pre-PIC workshop at 6:00 PM).

### **12. For the Good of the Order**

Councilmember Hank Margeson, Redmond, invited members to come out to the [79<sup>th</sup> Annual Redmond Derby Days](#) summer festival on July 12 and 13.

Councilmember James McNeal, Bothell, invited members to participate in the [2019 Wellness Walk for Black Men's Health](#) on July 20 at Renton Memorial Stadium. The annual event is part of the National African American Male Wellness Initiative to empower black men through awareness and free health screenings to take charge of their health. The Wellness Walk was first launched in Ohio and has since expanded to six cities outside of the state, including the City of Renton. Families and community members are all encouraged to join in the event to raise awareness and address disparate health outcomes.

Councilmember Lydia Assefa-Dawson, Federal Way, said the city would be sending an advisory measure to voters asking whether the city should lift its existing moratorium on marijuana retailers.

Councilmember Janice Zahn, Bellevue, asked whether in light of recent earthquake activity on the west coast SCA should host a pre-PIC workshop on disaster preparedness. SCA Executive Director Dawson noted that a pre-PIC workshop on emergency management was held in January, but that if there was interest from members in another workshop that could be considered.

### **13. Adjourn**

The meeting was adjourned at 8:10 PM.

**Public Issues Committee Meeting  
July 10, 2019**

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



## **Attachment B:**

### **PROPOSED STATEMENT OF GUIDING PRINCIPLES REGARDING THE UPDATE TO VISION 2050**

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*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.



September 11, 2019  
SCA PIC Meeting

**Item 06:**  
King County Charter Regional Committees  
**ACTION**

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**SCA Staff Contact**

Brian Parry, SCA Senior Policy Analyst, [brian@soundcities.org](mailto: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)

**Action**

**To recommend that the SCA Board of Directors adopt a position statement related to King County Charter Regional Committees to provide to the King County Charter Review Commission.**

**Proposed Position Statement**

Shown below are A) the draft position statement as provided in the July 10 SCA PIC Packet and B) an amended draft position statement incorporating changes proposed following the July 10 PIC meeting. Both draft statements were provided to PIC members by email on August 2. SCA staff feel that both proposals are consistent in message and would provide clear feedback to the Charter Review Commission about the value of city engagement in regional decision-making.

A) *Draft Position Statement, July 10 SCA PIC Packet:*

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.

B) *Amended Draft Position Statement*

The King County Charter provides that three regional committees shall be established by ordinance to develop, recommend, and review regional policies and plans for consideration by the Metropolitan King County Council; one for transit, one for water quality, and one for other regional policies and plans. SCA supports the Charter provisions for city involvement in decision-making in regional policies and plans.

SCA members believe that regional policies and plans adopted by the Metropolitan King County Council are stronger and more effective when cities are part of the decision-making process. It is crucial to have diverse 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 with the Metropolitan King County Council how the regional committees can best be utilized to improve the committee process and resulting outcomes.

**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 requested input from SCA.

In response to the request for feedback on possible consolidation of the charter regional committees, SCA 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 voted to consider acting on a policy statement at the next PIC meeting on September 11.

Additional background can be found in the [July 10, 2019 PIC Packet](#).

### **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.

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 representation for 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.

### **Next Steps**

A draft final report of the Charter Review 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](mailto:brian@soundcities.org) or 206-499-4159.



September 11, 2019  
SCA PIC Meeting

## Item 07:

VISION 2050 Guiding Principles

### **ACTION**

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#### **SCA Staff Contact**

Brian Parry, Policy Director, [brian@soundcities.org](mailto: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)

#### **Action**

**To recommend that the SCA Board of Directors adopt the guiding principles included in [Attachment A](#) to guide the work of SCA members on the Puget Sound Regional Council Growth Management Policy Board and the King County Growth Management Planning Council as they engage with regional stakeholders to approve and implement the region's long-range plan for growth, VISION 2050.**

#### **Background**

The Puget Sound Regional Council (PSRC) recently released a [draft update](#) to the region's long-range plan for growth – VISION 2050 – for a 60-day comment period ending on September 16. At the July 10 SCA Public Issues Committee (PIC), members voted to consider adopting a statement of guiding principles related to the update to VISION 2050 at the next PIC meeting on September 11.

If approved, the principles would be used to guide the work of SCA members on the PSRC boards and the King County Growth Management Planning Council (GMPC) as they engage with county and regional stakeholders to approve and implement the updated regional plan.

The attached draft guiding principles were provided at the July 10 PIC meeting and emailed to PIC members on August 2 to solicit feedback. Additional background on the update to VISION 2050 and the proposed guiding principles can be found in the [July 10 PIC packet](#).

### **Proposed Guiding Principles**

The draft guiding principles included in [Attachment A](#) are based on comments by cities during the update to VISION 2050, feedback from staff, and PIC discussions. SCA cities providing comments during the update to VISION have broadly offered their support for focusing a significant share of future growth near transit and in compact centers at the regional level. Most noted the importance of leveraging ongoing transit investments and the benefits this provides with regard to 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.

### **Proposed Growth Management Planning Council Comment Letter**

At the July 10 PIC meeting, SCA staff noted that city and county staff to the King County Growth Management Planning Council (GMPC) were drafting a comment letter for consideration by the GMPC. SCA staff said a copy of the draft letter would be provided to cities when available to solicit feedback to support SCA representatives who serve on the GMPC. A copy of the draft GMPC comment letter was emailed to PIC members on August 28 and is included here as [Attachment B](#).

Feedback from PIC members related to the draft GMPC letter will be provided to SCA representatives on the GMPC as the body works to finalize and potentially approve the letter. The intent is for the GMPC to send a final comment letter on or before the end of the September 16 draft VISION 2050 plan comment period. The GMPC may approve the final comment letter on behalf of the full body – or, as was the case during a prior comment period on the VISION 2050 draft supplemental environmental impact statement – decide as individual members whether to include their signatures on the final letter sent to PSRC.

The draft letter offers support for the draft VISION 2050 plan while highlighting areas of emphasis for consideration at PSRC as the plan is finalized. The areas of emphasis described in the letter fall under five primary categories: accommodating growth within urban areas; advancing racial and social equity outcomes; promoting affordable housing and housing diversity; climate change, hazard mitigation, and regional open space; and, financial constraints facing jurisdictions as they work to implement VISION 2050.

### *Accommodating Growth within Urban Areas*

The draft letter highlights the emphasis in the draft VISION 2050 plan on growing in compact, urban areas with access to transit. To maintain the growth pattern envisioned in the draft VISION 2050 plan, the draft letter identifies a need for the region to develop tools to protect rural areas from development and ensure adequate infrastructure is available in urban areas.

### *Advancing Racial and Social Equity Outcomes*

The draft letter highlights the increased focus on racial and social equity in land use planning provided for in the draft VISION 2050 plan, in particular the proposal in the draft plan to develop a Regional Equity Strategy (RC-Action-3). The draft letter highlights the need for the region to develop resources for jurisdictions to use as they seek to address racial and social equity in local plans.

### *Promoting Affordable Housing and Housing Diversity*

The draft letter highlights the emphasis in the draft VISION 2050 plan to implement policies and actions to promote a variety of housing types while addressing housing affordability for all residents. PSRC is encouraged to enhance local efforts to address the region's housing affordability crisis by providing additional data and resources and supporting the work of the King County Affordable Housing Committee.

### *Climate Change, Hazard Mitigation, and Regional Open Space*

The draft letter highlights policies and actions in the draft VISION 2050 plan that increase the focus on climate change, natural hazard mitigation, and implementation of the Regional Open Space Network and Conservation Plan. For climate change, the draft letter encourages PSRC to coordinate regional greenhouse goals with those adopted by the Puget Sound Clean Air Agency and to support incorporation of emission reduction strategies in regional and local plans. For hazard mitigation, the draft letter offers support for the region to emphasize long-term resilience to natural hazards as VISION is implemented. For open space, the draft letter encourages PSRC to support work at the local level to accelerate investment in preserving open space that would mirror plans for such investments included in the King County Parks and Open Space approved by voters in August 2019.

### *Financial Constraints to Implementing VISION 2050*

The draft letter recognizes that cities and counties are constrained in their ability to implement growth management due to financial challenges to providing necessary services and infrastructure. PSRC is encouraged to further emphasize the need to address these constraints by supporting efforts to secure new local funding tools, including working to remove barriers that hinder progress for annexation and incorporation of urban unincorporated areas.

### **Next Steps**

The proposed guiding principles are an attempt from to consolidate feedback from SCA member cities during the update to VISION 2050. At the September PIC meeting, members could make a recommendation to the SCA Board of Directors, continue to revise the proposed

guiding principles, or provide feedback for SCA representatives without adopting specific guiding principles.

For more information, contact SCA Policy Director Brian Parry at [brian@soundcities.org](mailto:brian@soundcities.org) or 206-499-4159.

## Item 07 – Attachment A:

### PROPOSED STATEMENT OF GUIDING PRINCIPLES REGARDING THE UPDATE TO VISION 2050

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*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.

## Draft dated 8/26/19

Draft comment letter from the King County Growth Management Planning Council (GMPC) to the PSRC Growth Management Policy Board Chair – drafted by members of the Interjurisdictional Team, which provides staff support to the GMPC

September 16, 2019

Councilmember Ryan Mello  
Chair, Growth Management Policy Board  
Puget Sound Regional Council  
1011 Western Avenue, Suite 500  
Seattle, WA 98104-1035

Dear Councilmember Mello:

King County continues to successfully implement VISION 2040. King County has created vibrant urban centers, protected natural resource lands and rural areas, and directed public investments supporting efficient use of land by focusing the majority of growth into cities and the Urban Growth Area.

King County intends to stay on this path with VISION 2050. The county and its cities support the plan's common planning framework because it envisions a sustainable, equitable future for all our residents. The rest of the central Puget Sound region must continue this foundational work.

However, the county's success in growth management has not come without challenges. Our ability to continue on this path and to implement VISION 2050 will determine its long-term success. Local governments face financial challenges that may impede their capacity to fully implement VISION 2050. The funding structure of local governments at both the municipal and county levels must be addressed to make VISION 2050 a reality while preventing deepening racial and social inequities.

King County is overall very supportive of the Draft VISION 2050 Plan as it successfully addresses the challenges of accommodating another 1.8 million people while guiding the region to a more sustainable and equitable future. VISION 2050 can be further strengthened to adapt to a rapidly changing region as noted below.

*The growth pattern should maintain the integrity of the Urban Growth Area and prioritize cities and centers for accommodating growth.*

Guided by the state Growth Management Act, King County and the cities have for the past 25 years accommodated nearly all new housing and jobs in cities and designated centers within the Urban Growth Area. This is a pattern that can be achieved regionally as the region builds out its high-capacity transit system.

Draft VISION 2050 Plan policies and actions significantly advance this approach to managing growth. The Transit Focused Growth alternative anticipates the best environmental outcomes across a range of areas including health, climate change, housing, and transportation if displacement risk for communities most in need is addressed. The additional policy proposals below emphasize the plan's approaches for concentrating new development, providing for locally-tailored growth targets and implementation, and discouraging growth in rural areas not served by transit:

*Additional Growth Pattern Policy Proposals:*

- The adopted Regional Growth Strategy should mirror the Transit Focused Growth alternative in all four counties by reducing allocated population growth in rural and unincorporated urban areas lacking high capacity transit; in areas where residential development results in significant negative impacts to transportation and the environment; and in areas where such growth would increase pressure on the existing UGA boundary;
- Include strong support for tools that can encourage housing and employment growth consistent with the Regional Growth Strategy. These tools include transfer or purchase of development rights, infrastructure policies, land use regulations, and economic incentives;
- Provide for countywide processes to set locally tailored growth targets that are consistent with the Regional Growth Strategy in VISION 2050 and coordinated across the region; and
- Land use plans should take into account impacts on other public systems, including infrastructure and school capacity, and be coordinated with policies that support concurrent investments to meet the needs of growing communities.

*VISION 2050 should advance racial and social equity outcomes as a cornerstone principle of the plan.*

Achieving VISION 2050 depends on continuing to dismantle inequitable land use patterns that constrain quality of life for communities of color, Native and Indigenous peoples, low-income households, and immigrants and refugees. Policies and implementation strategies should be rooted in achieving equitable health, housing, economic, and environmental outcomes for all residents. Equity issues are also addressed in the housing, climate change, and hazards themes further in the letter.

Draft VISION 2050 Plan policies and actions are positioned to significantly advance this issue. The proposal to develop the Regional Equity Strategy, as called-for in RC-Action-3, is a start to moving the region to a more equitable

future. The policy proposals below emphasize the plan's approaches to acknowledging ancestral lands, creating opportunities, reducing disparities, and mitigating displacement:

*Additional Equity Policy Proposals:*

- Ensure that communities and places most negatively impacted by racial and social inequities hold power and meaningfully influence regional policies and plans that integrate their perspectives, concerns, solutions and values to drive progress on racial and social equity;
- Continue to work on displacement risk and opportunity mapping; monitor, assess and promote strategies for community stabilization and neighborhood business retention;
- Conduct and make widely available for jurisdictional use, a baseline assessment of distributional equity at region-wide, countywide, and municipal scales that includes how equitably opportunities and burdens are distributed and contribute to equitable social, economic, health, and environmental outcomes;
- Establish a monitoring program to measure progress toward racial and social disparity reduction; and
- Develop an equity impact tool for evaluating PSRC board and work decisions.

*VISION 2050 should allow for a variety of housing types while addressing housing affordability for all residents, especially for those in the lowest income categories.*

Increased attention on affordable housing and housing diversity is a crucial part of achieving inclusive growth. Intentional action on housing affordability is necessary to ensure that people are not pushed out of the region as housing prices continue to rise.

Draft VISION 2050 Plan policies and actions significantly enhance the approach to this issue. The additional policy proposals below will emphasize the plan's focus on low- and very-low-income households, preserving long-term affordable housing options, reducing households' cost burden, and supporting interjurisdictional cooperation:

*Additional Housing Policy Proposals:*

- Ensure equitable housing accessibility to jobs matches anticipated wages. Jurisdictions should be encouraged to consider expected incomes from current and future jobs as they conduct housing planning activities;
- The Regional Growth Strategy should quantify the need for affordable housing that will eliminate cost burden and racial disproportionality in cost burden for all economic segments of the population, including those earning

- at or below 80 percent of Area Median Income throughout the region. This will provide necessary structure and focus to regional affordable housing discussions; and
- King County invites PSRC to work with the King County Growth Management Planning Council's newly-launched Affordable Housing Committee in implementing Regional Housing Strategy H-A-1. This countywide advisory body recommends actions and assesses progress toward implementation of the countywide Regional Affordable Housing Task Force Five-Year Action Plan. The Committee provides coordination and accountability for affordable housing efforts across King County.

*VISION 2050 should reduce greenhouse gas emissions, address hazard mitigation, and promote regional open space.*

*Climate change* is a paramount challenge. It has far-reaching consequences for our communities, in particular our most vulnerable populations, including higher temperatures, rising seas, decreasing mountain snowpack, and less streamflow during summer months.

Draft VISION 2050 Plan policies and actions move us toward meeting our climate change goals and significantly increase the focus on climate change, emphasized by the new chapter. These additional policy proposals below will emphasize the collaborative work of King County, its fifteen partners representing more than 1.6 million residents, and the Port of Seattle, in the King County-Cities Climate Collaboration (K4C) to coordinate and enhance effective local government climate and sustainability action:

*Additional Climate Policy Proposals:*

- Specify numeric goals for reduction of emissions of greenhouse gases in the climate change goal statement by using the adopted targets of the Puget Sound Clean Air Agency;
- Address the impacts of climate change on sea-level-rise, with its costly consequences for marine shoreline communities and counties;
- Acknowledge that the right land use pattern and the built environment approach can be major factors in addressing climate change as both mitigation and adaptation strategies;
- Expand the Four-Part Greenhouse Gas Strategy, as called-for in CC-Action-1, to include the emissions footprint associated with energy use by residential and commercial buildings, supporting infrastructure, and public facilities;
- Aggressively implement the Four-Part Greenhouse Gas Strategy to ensure these actions are incorporated into all regional plans;

- Expand CC-Action-3 to include more than greenhouse gas emissions from the transportation sector and encompass the built environment comprehensively; and
- Incorporate policies and activities related to climate preparedness that reduce climate change impacts on cities and counties, especially for those whose risk and vulnerability is greatest.

*Hazard mitigation* is an important regional issue that should receive greater consideration in VISION 2050. Natural hazards do not respect jurisdictional boundaries and have the potential to greatly affect the region.

Draft VISION 2050 Plan policies and actions significantly enhance the approach to this issue. The additional policy proposals below will emphasize the Draft Plan's focus on long-term resilience to natural hazards including earthquakes; reducing vulnerabilities and prioritizing investments for residents who are most vulnerable; and engaging in regional resilience planning:

*Additional Hazards Policy Proposals:*

- Identify the need for investment in building a base level of resilience throughout the region, including investments in reducing risks to buildings and public infrastructure, especially for those whose vulnerability is most acute; and
- Ensure that the built environment, both new and existing, across the region is resilient to natural hazards, particularly earthquakes and flooding.

*Open space* is well addressed in the Draft VISION 2050 Plan, identifying, preserving and enhancing regional open space networks. These additional policy proposals below will emphasize implementation of the Regional Open Space Network and Conservation Plan:

*Additional Open Space Policy Proposals:*

- Encourage the acceleration of open space protection and creation by local governments, prioritizing areas with higher racial and social inequities, in light of the rapid growth expected in the region. This will save significant funding over the long term and ensure that the region's most vital conservation lands are protected before they are lost to development or priced out of reach to local governments; and
- Add an action directed at local governments stating that counties and cities should work together to develop a 30-year funding strategy and action plan. King County is now working on this approach with the recent passage of the Parks and Open Space levy, accelerating the pace of open space protection in the Regional Open Space Conservation Plan.

*VISION 2050 should address the financial constraints facing counties and municipalities implementing VISION 2050.*

King County's successful growth management implementation has come with fiscal challenges. Current revenue sources to implement VISION 2050 are insufficient to support necessary planning efforts and infrastructure improvements and preservation across all jurisdictions. The ability to have a stable funding source for the rural area and primarily residential communities has been compromised. Annexations and incorporations along with limited funding sources have led to inequitable impacts to communities as well as financial concerns for both the county and cities.

Draft VISION 2050 Plan policies and actions increase focus on the financing challenges facing local governments. These additional policy proposals below will emphasize the Draft Plan's approaches to funding regional growth and manufacturing/industrial centers; directing subregional funding; aligning housing funding with centers; exploring new funding for planning to implement the Regional Growth Strategy and for infrastructure improvements and services; and joint planning for urban unincorporated areas:

*Additional Public Financing Policy Proposals:*

- Consider a new policy calling for support for local and regional efforts to develop state legislation to provide new fiscal tools to support local and regional planning and to support infrastructure improvements and services;
- Add state funding mechanisms to the sources of funding to explore for achieving the regional vision and implementing the Growth Management Act;
- Provide a policy basis for regional collaboration to work with the Washington State Legislature to secure additional annexation and incorporation funding;
- Modify RC-Action-5 to include funding for local and regional implementation planning and adding schools to the list of areas needing funding;
- Modify DP-Action-6 to add that PSRC will support local and regional efforts to develop state legislation to remove barriers that hinder progress for annexation and incorporation.

**Item 08:**

Proposed King County Regional Homelessness Authority

***DISCUSSION/POTENTIAL FUTURE ACTION***

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**SCA Staff Contact**

Deanna Dawson, Executive Director, [deanna@soundcities.org](mailto:deanna@soundcities.org), (206) 495-3265

**Executive Leadership Group Members**

Mayor Nancy Backus, Auburn; Mayor John Chelminiak, Bellevue; Council President Ed Prince, Renton

**Regional Policy Committee members**

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

**Discussion**

In May of 2018, King County Executive Dow Constantine and Seattle Mayor Jenny Durkan signed a Memorandum of Understanding (MOU) between the City of Seattle and King County to increase collaboration on homelessness services. On September 4, 2019, they transmitted legislation to their respective councils that would charter a King County Regional Homelessness Authority, along with companion legislation that authorizes the Executive to execute an Interlocal Agreement (ILA) with cities across King County.

The proposed form of the Regional Homelessness Authority would be a Public Development Authority (PDA). Under the current proposal, the PDA’s scope of work would be homelessness crisis response. The PDA would be governed by a board of subject matter experts. There is also proposed to be a “Steering Committee” of elected officials as well as members with lived experience with homelessness. The Steering Committee would have authority to confirm the Governing Board, confirm or reject 5-year plans to address homelessness, confirm the budget proposed by the Governing Board, and receive an annual performance report.

At the September 11, 2019 PIC meeting, members will have an opportunity to weigh in on whether they support the creation of a Regional Homeless Authority, and to give feedback on the proposed charter of the proposed PDA, including the role of SCA member cities in such an entity. PIC and the SCA Board will also determine whether to adopt a formal position on the proposed entity.

**Background**

A number of reports have identified the fractured nature of the current system as a barrier to addressing homelessness in King County. For example, a 2018 King County Auditor’s report noted that

“...[D]iffuse authority still hinders regional homeless response. Separate funding and contracting processes burden homeless housing providers, and funder autonomy slows programmatic changes that would respond to community needs. ... All Home lacks the authority to unify local funders into an efficient and nimble crisis response system.” The 2016 “Poppe Report” noted that “All stakeholders view the current approach to meeting the crisis needs of homeless families as fragmented and siloed.”

In May of 2018, King County Executive Dow Constantine and Seattle Mayor Jenny Durkan signed a Memorandum of Understanding (MOU) between the City of Seattle and King County to increase collaboration on homelessness services. The PIC was first briefed on the proposal to create a unified entity to address homelessness in November 2018 and has received regular updates at PIC meetings since that time.

In 2018, the City of Seattle, King County, and All Home retained National Innovation Service (NIS) to analyze the current homeless response system and to make recommendations for improvement. Simultaneously, philanthropic leaders in the region retained Corporation for Supportive Housing (CSH) to develop a [Regional Action Plan \(RAP\)](#). (The RAP has not yet been released.)

Between October and December 2018, an “Executive Leadership Group” (ELG), which included King County Executive Dow Constantine, Seattle Mayor Jenny Durkan, Bellevue Mayor John Chelminiak, Auburn Mayor Nancy Backus, and Renton City Council President Ed Prince, along with representatives from the business and philanthropic community, convened three times to discuss regional homelessness governance.

On December 14, 2018, NIS identified actions to improve the region’s response to the homelessness crisis, including a recommendation to consolidate the region’s investments and efforts to address homelessness into a new agency. Following the NIS release in December 2018, Mayor Durkan and Executive Constantine expressed support for moving ahead with consolidation. SCA’s ELG representatives, however, indicated SCA would need more information about a new agency and governance board before it could support consolidation.

SCA staff presented the NIS findings at the January 2019 PIC meeting, which can be found in the [January 9, 2019 PIC packet](#), and also provided an update on related activities at the [March 13](#), [April 9](#), [May 8](#), and [June 12, 2019](#) PIC meetings.

More recently, the County Council formed its own working group on this topic, consisting of King County Councilmembers Jeanne Kohl-Welles, Dave Upthegrove, Rod Dembowski, and Joe McDermott. That group has hosted three discussions with SCA members Backus, Prince, and Chelminiak, and Seattle City Councilmembers Sally Bagshaw, Mike O’Brien, and Teresa Mosqueda, most recently on September 4, 2019.

SCA and King County Department of Community and Human Services (DCHS) hosted a briefing for all SCA member cities on this proposal on July 30, 2019. At that time, DCHS staff provided a PowerPoint presentation summarizing the proposal for SCA members. Members gave feedback expressing general support for working together as a region to address homelessness. Members also gave feedback about

the need for sub-regional planning to address the different needs of communities throughout the County, and a robust role for elected policy makers in the governance structure.

The Regional Policy Committee (RPC) has been briefed on this proposal three times since June 2019, most recently on August 21, 2019. At the most recent meeting, SCA members on the RPC gave feedback on the proposal. Their feedback was consistent with the feedback given at the July 30, 2019 meeting. RPC members also stressed the need to allow time for all SCA cities to give feedback on the proposal.

In the past two weeks, Executive Office staff met with several cities on the proposal. The cities of Renton and Kirkland have provided formal comment on the proposal via letter (see [Attachment A](#) and [Attachment B](#)). Both cities were generally supportive of the concept of a unified regional response system. Additional feedback from both cities included the need for additional representation from SCA cities, noting the need for sub-regional representation.

On September 4, 2019, the King County Executive and Seattle Mayor transmitted [legislation](#) to their respective councils that would charter a King County Regional Homelessness Authority, along with [companion legislation](#) that authorizes the Executive to execute an Interlocal Agreement (ILA) with cities across King County. The transmittal letter accompanying the legislation is attached as [Attachment C](#).

The Executive and Mayor of Seattle also held a press conference on September 4, 2019 to roll out the proposed legislation. Many SCA elected officials were invited to participate. Auburn Mayor Nancy Backus spoke at the press conference in support of prioritizing sub-regional planning, and noted that more work needed to be done on the legislation to address the issues raised to date by cities. The news release is attached as [Attachment D](#).

More detailed information on the proposal, and on the NIS consultant work that led to the proposal, can be found at [www.regionalhomelessssystem.org](http://www.regionalhomelessssystem.org).

King County Councilmember Reagan Dunn published an [Op Ed in the Seattle Times](#) critical of the proposal. He has proposed a Regional Summit of elected officials to review the proposed regional governance structure prior to any action by the King County Council. See [Attachment E](#).

## **Discussion**

As noted above, the King County Executive and Seattle Mayor transmitted legislation to their respective councils on September 4, 2019 with a proposed Interlocal Agreement and proposed Charter for a King County Regional Homeless Authority. A summary of the proposal can be found in [Attachment F](#).

The Charter:

- Creates the Regional Authority as a PDA
- Establishes a perpetual PDA (unless terminated)
- Lays out the purpose, scope, and powers of the PDA

- Creates a governing structure (see below for more detail)
- Identifies key officers and staff

The ILA:

- Contains a statement of purpose
- Includes an agreement for the County to charter the PDA
- Lays out eligible parties (in addition to Seattle and King County, eligible parties would include cities, housing authorities, and “other public entities located within King County”)
- Includes principles to guide the PDA
- Contains a description of Steering Committee, Governing Board, and Advisory Committee(s)
- Provides initial agreements for provision of funding
- Contains an agreement on obligations of the PDA to King County and Seattle
- Includes provisions for PDA term, withdrawal, termination, and amendment of the PDA, as well as provisions for modification and disestablishment of the PDA
- Other legally necessary ILA provisions and
- The Charter as an attachment

The proposed scope of the PDA will be to work on the region’s homelessness crisis response. It would not include “upstream prevention” (e.g., anti-poverty measures). It would include “down-stream prevention” (measures to assist people at imminent risk of homelessness). It includes things like outreach, diversion, shelter, and “rapid rehousing.” The scope would also include the services side of permanent supportive housing, but not include capital construction of permanent supportive housing, or creation of affordable housing. Functions of the current Continuum of Care (All Home) including coordinated assessment and referral to housing placements and the Homelessness Management Information System (HMIS) would also be migrated to the new PDA, pending decisions of the All Home Board. The City of Seattle’s Navigation Team would not move to the new PDA under the proposal.

The total value of the programs that would go to the PDA, including both funds contracted to outside entities and internal staff, would be approximately \$128 million (\$73 million from Seattle, \$55 million from King County). This includes local funds, and state and federal funds that flow through Seattle and King County. \$42 million of the total are federal funds that currently flow through the Continuum of Care (All Home). The majority of funds that are proposed to be overseen by the PDA will be funds distributed by contract by King County and Seattle to outside agencies. It is not anticipated that there will be an impact to, or reallocation of, the current funds disbursed via homelessness services agreements by King County or Seattle. New contracting by the PDA would begin once current contracts expire. SCA staff have requested a detailed breakdown of where the funds derive. While not in the transmitted ordinances, it is anticipated that the staff currently employed by King County and Seattle who work on homelessness will be employed by the PDA within a year. For the first six months, they would be co-located, while the new entity is stood up. After six months, they would be “loaned” by contract to the new entity. Thereafter they would become staff of the PDA. The total number of current King County and Seattle staff who would migrate to the new entity would be approximately 60, including staff of the current All Home entity.

While SCA cities are not currently being asked to contribute funds to the PDA, they are being invited to sign onto the ILA. It is anticipated that each party signing the ILA would sign a service agreement with the PDA. That service agreement would describe the entity's commitment to providing resources (direct funding or in-kind contributions such as staff time, facility space, development sites, etc.) to support the operation of the PDA or related services. Additionally, entities signing the ILA would commit to aligning their provision of homeless services with the PDA's five-year implementation plan. It is somewhat unclear how this would work initially, as the initial five-year plan is expected to be adopted within 18 months of the legislation being approved.

The ILA and Charter anticipate some form of sub-regional planning, to "provide capacity to work with stakeholders from geographically diverse parts of the region to analyze, identify, and implement priority services distinct to those sub-regions." There is not a great deal of detail in either the Charter or the ILA as to how the sub-regional planning would work. It is also unclear what would happen when jurisdictions do not sign onto the ILA, and how this would affect county, state, and federal funding of work in those communities.

The proposed Charter anticipates a three-tiered governance structure that would include:

- **A Steering Committee**
  - Proposed composition of the Steering Committee:
    - Up to eight members including:
      - Two King County members (Executive and one Councilmember)
      - Two Seattle members (Mayor and one Councilmember)
      - One SCA member, with the opportunity to add an additional member if 20 SCA cities sign on to the ILA
      - Two members representing stakeholders who have experienced homelessness
  - Proposed powers of the Steering Committee:
    - Confirm Governing Board members
    - Remove Governing Board members for cause
    - Confirm without amendment the Five-Year Plans presented by the Governing Board
    - Confirm without amendment the annual budget presented by the Governing Board
- **A Governing Board**
  - Governing Board characteristics:
    - The Governing Board shall be comprised of individuals who have connections to or experience with a broad range of stakeholders and communities, including but not limited to: the local business community; neighborhood and community associations; faith/religious groups; and the philanthropic community. A majority of the members of the Governing Board shall be persons whose combination of identity, personal experience, or professional expertise enables them to credibly

represent the perspectives of, and be accountable to, marginalized demographic populations that are statistically disproportionately represented among people experiencing homelessness in King County. The Governing Board members shall strive to reflect a diversity of geographies in King County. The Governing Board shall not include elected officials or employees of Seattle, the County, the Authority, or any Additional Party, nor employees, officials, agents or representatives of current contract holders or any entity that is likely to directly benefit from the actions of the Authority.

- Governing Board Member Expertise and Skills:
  - implementation of policies and practices that promote racial-ethnic equity within an organization of similar size or responsibility to the Authority;
  - fiscal oversight of entities with budgets of similar size to the Authority;
  - direction or oversight of business operations and/or strategy of a large public or private entity or organization;
  - affordable housing finance and/or development;
  - physical and/or behavioral healthcare;
  - labor unions and workforce;
  - Federal continuum of care program governance and operations and the ability to represent the perspectives of continuum of care membership;
  - provision of services for persons experiencing homelessness or related social services with an emphasis on serving populations that are disproportionately represented amongst those experiencing homelessness;
  - academic research on topics related to homelessness and/or data-based performance evaluation;
  - criminal justice; and
  - other characteristics determined to be necessary by the Governing Board to carry out the purposes of the Authority.
- Appointment to the 11-person Governing Board:
  - For the first Board, appointments are proposed to be made by:
    - Two by King County Executive
    - Two by King County Council
    - Two by Seattle Mayor
    - Two by Seattle City Council
    - Three by the two Members of the Steering Committee representing persons with Lived Experience of homelessness after soliciting and reviewing applications submitted or sponsored by persons with lived experience or organizations primarily composed of persons with lived experience of homelessness
    - *Note that SCA/SCA cities are not proposed to have any appointing authority to the Governing Board*
  - Thereafter, the Governing Board would appoint its own replacement members
- Duties of the Governing Board:

- “The Governing Board shall be responsible for the management of the Authority and shall provide strategic vision, community accountability and robust oversight for the Authority.” This includes:
    - hiring and firing and performance review of Executive Director
    - development and recommendation of a five-year plan
    - adoption of an annual budget
    - transmittal of an annual performance report
- **Advisory Committee(s)**
  - The Governing Board is authorized to create and maintain Advisory Committee(s)
  - At a minimum, the Board shall empower a Continuum of Care (CoC) Board. (The current CoC Board is the board of All Home.)

Additionally, per the proposed Charter the Governing Board shall create an Office of the Ombuds, to promote customer, employee, and public confidence in the PDA. The Office of the Ombuds would report back to the Governing Board no less than twice per year.

The proposed ILA and Charter do not contain detail on a “Regional Action Plan.” Previous presentations to SCA members have contained reference to a Regional Action Plan that was being developed by consultants CSH, funded by philanthropic leaders. The proposed Charter contains reference to a Regional Action Plan in the definitions section, and defines it as “the plan created to identify regional resource needs and guide decision making goals.” And the definitions section also notes that the Five-year plan shall “align with the Regional Action Plan, if any, to guide the Authority’s operations.” Similarly, the ILA notes that the Five-Year Plan shall be informed by the Regional Action Plan. But neither the Charter nor the ILA indicate the role, if any, of the PDA, the Governing Board, and/or the Steering Committee in adopting or approving a Regional Action Plan.

At the September 11, 2019 meeting, members will be asked to weigh in with feedback on the proposal, as well as feedback on whether SCA should adopt a formal position on the proposal. This will be PIC’s first opportunity to weigh in on the specific proposal that has been transmitted to the County Council.

**Questions for discussion:**

- Do members generally support the idea of a regional governance structure to address homelessness?
- What feedback do members have about the proposed governance structure?
  - What role do SCA members think is appropriate for city elected officials?
  - How should the governance structure reflect sub-regional planning efforts?
  - Do members support the concept of a board of experts, who are insulated from political pressures?
  - If members are generally supportive of the proposed structure, what specific feedback do members have on the role of the Governing Board, and Steering Committee?
    - Should SCA have a role in appointing members to the Governing Board?

- Should the Steering Committee have sufficient SCA representation to ensure that different parts of the County are represented, and that sub-regional planning efforts can be reflected?
  - What other feedback on the role and makeup of a Governing Board and Steering Committee do members have?
- Until a Five-Year Plan is presented, what guiding principles should drive the work of the PDA?
  - What will be the role of the “Regional Action Plan”?
  - Should cities have an opportunity to weigh in on the Regional Action Plan?
- What feedback do SCA members have on sub-regional planning?
- How would this proposed structure work for cities that do not sign onto the ILA? How would county, state, and federal funds be distributed in communities that do not sign onto the ILA?
- What remaining questions do SCA members have about how the proposed PDA would function?
- What is the best way for SCA members to give feedback as the County Council considers the proposed legislation?
  - Do members support the proposal from Councilmember Dunn to convene a regional homelessness summit?
  - Do PIC members support taking a formal position on the proposal?

### **Next Steps**

RPC will be discussing the proposed ILA and Charter at its September 11, 2019 meeting. SCA staff have been informed that this will be a “mandatory referral” to the RPC, triggering the following process:

- The RPC must complete its review and recommend an action within 120 days of referral (or a longer timeframe jointly agreed to by the Committee and the Council).
- If the RPC does not act within this timeframe the Council can take action with a supermajority (six votes).
- A countywide plan or policy recommended by the RPC may be adopted, without amendment, by the county council by five affirmative votes.
- A countywide plan or policy that differs from the plan or policy recommended by the RPC may be adopted by the county council by six affirmative votes after the RPC has had the opportunity to review all county council amendments.

Additionally, hearings on the legislation are scheduled as follows:

#### **King County Council**

- Tuesday, 9/17, Health, Housing and Human Services Committee

#### **Board of Health**

- Thursday, 9/19

#### **Seattle City Council**

- Friday, 9/13, Select Committee on Homelessness
- Friday, 9/20, Select Committee on Homelessness

The King County Council and Seattle City Council anticipate taking action on the legislation no later than mid-December. SCA staff will attempt to obtain more information on timing, and how that may affect timing of a potential SCA position, prior to the PIC meeting.

**Attachments:**

- [Attachment A](#): August 28, 2019 Letter from Renton Mayor Denis Law
- [Attachment B](#): September 3, 2019 Letter from Kirkland Mayor Penny Sweet
- [Attachment C](#): September 4, 2019 Transmittal Letter from King County Executive Dow Constantine
- [Attachment D](#): September 4, 2019 News Release
- [Attachment E](#): Dunn Sponsored Motion
- [Attachment F](#): Summary of Proposed ILA and Charter



Denis Law Mayor

August 28, 2019

Office of the King County Executive  
Attn: Ms. Rachel Smith, Chief of Staff; and Ms. April Putney, Legislative Director  
401 Fifth Ave., Suite 800  
Seattle, WA 98104  
***Sent Via E-mail***

**RE: City of Renton comments and recommendations on “Deliberative Draft” for Interlocal Agreement (ILA) and formation of new regional homeless response system**

Dear Rachel and April:

This letter is to honor your request for written input and suggestions on the Executive’s “Deliberative Draft” of a proposed Interlocal Agreement (ILA) and Charter for a “Unified Regional Homelessness Response Authority.”

We first wish to acknowledge the extensive work the Executive’s Office has done with our city and others in gathering feedback as this ILA was in development, most recently through your visit to Renton on Tuesday. Through your efforts and those of other staff such as Kelly Rider, you have asked for our perspective and sought to incorporate what you heard, which we certainly appreciate. Renton expressed initial and conditional support on a conceptual level for a unified regional response system, though we indicated that numerous questions remained.

Based on what we saw unveiled last week, and pursuant to the follow-up discussion you had on Tuesday with Councilmember Ed Prince and our regional/state/federal affairs consultant Doug Levy, we would like to share several suggestions regarding the governance model in the Draft ILA. From our perspective, these changes would better incentivize suburban cities to participate in the Unified Response System, rather than disincentivize them. Additionally, we would like to share a few other observations on details and backup material that could accompany the Draft ILA.

A primary concern of ours is that the proposed Steering Committee and Governing Board we saw in the initial Draft ILA gives very little voice to suburban cities. As structured, it would give suburban cities minimal incentive for or confidence in wanting to join into this system, undermining the regional value of it. We would recommend three revisions that the Executive’s Office could make before a more public introduction of the Draft ILA:

- Provide multiple seats—at least two—on the Steering Committee for Sound Cities Association (SCA). Having north and south seats or east and south seats would give suburban cities more confidence in being heard, versus triggering anxiety about being outweighed or not heard.
- Revise Steering Committee authority so that members are not simply in an up-or-down vote mode that doesn't appear to give them a substantive role in the process. We suggested on Tuesday a way to allow for suggested amendments that could bounce back and forth between the Steering Committee and Governing Board. Another idea that might help the process is to require a super-majority approval by the Steering Committee, to ensure the Governing Board is adequately weighing the perspectives and ideas of those Steering Committee members.
- Provide SCA/suburban cities with some of the appointing authority for the Governing Board. A suggestion you made Tuesday—that perhaps all Steering Committee Members could come armed with names for the initial appointment – could be a workable model.

We recognize that from the standpoint of some, including the City of Seattle, suburban cities are not being asked for funding and aren't being required to join the system. But as a practical matter, much of the county's revenue base is indeed from our cities and taxpayers and they would have a very limited say under this first-draft proposal. Suburban cities currently get at least one-ninth of a say under our current County Council governance, but in the model we saw last week, would get just one of seven seats on a Steering Committee that has a limited number of meetings and appears to have only up-or-down rather than substantive budget and fiscal authority. Furthermore, suburban cities have no role at all in the appointing of an 11-member Governing Board that appears to do the lion's share of the substantive policy and budget work for this Authority.

To us, this formation of a decision-making structure would be a missed opportunity, leaving Seattle, King County, and "lived experience" individuals to set a fiscal and policy direction without the benefit of other stakeholders within the region. As discussed on Tuesday, we would like to take the time to make changes to the ILA to better enable numerous suburban cities to get to yes—and we sense that both your office and County Council Members share that desire.

Finally, while the first-draft ILA does not delve into all the details, we want to share some other observations where more definition and clarity would be helpful:

- **What is covered under this proposed Authority.** We have received general information that the Unified Response System is meant to address things such as shelters, crisis response, navigation, tracking, etc. You helped clarify on Tuesday that the Response System is not designed to cover mental health and opioids-addiction services. We would



suggest that a descriptive listing of what is and what is not part of the proposed system would be useful for suburban cities. Additionally, given that a significant percentage of the homeless population also struggle with mental health and drug addiction challenges, how would the new Authority then coordinate with the services provided in these areas, especially as any holistic approach to homelessness must include a way to address mental health and drug addiction.

- **Understanding and consensus around the source of funds.** The proposal and PowerPoint handed out references a \$49-million-a-year commitment by King County. We believe it would be beneficial to have details on the source of the funding, how it is to be used, and how that would affect cities outside of Seattle. For example, it was emphasized that King County would still devote funding resources to collaborate with cities beyond the Unified System.
- **Taxing Authority.** This is another issue where there appears to be at least some mixed messages. We were glad to hear you emphasize that additional taxing authority is not an option under current Public Development Authority (PDA) statute and that such authority would not be pursued unless there was some future consensus to do so. Clarifying this in writing would be extremely helpful.
- **Sub-regional planning.** You have heard our city and other suburban cities recommend this as an important component of the new Unified Response Authority. In essence, sub-regional planning could be rolled up into the work of the Unified Response System. In fairness, the proposal released Wednesday did not get into this level of detail, but we continue to believe this would be an important component of any regional response system.

Again, we would like to emphasize that we appreciate the outreach done by the Executive and staff on this proposal. We also want to be transparent in conveying our concerns so that, hopefully, important revisions to the Unified Response System proposal can be made as it formally introduced and before it goes to the King County Council and Seattle City Council.

Sincerely,



Denis Law  
Mayor

DL:aa

19-087



September 3, 2019



The Honorable Dow Constantine  
King County Executive  
401 Fifth Avenue, Suite 800  
Seattle, WA 98104

The Honorable Jenny Durkan  
Seattle Mayor  
600 Fourth Avenue, 7<sup>th</sup> Floor  
Seattle, WA 98104

Dear Executive Constantine and Mayor Durkan:

Thank you for the opportunity to review the draft August 21, 2019 "Overview and Key Elements of Proposed ILA & Charter for a Unified Regional Homelessness Response Authority" document that you presented at the Regional Policy Committee and shared with regional partners.

The City of Kirkland applauds your efforts to develop and implement a unified, effective, regional response to homelessness. We understand the difficult challenges that must be overcome to reform and improve the existing fragmented system. Every city in King County shares the goal of a coordinated, seamless system that successfully transitions every man, woman, child and family experiencing homelessness to stable housing. We deeply appreciate the leadership provided by Seattle and King County to tackle these challenges.

We also thank you and your staff for including key leaders from the Sound Cities Association in the conversation throughout the development of the initiative. Although there is not agreement on every issue, the proposed ILA and Public Development Authority (PDA) Charter summary appear to incorporate important feedback from the cities and to make great strides in addressing several key concerns about governance and funding. While the initial interlocal agreement creating the PDA understandably begins with Seattle and King County, we are pleased that the proposed interlocal agreement allows for additional cities to join the ILA and the PDA over time, and Kirkland desires to help ensure the success of the initiative.

In that spirit, Kirkland has several important comments on the draft overview document. First, we favor the concept of the two-tiered governance structure. We firmly believe in the need for a steering committee with elected leadership to approve Board members, budgets and work plans. But we also support empowering a governing board of practitioners and experts who do not benefit from the current system to develop and implement the budgets and work plans to maximize the effectiveness of the new entity. The draft document appears to strike a reasonable balance in granting authority and accountability to both groups.

While Kirkland does support the governance framework, further regional conversation needs to occur on the specific membership allocations. It is important to remember that much of the revenue that King County invests in homelessness programs is either generated in cities through countywide taxes or is allocated to King County by the federal government based on the populations in the cities. For these reasons, both the steering committee and the governing board must include an appropriate level of geographic representation. One steering committee member from cities outside of Seattle cannot effectively represent North, South and East King County. In addition, more clarity is needed on how the steering committee and governing board will evolve as new cities join. Nevertheless, the initial proposal from Seattle and King County is an excellent place to start.

Secondly, Kirkland does have concerns about the initial Governing Board appointment process. As explained in the document, the King County Executive, King County Council, Seattle Mayor, and

September 3, 2019

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Seattle City Council each appoint two Governing Board Members for Steering Committee confirmation and the "Lived Experience members" jointly appoint three Governing Board Members for confirmation. Clearly there needs to be an appointment role for Sound Cities in the final ILA. Kirkland would suggest that to create regional cohesion and strong support for the Governing Board, all Steering Committee members should jointly select all Governing Board members from a qualified pool of nominations rather than include "guaranteed slots" for various bodies.

Third, Kirkland supports the initial scope of work for the new regional authority. Seattle and King County have appropriately limited the scope to those programs and funding sources that are currently the responsibility of Seattle, King County, or the current Continuum of Care provider, All Home. By focusing the scope on these internal programs, you maximize the chance of early successes. But the more focused scope also addresses some of the key concerns of Kirkland and other cities, which is to ensure that the new PDA does not have some new authority over cities that does not currently exist and cannot raise new revenue from cities without their agreement and support.

Finally, Kirkland strongly supports the provision in the ILA that allows other cities or housing authorities to become parties to the ILA and sign service level agreements with the PDA. We recognize that Seattle and King County need to act now to address the immediate crisis. But this provision will allow the new authority to be enriched and enhanced over time by a "coalition of the willing" as the new authority demonstrates effectiveness and accountability. East King County has many successful examples of these collaborative coalitions, including A Regional Coalition for Housing (ARCH), the Eastside Public Safety Communications Agency (EPSCA), the east side dispatch center NORCOM, and the eCityGov Alliance. Each of these entities was created by cooperative interlocal agreements, and they continue to thrive because they deliver the services and outcomes that member cities value. Based on our experience, we feel confident that once the new PDA delivers results, cities will see the value in signing on to the ILA and executing contracts with the PDA. The ability to join later gives cities the time we need to evaluate the new entity and is critical for the overall success of creating a truly regional system. We appreciate Seattle and King County including this opportunity in the ILA.

Again, thank you for the opportunity to review the proposed ILA and PDA Charter. It should be noted that our position might evolve as the two-page summary shared with the region is converted to more detailed legislative documents. But that caveat aside, Kirkland overall supports the proposal that Seattle and King County have made to create a unified regional authority to tackle homelessness. It is a thoughtful, pragmatic approach, and the urgency of the issue demands action. We encourage both Seattle and King County to incorporate our suggestions and approve the ILA. Kirkland fervently hopes the new authority will be successful and looks forward to a potential future partnership.

Sincerely,

KIRKLAND CITY COUNCIL



Penny Sweet, Mayor  
City of Kirkland

cc: Kirkland City Council

September 4, 2019

The Honorable Rod Dembowski  
Chair, King County Council  
Room 1200  
C O U R T H O U S E

Dear Councilmember Dembowski:

This letter transmits an ordinance that authorizes the Executive to execute an Interlocal Agreement (ILA) with cities across King County, particularly the City of Seattle, to establish the King County Regional Homelessness Authority (Authority). Together with companion legislation that charters the King County Regional Homeless Authority, this legislation provides for the unification of the region's homelessness emergency response system. As proposed, the ILA strengthens our regional coordination and planning, places the needs of people experiencing homelessness at the center of our work, and consolidates core programs and accountability.

Its new primary authority and purview would include:

- Unifying emergency funding and services, including shelter, outreach, and diversion;
- Coordinating permanent supportive housing services, transitional housing, and rapid rehousing throughout the region;
- Overseeing policy and planning (both regionally and sub-regionally), contract management, performance management, and technical assistance;
- Establishing an Ombuds Office to serve as a central place for people experiencing homelessness to bring concerns or questions; and
- Developing clear metrics and milestones for measuring success and ensuring accountability and transparency.

While I expect King County and Seattle to be the initial participants in the ILA, my office and I continue to talk with city leaders across the region to discuss their potential role in our collaborative efforts to better address the regional challenges of homelessness.

Development of the ILA and charter included a robust outreach and engagement process that gathered the input and ideas of our current homeless response system stakeholders, including individuals with lived experiences of homelessness, front-line service providers, housing providers, homelessness advocates, philanthropy, and business. These proposals are informed

by the work of the National Innovation Service, Corporation for Supportive Housing, the King County Auditor's Office 2018 report, and our regional One Table collaboration.

Together, these ordinances further the Accessible, Affordable Housing and Health and Human Services goals of the King County Strategic Plan. The ILA, charter and accompanying ordinances also align with the King County Equity and Social Justice Initiative core values, particularly with the focus on supporting households disproportionately impacted by homelessness and providing opportunities for all residents to achieve their full potential.

While the establishment of this Authority marks a major milestone in our efforts to improve our homelessness response system, there is still more work to do. The practical work of merging programs and contracting processes, developing a regional action plan, and allocating resources to this entity still lies ahead. I look forward to working with you as we move together to improve and strengthen our regional response to homelessness.

Thank you for your consideration of this important legislation. This is a critical first step to addressing the true scale of homelessness across the county.

If you have any questions, please feel free to have your staff contact Leo Flor, Director, King County Department of Community and Human Services, at 206-477-4384.

Sincerely,

Dow Constantine  
King County Executive

Enclosure

cc: King County Councilmembers  
    ATTN: Carolyn Busch, Chief of Staff  
        Melani Pedroza, Clerk of the Council  
        Dwight Dively, Director, Office of Performance, Strategy and Budget  
        Leo Flor, Director, Department of Community and Human Services



**King County**

**Dow Constantine**  
King County Executive



**Seattle**

## **News Release**

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Sept. 4, 2019

### **Bringing the region together to fight homelessness: Seattle and King County unveil new authority to unify response systems and services**

#### **SUMMARY**

King County Executive Dow Constantine and Seattle Mayor Jenny A. Durkan today transmitted legislation to their respective councils creating the new “King County Regional Homelessness Authority” to oversee a unified response to homelessness.

#### **STORY**

Crafted by Executive Constantine and Mayor Durkan, legislation now before the King County Council and Seattle City Council establishes the King County Regional Homelessness Authority to oversee policy, funding, and services for people experiencing homelessness countywide. The legislation includes a proposed Interlocal Agreement (ILA) and a Charter that authorizes the creation of the new Public Development Authority (PDA) to administer and oversee regional homelessness efforts.

“The new regional authority represents a concerted effort to increase coordination and collaboration of our planning, resources and service delivery countywide to achieve a more efficient and effective response to the needs in our community,” said Executive Constantine. “We are determined to create a service system that seeks solutions to the disproportionality of homelessness among communities of color and listens to the voices of those with lived experience of homelessness as some of our most insightful consultants. Our vision is a homeless response system that is fair and just for all.”

“Today marks the start of a new era in the fight against homelessness for our entire region,” said Seattle Mayor Jenny Durkan. “Over the last 22 months, we’ve seen more alignment in our region than ever before, and we’ve also seen the first decline in homelessness in Seattle and King County since 2012. We need to keep that progress going, and that’s why the new King County Regional Homelessness Authority is so important. The historic step we are taking today will help do more to prevent homelessness, to serve people experiencing homelessness, and to center race and social justice in everything we do. It will take all of us working together as we stand up this new entity and come together to truly unify our work to build a better future for our entire region.”

People with lived experience of homelessness played a key role in the development of the ILA and Charter, and the new governance structure ensures that they hold leadership roles moving forward. Another key focus is the issue of disproportionality of homelessness among communities of color and ensuring that the new authority improves and strengthens equity and social justice efforts throughout the service systems.

## **SERVICES**

The King County Regional Homelessness Authority will focus on unifying and coordinating the homeless response system for Seattle and King County. Following a thorough review of the programs and services provided by both the city and county, the scope of the Authority will include coordination of all outreach, diversion, shelter, rapid re-housing, transitional housing and permanent supportive housing services and most of the region’s prevention efforts.

The Authority will assume oversight of shelters currently contracted with the City of Seattle and King County. Capital housing efforts will not be included, nor will the City of Seattle’s Navigation Team.

The new Office of the Ombuds under the Authority will help people receiving housing services resolve issues with conditions and programming. As patterns emerge, the Ombuds will suggest changes to policies and contracts to improve the system.

Pending decisions of the All Home Continuum of Care (CoC) Board, the CoC functions will move to the Authority including “Coordinated Entry for All,” coordinated assessment and referral to housing placements, the Homeless Management Information System (HMIS), and the responsibilities currently held by All Home.

The Authority will be a unifying force, developing and adopting a single plan with short, medium, and long-term priorities for shelter, housing, and other services that will help accomplish the ultimate goal of reducing homelessness.

Throughout King County there are dozens of governments, philanthropies, nonprofits, and business entities working to address homelessness. These efforts are often disconnected from

one another, decreasing their impact and creating inefficiencies. The Authority will be the single place where all stakeholders can come together and determine how best to contribute to success.

## **FUNDING**

King County will dedicate about \$55 million in service and administrative funding (based on 2019 annualized program amounts) and \$1.3 million to support start-up. The City of Seattle will dedicate approximately \$73 million for services and administrative funding, and up to \$2 million for start-up costs. Actual funding will be subject to appropriations through the normal budget process of the respective councils and through a pending decision of the All Home Coordinating Board.

Funding amounts from King County and Seattle include more than \$42 million of federally awarded Continuum of Care funds.

## **STRUCTURE**

The ILA and charter establish a joint agreement to create a new PDA and describes the role, scope, and purpose of the new regional authority:

- Unified planning and coordination of funding and services for people experiencing homelessness countywide.
- Oversight on policy, contract management, and performance management.
- Continuum of Care functions, as required by the U.S. Department of Housing and Urban Development to receive federal funding, formerly housed within “All Home.” (pending decisions of the All Home Continuum of Care Board)
- Creation of a new governance structure to guide financial and strategic decision making, including roles and proposed composition of a Steering Committee, Governing Board and Advisory Committees.
- Hiring of an Executive Director with authority to lead the Regional Authority.
- Creation of a new Ombuds Office to serve as a single point of contact for customers.
- Establishment of clear metrics and milestones for measuring success and for ensuring accountability and transparency.

## **GOVERNANCE**

The 11-member Governing Board will be comprised of experts who provide guidance, management, and oversight to the PDA. All are confirmed by the Steering Committee. Three members must have lived experience of homelessness. The King County Executive, King County Council, Seattle Mayor, and Seattle City Council each appoint two members. The Steering Committee’s two members with lived experience will jointly appoint three Governing Board members. The Governing Board hires, fires, and reviews the performance of the Executive Director.

The Steering Committee includes the King County Executive, a King County Councilmember, Seattle Mayor, a Seattle City Councilmember, up to two Sound Cities Association members, and two people with lived experience of homelessness. The Steering Committee confirms Governing Board appointees, removes Governing Board members for cause, and confirms or rejects annual budgets and five-year plans.

The King County Regional Homelessness Authority responds to the 2018 King County Auditor's Office [report](#) that found that "the governance structure of the homeless response system is too weak to drive change." Recent reports and collaborative efforts such as "[One Table](#)" and the "[Regional Affordable Housing Task Force](#)" have also pointed to the fractured nature of homeless services in King County and the need for unification of efforts.

Stakeholders from the public sector (King County and local cities, including Seattle), business, philanthropy, nonprofit service providers, advocates and people with lived experience worked with consultants [National Innovation Service](#) (NIS) to develop the design for the new authority.

With the transmittal of the legislation, the work now shifts to the Seattle City Council and the King County Council for review and deliberation, with the goal of achieving agreement and final approval by mid-December.

## QUOTES

"The new regional authority represents a concerted effort to increase coordination and collaboration of our planning, resources and service delivery countywide to achieve a more efficient and effective response to the needs in our community. We are determined to create a service system that seeks solutions to the disproportionality of homelessness among communities of color and listens to the voices of those with lived experience of homelessness as some of our most insightful consultants. Our vision is a homeless response system that is fair and just for all."

– Dow Constantine, King County Executive

"Today marks the start of a new era in the fight against homelessness for our entire region. Over the last 22 months, we've seen more alignment in our region than ever before, and we've also seen the first decline in homelessness in Seattle and King County since 2012. We need to keep that progress going, and that's why the new King County Regional Homelessness Authority is so important. The historic step we are taking today will help do more to prevent homelessness, to serve people experiencing homelessness, and to center race and social justice in everything we do. It will take all of us working together as we stand up this new entity and come together to truly unify our work to build a better future for our entire region."

– Jenny A. Durkan, Mayor of Seattle

“I believe every city in King County shares the goal of a coordinated, seamless system that successfully transitions every individual and family experiencing homelessness into secure housing. I strongly support the Authority’s prioritization is sub-regional planning - allowing community-driven plans and responses that will recognize that Auburn is not Seattle, Seattle is not Kirkland, and so on. I look forward to continuing conversations with Executive Constantine, Mayor Durkan, and the councils as this legislation is finalized.”

– Nancy Backus, Mayor of Auburn

“The Charter and ILA for the new Regional Authority is important progress to having a unified homeless emergency response system that is aligned with and responsive to the needs of those struggling with homeless and housing instability. The new system is designed to implement strategies and services on a regional basis that have been validated by both those most impacted by our homeless and housing crisis. The Charter, ILA and Regional Authority is aligned with our federally funded Continuum of Care that enables local human service providers and governments to invest over \$42M each year in homeless prevention and response funds. This important work and milestone should be supported as we work to have a regional homeless emergency response system that is aligned, effective and rooted in racial equity.”

– Gordon McHenry, Jr., president of Solid Ground and co-chair, Continuum of Care Coordinating Board

“There are solutions to homelessness, and everyone needs to be working together on a single, comprehensive plan. The creation of the new entity is an important step in that process, by aligning policies and current resources of King County and Seattle more effectively, and providing a framework for the additional strategies and resources that will be needed to eliminate the suffering we see on the streets today.”

– Daniel Malone, Executive Director of DESC

“I believe this is a positive first step in ensuring that our homelessness response system is coordinated, equity-driven, and informed by the people most directly impacted. As we move forward, it imperative that we avoid recreating the wheel or reinforcing previous inefficiencies. Our homelessness response system must reject a one-size-fits- all model, incorporate providers’ input, and be responsive to the unique developmental needs of those served, including those of youth and young adults experiencing homelessness. By doing so, we can collectively make a dent in ending the crisis of homelessness in our community.”

– Melinda Giovengo, CEO of YouthCareM

“The new regional authority to house and serve our unsheltered community supports the urgent action that the homelessness crisis demands. Given this is only the one step in the needed regional response, I look forward to diving into the details and working with my colleagues, our city employees, contractors and the vulnerable populations we serve to adopt the regional governance structure as quickly as possible – to eliminate duplication, better coordinate service, and more holistically care for our residents.”

– Teresa Mosqueda, Seattle City Council

“Being a part of the Lived Experience Coalition has allowed me to turn my experience of homelessness as a disabled, senior woman into positive change for the community. Our collective voice and power as people experiencing homelessness has been central to this process and I am hopeful that together, we can continue to empower more people like us in the solutions for our region.”

– Abigail, Lived Experience Coalition Member

“The Lived Experience Coalition is a diverse group of people who lift each other up, beyond oppressive structures and the trauma of homelessness, to advance racial and social justice. We have worked alongside our partners in government, business, non-profits and philanthropy to do just that through the co-design of stewardship and governance for homeless resources. We are hopeful that our efforts will have urgent and sustainable impact for our community experiencing homelessness in King County.”

– Julius, Lived Experience Coalition Member

“The disproportionality of homelessness among communities of color is well-documented. To be effective, our homelessness response system must not just acknowledge racial and cultural needs, but ensure a truly person-centered approach to service design, delivery and governance. The plan for a new King County Regional Homelessness Authority brings us a step closer to that goal.”

– Colleen Echohawk, Executive Director of Chief Seattle Club, member of All Home Coordinating Board

“There is no disagreement that we as a region must do better getting people and families the services they need to achieve stable housing,” said Kohl-Welles. “The mayor and the executive have provided us today with a strong blueprint. But there is still a lot more to do. I look forward to working with my colleagues and having a constructive dialogue with the public to ensure the final product is a solid alliance across governments and agencies that can finally begin to reverse the effects of this bleak chapter in our region’s history.”

– Jeanne Kohl-Welles, King County Council

**FOR MORE INFORMATION, CONTACT:**

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Date Created:	<b>September 4, 2019</b>
Drafted by:	
Sponsors:	<b>Dunn</b>
Attachments:	<b>None</b>

1 ..Title

2                   A MOTION requesting that the King County executive  
3                   convene a countywide summit meeting to discuss any  
4                   proposal related to housing governance before any proposal  
5                   is considered by the King County council.

6 ..Body

7                   WHEREAS, on November 2, 2015, the mayor of Seattle and the King County  
8                   executive declared a state of emergency over homelessness, and

9                   WHEREAS, in 2017 the King County executive, the mayor of Seattle and the  
10                  mayor of Auburn announced the formation of One Table to assess the region's current  
11                  response to homelessness, and

12                 WHEREAS, One Table members developed specific recommendations regarding  
13                 five root causes of the crisis, including: the lack of affordable housing region-wide;  
14                 inadequate access to behavioral health treatment; negative impacts on youth involved in  
15                 the child-welfare system; prior criminal justice involvement impacting the ability to gain  
16                 housing and employment; and education and employment gaps making housing  
17                 unattainable and unaffordable, and

18                 WHEREAS, in May 2018, the King County executive and mayor of Seattle  
19                 signed a memorandum of understanding between the city of Seattle and King County to  
20                 increase collaboration of homelessness services and set a path for governance reforms to  
21                 better coordinate homeless investments region-wide, and

22 WHEREAS, according to the 2019 Point-in-Time Count, a total of 11,199  
23 individuals were experiencing homelessness in Seattle and King County on January 25,  
24 2019, and

25 WHEREAS, homelessness is frequently identified as the most pressing issue  
26 facing our county in the news media accounts and public opinion survey conducted by  
27 Elway Research, Inc., and

28 WHEREAS, King County is comprised of thirty-eight cities and unincorporated  
29 areas in addition to the city of Seattle, and

30 WHEREAS, on September 4, 2019, the King County executive and Seattle mayor  
31 transmitted to their respective councils a proposal to create a new public development  
32 authority to consolidate homelessness services;

33 NOW, THEREFORE, BE IT MOVED by the Council of King County:

34 A. In order to ensure that each of the thirty-eight municipalities within King  
35 County, in addition to the city of Seattle, have equal opportunity engage with each other  
36 on the proposed public development authority, it shall be the policy of the King County  
37 council to consider approval of the governance structure only after the King County  
38 executive convenes a countywide summit meeting to include at least one elected  
39 representative from each of the thirty-nine cities located within King County, and at least  
40 two King County councilmembers.

41 B. The King County executive should convene the summit meeting as  
42 expeditiously as possible and at a time and date that maximizes participation by elected  
43 representatives from throughout the county.

## What will the Executive and Seattle Mayor Transmit & When?

- The County Executive and Seattle Mayor will transmit to their respective Councils by early September an ordinance (with an attached Public Development Authority Charter) seeking authorization to enter into an Interlocal Agreement (ILA), creating a Regional Authority to oversee and administer regional homelessness response systems and services.
- If enacted by both King County and Seattle, the County will also simultaneously enact an ordinance to establish in County Code the PDA that is agreed upon in the ILA.

## What will be in the Proposed ILA and the Charter?

Both the ILA and Charter contain definitions as appropriate in addition to the contents for each listed below:

<b>The ILA</b>	<b>The Charter</b>
<ul style="list-style-type: none"> <li>• Statement of purpose</li> <li>• Agreement for the County to charter the PDA as attached</li> <li>• Eligibility for ILA Parties</li> <li>• Principles to guide the PDA</li> <li>• Brief description of the                             <ul style="list-style-type: none"> <li>◦ Steering Committee</li> <li>◦ Governing Board</li> <li>◦ Advisory Committee(s)</li> </ul> </li> <li>• PDA Scope of Work</li> <li>• Initial Agreements for provision of                             <ul style="list-style-type: none"> <li>◦ Program Funding</li> <li>◦ Administrative Funding</li> <li>◦ Start-Up Funding</li> </ul> </li> <li>• Agreement on Obligations of the PDA to King County and Seattle</li> <li>• Provisions for PDA Term, Withdrawal, Termination, and Amendment of the ILA</li> <li>• Provisions for Modification &amp; Disestablishment of the PDA</li> <li>• Additional Provisions of the ILA as legally necessary</li> <li>• The proposed PDA Charter as an attachment</li> </ul>	<ul style="list-style-type: none"> <li>• Creation of the Regional Authority as a PDA</li> <li>• Necessary limitations on liability and disclaimers</li> <li>• Establishment as a perpetual PDA (unless terminated)</li> <li>• Purpose and Scope of the PDA</li> <li>• Powers of the PDA</li> <li>• Explicit limitation of PDA powers</li> <li>• Creation &amp; definition of the PDA's Steering Committee-Governing Board-Advisory Committee Structures, Powers, Procedures &amp; Appointment Processes</li> <li>• Identification of key Officers and Staff, including the Executive Director and Office of the Ombuds</li> <li>• Additional provisions of the Charter as legally necessary</li> </ul>

## What is the Proposed PDA's Scope?

### Programs and System Scope

The PDA's scope of work will be the region's homelessness response system. The PDA's scope contemplates that in addition to unifying homeless response services of Seattle and King County, it will also replace and encompass the current functions of All Home, the region's current Continuum of Care lead.



### Financial Scope

The ILA will establish initial funding minimum expectations, subject to appropriation by Councils, based upon the sum of King County's and Seattle's 2019 annualized value of programs and administration for programs within the PDA's scope of work. The ILA will also make minimum funding expectations contingent upon the ongoing availability of funds sources while also providing that any fund source subsequently attributed directly to the PDA may trigger a proportionate reduction in the minimum funding expectations for Seattle and/or King County.

King County's 2019 Annualized Program & Administrative Value <b>\$ 55 M approximate</b>	Seattle's 2019 Annualized Program & Administrative Value <b>\$ 73 M approximate</b>	Total 2019 Annualized Program & Administrative Value <b>\$ 128 M approximate</b>
Value of King County's Proposed Contributions to PDA start-up costs <b>\$ 1.8 M approximate</b>	Value of Seattle's Proposed Contributions to PDA start-up costs <b>\$ 2 M approximate</b>	Total Value of Proposed Contributions to PDA start-up costs <b>\$ 3.8 M approximate</b>

### Geographic Scope

In accordance with the agreed upon ILA, the County will create the PDA with geographic scope coincident with the boundaries of King County.

## How will the ILA provide for participation of other cities?

**Regional participation is critical**—the ILA eliminates barriers that otherwise limit participation:

- **Who?** Cities or housing authorities in King County may join
- **When?** May join immediately or over time to take advantage of the efficiencies of scale created by the PDA structure.
- **What does joining mean?** All participants would commit to align provision of in-scope homelessness response services with the PDA's 5-Year implementation plan and sub-regional plans
- **How?** The joining city or housing authority may join by becoming party to the ILA

**Service Agreements:** Each party would sign a Service Agreement with the PDA, describing their respective commitments to provide resources (funding or in-kind contributions inclusive of staff time, facility space, development sites, etc.) to support the operation of the PDA or the operation of related services.

## The Proposed Board

### Steering Committee

Primarily of elected officials ensuring overall electoral, financial, strategic, and community accountability and outcomes.

#### Up to 8 Members

KC Executive  
x1 KC Councilmember  
x1 SCA Member  
x1 SCA Member once 20 cities have joined ILA

Seattle Mayor  
x1 SEA Councilmember  
x2 Lived Experience (appointed by a Continuum of Care body representing persons with lived experience)

#### Powers

- Confirm Governing Board Appointees
- Remove Governing Board Members for Cause
- Confirm w/o amendment or Reject 5-Year Plans
- Confirm w/o amendment or Reject Annual Budget
- Receive Annual Performance Report

### Governing Board

Subject matter experts empowered by the Steering Committee to provide robust, persistent, and detailed guidance, fiscal and operational management, and oversight of the PDA and its mission.

#### 11 Members

##### Board Member Expertise & Skills

Each member has expertise in one or more of the following with a requirement that all expertise & skills are present:

- Equity Implementation
- Fiscal Oversight
- Business Operations or Strategy
- Affordable Housing Finance/Development
- Physical or Behavioral Healthcare
- Labor Unions & Workforce
- Provision of services for persons experiencing homelessness
- Data-Based Performance Evaluation or Academic Research
- Criminal Justice
- Continuum of Care expertise

##### Overall Board Characteristics

In its total composition, the board must

- Include 3 persons representing persons with **lived experience** of homelessness
- Strive to reflect a **diversity of geographies** in King County
- Include individuals with connections to or experience with the **Business Community, neighborhood or community associations, and faith/religious groups**
- A majority of the members of the Governing Board shall be persons whose identity, personal experience, or professional expertise enables them to credibly represent the perspectives of, and to be accountable to, marginalized demographic populations that are statistically disproportionately represented among people experiencing homelessness in King County
- No member shall be an elected official, an employee of ILA parties, nor an employee, official, agent or representative of current contract holders or any entity that is likely to directly benefit from the actions of the Authority

#### Powers

The Governing Board is responsible for the management, vision, community accountability, and oversight of the PDA. Specified powers include:

- Hire, fire, and review the performance of the PDA's Executive Director
- Adopt & transmit for Steering Committee confirmation a 5-Year Plan
- Appoint Governing Board Members for confirmation by the Steering Committee after the initial appointment process
- Annually adopt & transmit an operating budget for confirmation by the Steering Committee and approval by the respective funding jurisdictions
- Annually adopt a performance report
- Oversee the PDA's implementation of the 5-Year Plan, Annual Budget, and additional plans and policies necessary to carry out the duties and responsibilities of the PDA
- Other powers legally necessary for the management of the PDA as provided in the Charter

#### Initial Appointment Process

All appointing bodies in the Steering Committee will bring multiple potential nominees in order to work together to seat the Governing Board consistent with the required skills and characteristics.

- King County Executive, King County Council, Seattle Mayor, Seattle City Council **each appoint 2 Governing Board Members** for Steering Committee Confirmation
- Steering Committee's 2 Lived Experience members **jointly appoint 3 Governing Board Members** for Steering Committee Confirmation

#### Ongoing Appointment Process

After 5 years, the Governing Board appoints persons to fill Governing Board vacancies subject to Steering Committee confirmation.

### Advisory Committee(s)

The Governing Board can create and maintain an Advisory Committee or Committees as needed to ensure that the Governing Board receives the advice of a wide range of stakeholders, including providers and advocates of homelessness services. The Advisory Committee(s) may be constituted, if duly empowered, to perform the functions of the mandatory Federal Continuum of Care Board.

### Sub-Regional Planning

The Authority will value distinctions in local context, needs and priorities through effective Sub-Regional Planning, including:

- **collecting and analyzing data** that enables tailored approaches for communities disproportionately impacted by the experience of homelessness and different sub-regions within King County
- **articulating local needs, priorities and solutions** to address homelessness across the different areas of the County
- **providing capacity** to work with stakeholders from geographically diverse parts of the region to analyze, identify, and implement priority services distinct to those sub-regions.

## How will the ILA and Charter specify the PDA's planning cycle & staffing?

**5-Year Implementation Plan** required by the ILA & Charter within 18 months of the PDA's formation

- Incorporates requirements of Service Agreements from funders and the Regional Action Plan to guide the PDA's operations
- Developed by the PDA, approved by the Governing Board, and confirmed or rejected by the Steering Committee
- Inclusive of sub-regionally tailored context, needs, priorities, and approaches

#### Annual Budget

- Proposed by the Executive Director, approved by the Governing Board, and confirmed or rejected by the Steering Committee
- The annual budget would inform resource requests to be made to each party in accordance with the 5-year Strategic Plan, Service Agreements from funders, and subject to appropriation

#### Staffing

- The Charter mandates an **Executive Director**, hired by the Governing Board, with authority to hire additional staff as needed
- The Charter mandates an **Ombuds Office** to serve as a single point of contact for direct customer accountability within the PDA and the homeless service delivery system more broadly, ensuring customer accountability in the regional homeless response system, informing continuous improvement of the PDA, and increasing transparency and public trust.
- The Charter **empowers the ED to hire staff** to implement the 5-year strategic plan, including sub-regional planning, subject to budget authority and appropriation



September 11, 2019  
SCA PIC Meeting

**Item 09:**  
Affordable Housing  
***DISCUSSION***

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**SCA Staff Contact**

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

**SCA Members of the King County Affordable Housing Committee**

Mayor David Baker, Kenmore; Mayor Debbie Bertlin, Mercer Island; Councilmember Claude DaCorsi, Auburn; Councilmember Nancy Tosta, Burien; Mayor Ken Hearing, North Bend (alternate); Councilmember Marli Larimer, Kent (alternate); Councilmember Ryan McIrvine, Renton (alternate); Deputy Mayor Lynne Robinson, Bellevue (alternate)

**Discussion**

The affordable housing crisis in King County has been identified by the SCA board and PIC as a priority issue facing the region and impacting local residents, and SCA and member cities are engaged in numerous ongoing actions at the local and regional level to address the challenge.

In December 2018, the SCA Board of Directors approved PIC's recommended policy statement in support of forming a regional advisory body to recommend and coordinate affordable housing actions. The King County Affordable Housing Committee began meeting in 2019 and is considering recommendations related to the state sales tax credit established by House Bill 1406, and developing a prioritized work plan from the actions identified in the [Regional Affordable Housing Task Force Five-Year Action Plan](#).

At PIC, Members will be asked for input to support this ongoing work by SCA representatives serving on the Affordable Housing Committee and have the opportunity to share efforts underway in their communities to address the affordable housing crisis. SCA staff will also provide an update on discussions and actions around the middle-income affordable housing crisis.

**King County Affordable Housing Committee**

The King County Affordable Housing Committee (KCAHC) serves as a regional advisory body formed to recommend actions and assess progress toward implementing the [Regional Affordable Housing Task Force Five-Year Action Plan](#). The Plan strives to support action to “eliminate cost burden for households earning 80% Area Median Income and below, with a priority for serving households at or below 50% Area Median Income.”

PIC recommended a policy position in support of the Five-Year Action Plan, which was approved by the SCA Board of Directors in December 2018. The policy position states that “SCA supports the Regional Affordable Housing Task Force Five-Year Action Plan and recommends approval by the King County Council; Given the differing housing challenges across the region SCA supports

*the approach taken by the Task Force to recommend a menu of options for cities to address their areas of greatest need; and, SCA is committed to partnering regionally through the proposed new committee of the Growth Management Planning Council to promote affordable housing preservation and production.”*

SCA has since appointed elected members to the KCAHC and the committee began meeting in June. Other entities represented include King County, the City of Seattle, housing providers, private sector partners, housing advocates, and philanthropy.

Current work of the committee includes developing recommendations related to implementation of the state sales tax credit for affordable housing and supportive services created by the passage of HB 1406 during the 2019 legislative session, as well as developing the committee’s workplan for the coming year.

#### *HB 1406 Sales Tax Credit Recommendations*

During the 2019 session, the Washington State Legislature adopted House Bill 1406, which creates a funding tool for cities and counties to invest in 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.

The King County Council voted unanimously on August 28 to implement the authority granted to counties under HB 1406. The county projects the legislation will allow the county to access nearly \$100 million in funding for affordable housing over the next 20-years. A county press release on the action can be found [here](#).

PIC was briefed on HB 1406 in July 2019 and several members provided feedback that they were in the process of determining how to best utilize the HB 1406 funds, and in particular considering how to best partner with other jurisdictions through organizations such as A Regional Coalition for Housing (ARCH) or South King Housing and Homelessness Partners (SKHHP). Additional information on HB 1406 can be found in the [July 2019 PIC packet](#).

At its upcoming meeting on September 20, the KCAHC will discuss several recommendations for jurisdictions to consider as they explore implementation of HB 1406. Potential recommendations discussed at the most recent KCAHC meeting include:

- Recommending jurisdictions implement the HB 1406 credit and pool funds with existing subregional collaborations or new partners to maximize impacts and move forward more quickly. For most jurisdictions, the total anticipated annual funds from HB 1406 are modest; however, pooling resources offers the opportunity to more quickly accumulate funds that could make a meaningful contribution to a capital development or preservation project.
- Recommending that jurisdictions prioritize construction and preservation of affordable homes for households earning less than 30% of Area Median Income (AMI), followed by

households earning less than 50% of AMI. The Five-Year Action Plan estimated by 2040 the region could face a gap over 175,000 units affordable to these income groups, and an additional gap of 68,000 units affordable to those earning between 50% and 80% of AMI.

- Recommending that jurisdictions partner with communities of color, immigrant and refugee communities, and low-income communities to ensure new capital projects do not lead to displacement of communities living in existing affordable housing.

#### *Affordable Housing Committee Workplan*

The KCAHC is engaged in ongoing work to prioritize the recommendations of the [Regional Affordable Housing Five-Year Action Plan](#).

The Five-Year Action Plan outlined a menu of policy options prioritized by numerous stakeholders, including Affordable Housing Task Force members, city and county staff, housing providers, and members of the community impacted by the affordable housing crisis. The adopted strategies and actions are included here as [Attachment A](#) fall under seven overarching goals:

1. Create and support an ongoing structure for regional collaboration;
2. Increase construction and preservation of affordable homes for households earning less than 50% of Area Median Income;
3. Prioritize affordability accessible within a half mile walkshed of existing and planned frequent transit service, with a particular priority for high-capacity transit stations;
4. Preserve access to affordable homes for renters by supporting tenant protections to increase housing stability and reduce the risk of homelessness;
5. Protect existing communities of color and low-income communities from displacement in gentrifying communities;
6. Promote greater housing growth and diversity to achieve a variety of housing types at a range of affordability and improve jobs/housing connections throughout King County; and,
7. Better engage local communities and other partners in addressing the urgent need for and benefits of affordable housing.

During development of the Five-Year Action Plan, SCA members emphasized the need for technical assistance, shared information, and recommended strategies that will support cities in their efforts to tackle the region's affordable housing crisis. PIC members are encouraged to review the approved goals, strategies, and actions and provide additional recommendations on the areas of greatest need or where coordination through the KCACH would be most beneficial to your city.

#### **Next Steps**

For more information, please contact SCA Policy Director Brian Parry, [brian@soundcities.org](mailto:brian@soundcities.org) or 206-499-4159.



## OVERARCHING GOAL:

Strive to eliminate cost burden for households earning 80 percent Area Median Income and below, with a priority for serving households at or below 50 percent Area Median Income.



Create and support an ongoing structure for regional collaboration

<b>STRATEGY A:</b> Create an Affordable Housing Committee of the Growth Management Planning Council (GMPC)	County	Cities	Housing Committee	State
i. Maintain a website and prepare an annual report to collect data and report on progress toward implementing the Action Plan			✓	
ii. Review and make recommendations to other governing bodies regarding funding/pursuing new and innovative financing strategies, land use policies and State legislative agenda items			✓	
iii. Make recommendations to the GMPC for Countywide Planning Policies updates and to the PSRC's Growth Management Policy Board			✓	
iv. Coordinate support for increased federal funding			✓	
v. Provide technical support to cities and the County and support new and existing sub-regional collaborations			✓	
vi. Review and evaluate the Committee and recommend alternative governance structures if needed to implement the Action Plan			✓	
<b>STRATEGY B:</b> Support the creation and operation of sub-regional collaborations to increase and preserve affordable housing				
i. Support the creation of sub-regional collaborations in all parts of King County	✓	✓	✓	
ii. Fund operations of sub-regional collaborations	✓	✓		
iii. Encourage the growth and success of existing sub-regional collaborations	✓	✓	✓	



## Increase construction and preservation of affordable homes for households earning less than 50% area median income



<b>STRATEGY A: The Affordable Housing Committee will work with cities and the County to identify and prioritize new resources to build or preserve 44,000 units in the next five years and track progress toward the goal</b>	County	Cities	Housing Committee	State
i. Identify revenue sources sufficient to support the local share of funding 44,000 units over five years	✓	✓	✓	
ii. Collectively advocate to maintain and increase Federal resources directed toward affordable housing in King County	✓	✓	✓	
iii. Collectively advocate for increased State resources to support affordable housing in King County	✓	✓	✓	✓
iv. Explore unused authority to raise revenue to support the goal of building or preserving 44,000 units over five years	✓	✓	✓	
v. Work with business and philanthropy to increase and effectively leverage private investments in affordable housing	✓	✓	✓	
vi. Pursue strategies to reduce the cost of developing affordable units	✓	✓		
vii. Monitor County and city progress toward raising funds necessary to produce 44,000 units in the next five years			✓	
<b>STRATEGY B: Make available at no cost, at deep discount, or for long term lease, under-utilized property from State, County, cities, and non-profit/faith communities</b>				
i. Expand coordination to identify, acquire and develop property for affordable housing	✓	✓		✓
ii. Track and report progress on REDI fund and Home & Hope			✓	
iii. Identify one or more parcels in their boundaries to prioritize for affordable housing (for-profit or non-profit, new or preserved)	✓	✓		
iv. Develop policies for the sale of County-owned property at reduced or no cost when used for affordable housing, which may be used as a model ordinance by cities	✓			
<b>STRATEGY C: Develop a short-term acquisition loan fund to enable rapid response to preserve affordable housing developments when they are put on the market for sale</b>				
i. Identify entity to inventory all large (50+ unit) privately owned affordable multifamily properties at risk of redevelopment or rapid rent escalation	✓	✓	✓	
ii. Measure and monitor progress in preserving privately owned affordable housing through nonprofit or public housing authority acquisition, or other means			✓	



## Prioritize affordability accessible within a half mile walkshed of existing and planned frequent transit service, with a particular priority for high-capacity transit stations

# 3

<b>STRATEGY A: Implement comprehensive inclusionary/incentive housing policies in all existing and planned frequent transit service to achieve the deepest affordability possible through land use incentives to be identified by local jurisdictions</b>	County	Cities	Housing Committee	State
i. Provide technical assistance in designing inclusionary/incentive housing programs	✓		✓	
ii. Provide website of example ordinances	✓		✓	
iii. Propose and apply for state planning dollars	✓	✓		✓
iv. Evaluate and update zoning in transit areas in advance of transit infrastructure investments	✓	✓		
v. Evaluate the impact of development fees in transit areas and implement reductions if positive impact found	✓	✓		
vi. Regularly measure implementation against goal	✓		✓	
vii. Coordinate with local housing authorities to use project-based rental subsidies with incentive/inclusionary housing units to achieve deeper affordability	✓	✓		
<b>STRATEGY B: Maximize resources available for Transit Oriented Development (TOD) in the near term</b>				
i. Consider bonding against future Lodging Tax revenues for TOD and use a portion of the funds to incentivize cities to support more affordable housing	✓			
ii. Evaluate potential for the current Transfer of Development Rights program, which preserves rural and resource lands, to incentivize affordability outcomes if a receiving site is within a transit walkshed, among other places	✓			
<b>STRATEGY C: Create and implement regional land acquisition and development strategy</b>				
i. Identify priority “pipeline” of property for acquisition and development	✓	✓		
ii. Adopt and implement property value discount legislation/guidance as needed, including updated valuation guidance	✓			
iii. Fund land acquisition, aligned with Goal 2, Strategy B	✓	✓		✓
iii. Adopt increased zoning to maximize affordable housing on acquired parcels	✓	✓		
iv. Identify entity to purchase and hold land prior to construction	✓	✓	✓	
v. Fund capital construction and preservation	✓	✓		✓



## Preserve access to affordable homes for renters by supporting tenant protections to increase housing stability and reduce risk of homelessness

# 4

<b>STRATEGY A: Propose and support legislation and statewide policies related to tenant protection to ease implementation and provide consistency for landlords</b>	County	Cities	Housing Committee	State
i. Support the development and adoption of statewide legislation and policy related to tenant protections	✓	✓	✓	✓
ii. Review proposed statewide policies and legislation	✓		✓	
iii. Develop tools landlords can use to help low-income renters, such as a fund landlords can access to make repairs so costs are not passed on to low-income renters	✓		✓	
<b>STRATEGY B: Strive to more widely adopt model, expanded tenant protection ordinances countywide and provide implementation support</b>				
i. Provide model ordinances	✓	✓	✓	
ii. Pursue a signed ILA for enforcement support	✓	✓	✓	
iii. Identify resources to conduct work	✓		✓	
iv. Increase education for tenants and property owners regarding their respective rights and responsibilities	✓		✓	
v. Adopt ordinances as appropriate	✓	✓		
<b>STRATEGY C: Expand supports for low-income renters and people with disabilities</b>				
i. Utilize funds from the Veterans, Seniors and Human Services Levy for shallow rent subsidies to help keep people in their homes	✓			
ii. Increase funding for emergency rental assistance	✓	✓		
iii. Increase deep rental subsidies (in addition to shallow)	✓	✓		
iv. Fund services to address barriers to housing	✓	✓		
v. Expand civil legal aid support	✓	✓		
vi. Expand education of tenant and property owner rights and responsibilities	✓	✓		
vii. Increase funding for services that help people with disabilities stay in their homes and/or age in place	✓	✓		

**Strategy D: Adopt programs and policies to improve the quality of housing in conjunction with necessary tenant protections**

i. Adopt and implement proactive rental inspection policies	✓	✓		
ii. Implement robust, proactive code enforcement programs, in partnership with marginalized communities to avoid inequitable impacts	✓	✓		
iii. Invest in community health workers to promote healthy housing education and housing maintenance for highest risk of adverse health outcomes	✓	✓		
iv. Partner with Aging & Disability organizations to integrate accessibility services	✓	✓		



**Protect existing communities of color and low-income communities from displacement in gentrifying communities.**

5

**STRATEGY A: Authentically engage communities of color and low-income communities in affordable housing development and policy decisions**

	County	Cities	Housing Committee	State
i. Provide capacity grants to small organizations representing communities of color or low-income communities to support their engagement in affordable housing development	✓			
ii. Contract for a toolkit/checklist on community engagement in planning discussions	✓			
iii. Utilize the toolkit and intentionally include and solicit engagement from members of communities of color or low-income households in policy decision-making and committees	✓	✓		

**STRATEGY B: Increase investments in communities of color and low-income communities by developing programs and policies that serve individuals and families at risk of displacement**

i. Use Seattle's Equitable Development Initiative as a model for how government can invest in under-represented communities to promote community-driven development	✓	✓		
ii. Build upon the work of the Communities of Opportunity initiative	✓	✓		
iii. Include cities, investors, and community-based organizations in development of certification process and matching dollars for socially responsible, equitable Opportunity Zone investments that prevent displacement	✓	✓	✓	
iv. Expand requirements to affirmatively market housing programs and enhance work to align affordable housing strategies with federal requirements to Affirmatively Further Fair Housing	✓	✓		
v. Encourage homeownership opportunities as a way to prevent displacement within communities of color while also promoting the growth of intergenerational wealth	✓	✓		
vi. Where appropriate, acquire and preserve manufactured housing communities to prevent displacement	✓	✓		



## Promote greater housing growth and diversity to achieve a variety of housing types at a range of affordability and improve jobs/housing connections throughout King County

# 6

<b>STRATEGY A: Update zoning and land use regulations (including in single-family low-rise zones) to increase and diversify housing choices</b>	County	Cities	Housing Committee	State
i. Provide model ordinances	✓		✓	
ii. Incentivize cities adopting and implementing strategies that will result in the highest impact towards addressing the affordable housing gap, specifically at the lowest income levels	✓			
iii. Review and update zoning and land use code to increase density	✓	✓		
iv. Explore opportunities to pilot innovative housing in industrial zones, with a focus on TOD and industrial buffer zones	✓	✓		
v. Update building codes to promote more housing growth and innovative, low-cost development	✓	✓		
vi. As part of any updated zoning, to evaluate feasibility of incorporating affordable housing provisions	✓	✓		
vii. Promote units that accommodate large households and/or multiple bedrooms	✓	✓		
<b>STRATEGY B: Decrease costs to build and operate housing affordable to low-income households</b>				
i. Maximize and expand use of Multi-Family Tax Exemption	✓	✓		
ii. Reduce sewer fees for affordable housing	✓			
iii. Reduce utility, impact and other fees for affordable housing and Accessory Dwelling Units (ADUs)		✓		
iv. Streamline permitting process for affordable housing development and ADUs	✓	✓		
v. Support condominium liability reform	✓	✓	✓	
vi. Exempt affordable housing from sales tax				✓
vii. Explore incentives similar to the Multi-Family Tax Exemption for the development of ADUs for low-income households	✓		✓	

(Continued on next page).

**STRATEGY C: Incentivize growth and affordability goals by expanding tools for investments in local infrastructure**

i. Advocate for a strong, equitable financing tool that captures value from development to fund infrastructure and affordable housing investments (aka: value-capture or tax-increment financing tools)	✓	✓		✓
ii. Advocate for state public works trust fund investments	✓	✓		✓
<b>STRATEGY D: Expand and preserve homeownership opportunities for low-income households</b>				
i. Increase educational efforts to ensure maximum use of property tax relief programs to help sustain homeownership for low-income individuals	✓	✓		
ii. Support alternative homeownership models that lower barriers to ownership and provide long-term affordability	✓	✓		
iii. Expand targeted foreclosure prevention	✓	✓		
iv. Where appropriate, preserve existing manufactured housing communities through use-specific zoning or transfer of development rights	✓	✓		
v. Encourage programs to help homeowners (esp. low-income) access financing, technical support or other tools needed to participate in and benefit from infill development opportunities	✓	✓		



**Better engage local communities and other partners in addressing the urgent need for and benefits of affordable housing**

**STRATEGY A: Support engagement of local communities and residents in planning efforts to achieve more affordable housing**

	County	Cities	Housing Committee	State
i. Develop toolkits and strategies to better engage neighborhoods and residents in affordable housing development	✓		✓	
ii. Use existing data and tools to greatest extent possible, i.e. PSRC Vision 2050 work	✓		✓	
iii. Use community engagement techniques that promote more equitable community engagement in zoning and siting decisions	✓	✓		

**STRATEGY B: Expand engagement of non-governmental partners (philanthropy, employers, investors, private developers and faith communities) to support efforts to build and site more affordable housing**

i. Create stakeholder partnerships with business, philanthropy, non-profits, faith-based organizations, the health care sector, and others to encourage investments in affordable housing	✓	✓	✓	
ii. Encourage business, organized labor, and philanthropy to support public dialogue on affordable housing	✓	✓	✓	



September 11, 2019  
SCA PIC Meeting

## Item 10:

### SCA 2020 Legislative Agenda

#### ***DISCUSSION***

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#### **SCA Staff Contact**

Brian Parry, SCA Senior Policy Analyst, [brian@soundcities.org](mailto:brian@soundcities.org), 206-499-4159

#### **SCA Legislative Committee Members**

Mayor Leanne Guier, Pacific, Chair; Mayor David Baker, Kenmore; Mayor Dana Ralph, Kent; Mayor Amy Ockerlander, Duvall; Deputy Mayor Catherine Stanford, Lake Forest Park

#### **Discussion**

The SCA Legislative Committee will meet on September 13 to begin developing a SCA 2020 Legislative Agenda to recommend to PIC. At future meetings, PIC will review the recommendations of the Legislative Committee and recommend the proposed Legislative Agenda to the SCA Board, by whom it may be formally adopted.

At PIC in September, members will review SCA priorities from the 2019 legislative session, initial legislative priorities being developed by the Association of Washington Cities, and provide input on priorities for consideration by the SCA Legislative Committee. PIC members are encouraged to provide information on any work that has already begun in your city to identify priorities for 2020 and to provide input for the SCA Legislative Committee to consider as it develops recommendations for the full PIC.

#### **Background**

The SCA 2019 Legislative Agenda ([Attachment A](#)) focused on legislative requests in three priority issue areas: Address the Affordable Housing and Homelessness Crisis; Invest in Transportation Infrastructure and Mobility; and, Provide Tools for Cities to Address Other Critical Local Priorities. As noted in the final SCA Legislative Report following the end of the 2019 session ([Attachment B](#)), the legislature did not significantly increase revenue tools for to address local transportation needs; however, significant legislation was approved reflecting SCA priorities for affordable housing, state-shared revenues, and other priorities.

The SCA Legislative Committee will meet on September 13 to begin developing the SCA 2020 Legislative Agenda to recommend to PIC. At a future meeting, PIC will review the recommendations of the Legislative Committee and recommend the proposed Legislative Agenda to the SCA Board, by whom it may be formally adopted.

In prior years, PIC has sought to develop a legislative agenda that is largely consistent with that of the Association of Washington Cities, but with a focus on issues that are unique or particularly important to SCA cities. As part of this discussion item, PIC will be joined by AWC

staff who will provide an update on potential 2020 legislative priorities under consideration by the association. Some of the issue areas under consideration by AWC's Legislative Priorities Committee include:

- Support a comprehensive city transportation bill that provides new resources and options (a recent [interview](#) in the *Seattle Times* with Senate Transportation Chair Steve Hobbs indicates there will be continued discussion of a transportation package in 2020);
- Support efforts to fully fund the Public Works Trust Fund;
- Support the creation of tax increment financing options for cities;
- Preserve city fiscal health with secure funding sources and flexibility to meet the growing and evolving needs of their communities;
- Oppose across the board COLA increases to PERS 1 that would further increase unfunded liability in the plan;
- Oppose transfers of funds out of the LEOFF 2 account;
- Support state funding for medication assisted treatment in city and regional jails to address the ongoing opioid crisis;
- Increase capacity to provide community courts;
- Oppose efforts to weaken local law enforcement authority to use drug and property forfeiture and seizure authority for certain crimes and drug offenses;
- Continue to support new resources and polices to increase affordable housing at the state and local level (including voluntary adoption of ADU ordinances, expanding eligibility to implement the multifamily tax exemption; and, providing optional local funding tools);
- Continue to support a watershed-based approach to address local fish-blocking culverts; and,
- Support reforms to the Residential Landlord Tenant Act to require “just cause” before eviction or termination of tenancy.

At the SCA Networking Dinner in May, legislators who participated in a panel discussion stressed the importance of working early prior to the beginning of the legislative session to set priorities and educate members about city priorities. SCA cities are encouraged to schedule meetings with local legislators at your earliest opportunity.

### **Next Steps**

The SCA Legislative Committee will meet beginning on September 13 to start developing recommendations for the SCA 2020 Legislative Agenda. At future meetings, PIC will review the recommendations of the Legislative Committee and recommend the proposed Legislative Agenda to the SCA Board, by whom it may be formally adopted. Questions or feedback can be provided to SCA Senior Policy Analyst Brian Parry at [brian@soundcities.org](mailto:brian@soundcities.org) or 206-499-4159.

## **SCA 2019 Legislative Agenda**

### **Address the Affordable Housing and Homelessness Crisis**

The state and cities must partner to preserve and increase the supply of affordable housing as, well as address behavioral health needs and other root causes of homelessness. Sound Cities Association urges the Legislature to:

- *Take steps to preserve and increase the supply of affordable housing, including:*
  - *Continued investment and expansion of the Housing Trust Fund*
  - *Expand pathways to homeownership, including reforming condominium liability law*
  - *Allow cities to create and preserve affordable housing through optional local tools*
- *Address other underlying causes of homelessness by providing support to cities to implement innovative local solutions and increasing investments in our state's behavioral health system*

### **Invest in Transportation Infrastructure and Mobility**

The economic vitality of our state demands that we invest in our existing transportation infrastructure and prioritize new investments that improve the movement of people and goods across the transportation system in an integrated, efficient, and reliable manner. Sound Cities Association urges the Legislature to:

- *Create stable, long-term funding available to cities to address maintenance and preservation of existing infrastructure*
- *Support improving mobility along significant urban, regional, and state corridors by managing them as an integrated system that supports motor vehicle, transit, bicycle, and pedestrian travel*

### **Provide the Tools for Cities to Address Other Critical Local Priorities**

City revenue streams are limited and are not structured to sustainably keep-up with rising costs. Cities need flexible local funding tools, fewer unfunded mandates, and continued support from the state for shared responsibilities. Sound Cities Association urges the Legislature to:

- *Give cities funding tools to sustainably address local priorities, such as:*
  - *Replacing the arbitrary annual 1% cap on property tax increases with a limit tied to inflation plus population growth*
  - *Increasing flexibility for REET and other existing revenues*
  - *Continuing streamlined sales tax mitigation to affected cities*
- *Maintain the state's responsibility to cities by:*
  - *Fully and equitably funding critical public safety and correctional facility investments including the Basic Law Enforcement Academy and Corrections Officers Academy*
  - *Continuing smart investments in cost-effective programs including MRSC and the Public Works Assistance Account*
  - *Meeting the state's commitment to share revenues with cities in order to provide vital services to our shared constituents*

**Sound Cities Association Legislative Report**  
**SCA Consultant Briahna Murray; bmurray@gth-gov.com; (253) 310-5477**  
**April 29, 2019**

The legislature adjourned sine die (or “last day”) on Sunday evening minutes before midnight, completing all of its work within the constitutionally mandated period of time. Below are the highlights for the end of the session. Full details will follow later this week.

**Final Budgets Summarized**

*Operating Budget*

The final operating budget spends \$52.4 billion, an increase of roughly 20% from the 2017-19 budget of \$43.7 billion. The budget is based on five new revenue sources: 1) switching from a flat rate Real Estate Excise Tax to a variable rate based on the sale price of the property (SB 5998); 2) removing a preferential business and occupation tax rate for international investment companies (SB 6016); 3) replacing the out-of-state sales tax exemption with a refund mechanism (SB 5997); 4) increasing the B&O tax rate for travel agents (SB 6004) and 5) raising the B&O tax rate for large financial institutions (HB 2167). In addition, the legislature increases the B&O tax rate for certain business categories and dedicates the revenues to higher education (HB 2158). No capital gains tax was passed.

*Capital Budget*

The capital budget invests \$4.9 billion in state agency construction projects, grant and loan programs for local governments, and in K-12 school and higher education facility construction. In addition, \$3.8 billion is re-appropriated for projects previously authorized but not yet completed. \$96.5 million for local and community projects awarded through competitive programs and direct legislative grants;

*Transportation Budget*

The final transportation budget includes a very small list of new projects. This is because actual gas tax revenue ended up being less than projected and the legislature was only able to fund new projects through a one-time \$50 million transfer of Hazardous Substance Tax revenue out of the Model Toxics Control Act Account.

**Legislative Priorities**

**Address Affordable Housing and Homelessness**

The final budgets made significant investments in affordable housing:

- \$175 million was allocated to the Housing Trust Fund (a historic high amount!);
- The Legislature approved [Senate Bill 5334](#) to reform the Condominium Liability Act;
- The Legislature approved [House Bill 1406](#) which allows local jurisdictions to impose a credit against the state sales tax to fund affordable housing. The final version of the bill authorizes cities and counties to each impose a .0146 credit against the state sales tax. A city is authorized to impose the county’s portion of the .0146 if the city has imposed a local tax to fund affordable housing (property or sales) or the county does not utilize its authority;
- [House Bill 1590](#), authorizing counties to councilmanically increase the sales tax to fund affordable housing, did NOT pass.
- Local control is maintained over density, land use and accessory dwelling units. The Legislature passed [House Bill 1923](#), which incentivizes rather than mandates cities to accept

density. The ADU bill that preempted local control, [Senate Bill 5812](#), failed to pass the Legislature.

- The Legislature approved [Senate Bill 5444](#) implementing reforms to the state mental health system in response to the *Trueblood* settlement. Additionally, the Operating and Capital Budgets made significant investments into implementing these reforms and funding community behavioral health facilities.

### **Invest in Transportation Infrastructure and Mobility**

- The Legislature did not significantly increase revenue to local governments to meet local transportation needs. The Joint Transportation Committee is tasked with making recommendations to the 2020 Legislature regarding local transportation revenues.

### **Provide the Tools for Cities to Address Other Critical Local Priorities**

- State-shared revenues are fully funded in the final Operating Budget, except for the Public Works Assistance Account. The Operating Budget swept \$160 million out of the account, leaving only \$95 million left in the account - \$85 million which will be available for competitive application.
- The Legislature approved House Bill 1219, providing increased flexibility with real estate excise tax revenues to fund affordable housing.
- The final Operating Budget allocates \$16.4 million to continue streamlined sales tax mitigation payments to impacted jurisdictions through 2021. Additionally, the four-year budget includes an intent to continue the payments through the 21-23 biennium.
- The final Operating Budget allocates the necessary funding for 9 additional classes through the Basic Law Enforcement Academy. This is the amount requested by the Criminal Justice Training Committee to meet the expected law enforcement training needs across the state.
- The Legislature approved Senate Bill 5993 increasing the hazardous substance tax to fund the Model Toxics Control Account and additional stormwater projects.



September 11, 2019  
SCA PIC Meeting

## Item 11:

### Domestic Violence Awareness Month

#### ***DISCUSSION***

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#### **SCA Staff Contact**

Cynthia Foley, Policy Analyst, [cynthia@soundcities.org](mailto:cynthia@soundcities.org), (206) 495-3020

#### **SCA Members of the Domestic Violence Initiative**

Councilmember Traci Buxton, Des Moines; Councilmember Satwinder Kaur, Kent (Alternate); Mayor Christie Malchow, Sammamish; Councilmember Tanika Padhye, Redmond (Alternate); Deputy Mayor Dana Parnello, Maple Valley (Alternate); Councilmember Yolanda Trout-Manuel, Auburn; Councilmember Jennifer Robertson, Bellevue (Alternate)

#### **Discussion**

In August 2019, the SCA members of the Domestic Violence Initiative sent a letter to SCA member cities ([Attachment A](#)) inviting them to participate this October in Domestic Violence Awareness Month. SCA member cities were encouraged to share what they do to support domestic violence services and awareness so that those ideas and actions could be shared with other cities.

SCA cities are already taking special actions to increase awareness during the month of October. Thus far, twenty-four cities have communicated that they are planning to participate by passing a resolution or hosting events. Details on some of those events are included below and PIC members are encouraged to share additional information at the September 11 PIC meeting.

#### **Background**

In August 2019, the SCA members of the Domestic Violence Initiative sent a letter to SCA member cities ([Attachment A](#)) inviting them to participate in Domestic Violence Awareness Month. October was first designated as Domestic Violence Awareness month by the US Congress in 1989. This time is often used to demonstrate that violence is not acceptable, remember victims, and bring attention to local services for those affected.

Among other actions, cities in King County have recognized this month by passing proclamations highlighting victim services and recognizing the scope of this issue both nationally and locally; sharing topical information online and through social media; and, hosting events to raise awareness. Some of these actions, such as “Purple Light Nights” that was first held by City of Covington in 2006 have since been replicated locally and even spread to communities around the country and abroad.

## 2019 SCA City Actions

In August 2019, the SCA members of the Domestic Violence Initiative sent a letter to SCA member cities ([Attachment A](#)) inviting them to participate in Domestic Violence Awareness Month and share what they do to support domestic violence services and awareness.

Thus far, twenty-four cities have communicated that they are planning to participate in raising awareness about Domestic Violence Awareness Month in 2019. Cities planning to pass proclamations include: Algona, Auburn, Bellevue, Bothell, Burien, Covington, Duvall, Des Moines, Issaquah, Kenmore, Kent, Lake Forest Park, Maple Valley, Mercer Island, North Bend, Pacific, Redmond, Renton, Sammamish, SeaTac, Shoreline, Snoqualmie, Tukwila, and Woodinville.

Planned events for Domestic Violence Awareness Month include:

- Algona and Pacific will host the [ALPAC Purple Light Night 5k Run](#) on October 5<sup>th</sup> at 5:00 PM. It will include a 5-kilometer run, pasta feed, silent auction and tree lighting;
- Auburn will display [purple lights](#) in the city hall plaza, and is holding a 5-mile 'Purple Sock Run' on October 26<sup>th</sup> at 8:00 AM;
- Covington will be holding a [Purple Light Nights](#) event on September 28 from 5:30 PM to 9:00 pm, and will include a 5k run, free BBQ, and tree lighting awards;
- Renton will display silhouettes of victims in their lobby as part of the [Silent Witness Project](#);
- Sammamish will participate in the Silent Witness Project, display purple lights, host a panel with local service providers, and share information about services throughout October; and
- Woodinville have purple lights at the city hall entrance, an educational display in their lobby, and share information on their social media channels.

The letter from SCA members of the Domestic Violence Initiative includes several resources for cities interested in participating in Domestic Violence Awareness Month. Several ideas are provided [online](#) by the National Network to End Domestic Violence.

## Next Steps

Cities are encouraged to share their plans to participate in Domestic Violence Awareness Month. Questions or information on actions in your community can be directed to SCA Policy Analyst Cynthia Foley by email at [cynthia@soundcities.org](mailto:cynthia@soundcities.org) or by phone at (206) 495-3020.



August 8, 2019

Dear Colleague,

We are reaching out to invite you to join our cities in participating this October in Domestic Violence Awareness Month. Domestic violence takes place within families and other close relationships. Domestic abuse is a pattern of coercive and controlling behavior, and can have serious negative impacts on victims, their friends and family members, and the community. Some of these behaviors can escalate to the level of criminal offenses.

Many resources are available to assist domestic violence victims and their families. Victims in immediate danger can always call 911. A range of confidential and community-based services are available throughout King County: [Lifewire](#) offers services on the eastside, the Domestic Abuse Women's Network ([DAWN](#)) serves south King County, and [New Beginnings](#) is in Seattle. Several [agencies](#) provide culturally-specific services. Resources for agencies offering domestic violence services are available from the Coalition Ending Gender-Based Violence.

Additionally, educational programs to prevent domestic violence and provide early intervention are growing in King County. Here are a few examples:

- [Athletes as Leaders](#) is a program for high school athletes on girls' sports teams. The program aims to empower student athletes to take an active role in promoting healthy relationships and ending sexual violence.
- [Coaching Boys into Men](#) trains high school coaches to teach young male athletes healthy relationship skills.
- [Love Is Respect](#) is a website meant to empower youth to prevent and end dating abuse. The site offers information about creating healthy dating relationships.
- [Family Intervention and Restorative Services](#) (FIRS) offers youth arrested for family violence incidents space at an overnight respite center as an alternative to secure detention. FIRS staff offer de-escalation counseling and safely reunite youth with their family. Families are offered in-home family counseling, mental health services, drug and alcohol services, and resources designed to address adolescent family violence through the Step-Up program.

King County cities are already taking action to increase awareness. Many city councils pass proclamations recognizing Domestic Violence Awareness month. Several cities participate in [Purple Light Nights](#), an event which began in Covington, and has been adopted by communities around the world. The City of Renton [displays silhouettes](#) and stories of victims in their lobby to remember individuals and highlight the human cost. The Algona-Pacific Domestic Violence Taskforce is hosting a [5k run](#). Other ideas for Domestic Violence Awareness Month are provided [online](#) by the National Network to End Domestic Violence.

We invite SCA cities to share what you do to support domestic violence services and awareness. This information will be shared at the SCA Public Issues Committee meeting on September 11. Please share your actions by emailing [cynthia@soundcities.org](mailto:cynthia@soundcities.org) by August 31. Promoting awareness of response, prevention, and victim protection services demonstrates that violence has no place in our communities.

Sincerely,

The SCA Members of the Domestic Violence Initiative



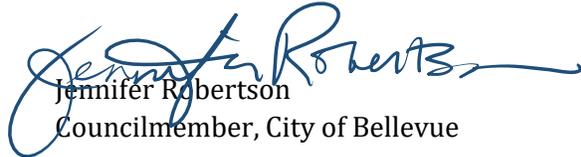
Traci Buxton  
Councilmember, City of Des Moines



Dana Parnello  
Deputy Mayor, Maple Valley



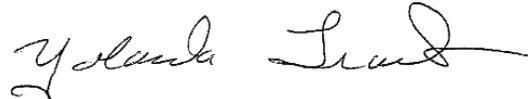
Satwinder Kaur  
Councilmember, City of Kent



Jennifer Robertson  
Councilmember, City of Bellevue



Tanika Padhye  
Councilmember, City of Redmond



Yolanda Trout-Manual  
Councilmember, City of Auburn

**Item 12:**  
Initiative 976  
**UPDATE**

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**SCA Staff Contact**

Brian Parry, SCA Policy Director, [brian@soundcities.org](mailto:brian@soundcities.org), (206) 499-4159

**Update**

I-976 is an initiative that will appear on the November 5, 2019 general election ballot in Washington State. The initiative would repeal or reduce a range of state and local taxes and fees related to motor vehicles.

PIC members were briefed previously on anticipated impacts of I-976, and members asked to be provided with additional information as it becomes available. I-976 is projected to reduce funding for state and local government transportation projects statewide by more than \$4 billion in the next 10 years. This includes an estimated annual loss of at least \$124 million in locally-established Transportation Benefit Districts, over \$30 million of which impacts TBDs in SCA cities.

Recently, King County Metro completed analysis of the impacts of I-976 on the regional transit system ([Attachment A](#)). Based on their analysis, Metro estimates the region will face over \$200 million in potential cuts to transit and roadways in King County between 2020 and 2025. In addition, Sound Transit is estimated to face a loss of revenue of approximately \$328 million per year.

SCA staff will continue to monitor new information about the impacts of I-976, and PIC members are encouraged to share potential impacts of I-976 on your community. In addition, the Association of Washington Cities will be hosting a webinar on I-976 that will cover the impacts of the initiative and how cities and elected officials can engage on the issue ([registration](#)).

**Background**

The November 2019 general election will decide I-976, the latest Tim Eyman initiative, which would repeal, reduce, and remove authority to impose a range of state and local taxes, fees, and other charges relating to motor vehicles.

PIC previously discussed the potential impacts of the passage of I-976 and those briefings can be found in the PIC meeting packets from [March](#), [April](#), and [May](#) 2019. SCA staff have continued to monitor information related to the potential impacts that may be shared with member cities. Recently, King County Metro completed an assessment that provides new information on the potential impacts of I-976 on the regional transit system ([Attachment A](#)), highlights of which are provided below.

Overall, between 2020 and 2025, Metro estimates the region will face over \$200 million in potential cuts to transit and roadways in King County. Of this \$200 million, the primary funds that would be impacted are locally approved Transportation Benefit Districts (TBD's) and grants from the state Multimodal Account. In addition, Sound Transit is estimated to face a loss of revenue of approximately \$328 million per year.

**Funding Sources Impacted**

I-976 would impact the following state and local funding sources:

- Repeal the authority for Transportation Benefit Districts to impose any vehicle license fee, including voter-approved license fees, eliminating this as a local funding option (TBDs would still be authorized to impose a 0.2% sales tax with voter approval);
- Repeal the authority for Regional Transit Authorities (Sound Transit) to impose a motor vehicle excise taxes (MVET);
- Repeal the authority for Public Transportation Benefit Areas to impose an MVET for passenger ferry service and for Sound Transit;
- Limit all other vehicle license and registration fees to \$30, including the electric vehicle fee, commercial trailer and snowmobile fees, and weight-based fees for vehicles up to 10,000 pounds; and,
- Repeal the 0.3% tax on motor vehicle retail sales.

**Impacts to Local Transportation Benefit Districts**

As noted in previous briefings, repealing these fund sources would reduce funding for state and local government transportation projects statewide by more than \$4 billion in the next 10 years. This includes an estimated loss of at least \$124 million in locally-established Transportation Benefit Districts, over \$30 million of which impacts TBD's in 12 SCA cities whose annual collections are shown in the table below.

City	Financial Impact (TBD)
Black Diamond	(\$105,000)
Burien	(\$767,000)
Covington	(\$334,000)
Des Moines	(\$919,000)
Enumclaw	(\$245,000)
Kenmore	(\$350,000)
Lake Forest Park	(\$430,000)
Maple Valley	(\$396,000)
Mercer Island	(\$376,000)
Normandy Park	(\$116,000)
Shoreline	(\$834,000)
Snoqualmie	(\$200,000)

In Seattle, the estimated impact of losing vehicle license fees as a source of TBD funding is estimated to have a \$36 million impact. As noted by Metro, this reduction puts at risk 175,000

Metro bus service hours on 74 routes in Seattle, Burien, Shoreline, Skyway, Tukwila, and White Center in 2020.

### **Impacts to the State Multimodal Account**

In addition to impacting local TBD's, much of the funding proposed to be reduced or eliminated by I-976 is currently deposited in the state Multimodal Account, which provides flexible funding to support a variety of local mobility projects. The specific impacts of the elimination of these funds on local projects and services is difficult to project as reductions would have to be determined by the Legislature. However, if the Legislature were to choose to make an across-the-board reduction in programs, Metro estimates the region would lose approximately \$134 million in Metro services between 2020 and 2025, including:

- \$22.8 million in grant funds to support Metro projects, including RapidRide expansion, bus layover facilities, transit access, transit integration, transportation demand management, speed and reliability projects, and 10,000 annual service hours on the Route 101 in Renton;
- \$29.2 million in cuts to grants awarded to the cities of Burien, Kent, Tukwila, and Seattle for RapidRide investments, access to transit, and speed and reliability improvements;
- \$12.2 million in cuts to the Access paratransit program;
- \$30 million in cuts to replace Metro vanpool vans;
- \$2 million in cuts to Metro/Sound Transit coordination programs, including one for affordability and accessibility improvements for low-income passengers;
- \$485,000 in cuts to the ORCA Summer Program, which provides passes to income-qualified high school students in the Lake Washington and Highline districts;
- \$1 million in cuts to a program to provide incentives to non-profits and small businesses in King, Pierce, and Snohomish County to provide ORCA passes to their employees;
- \$350,000 for the transit-oriented development pilot project at the Kirkland Kingsgate Park and Ride; and,
- \$36 million to support electrification of the bus fleet.

### **Impacts to Sound Transit**

I-976 would require the retirement or refinancing of all Sound Transit bonds that have MVET revenue pledged to them. The agency indicates this will likely lead to other fund sources Sound Transit collects being diverted away from local projects to repay bonds that are currently being repaid with MVET funds. The agency estimates I-976 will have a \$20 billion total impact through 2041, which includes approximately \$7 billion in lost revenue and \$13 billion in increased interest and construction costs.

### **Next Steps**

I-976 will be decided by voters at the November 5 general election. SCA staff will continue to monitor new information about the impacts of I-976, and PIC members are encouraged to share potential impacts of I-976 on your community. For more information, please contact SCA Policy Director Brian Parry at [brian@soundcities.org](mailto:brian@soundcities.org) or 206-499-4159.

## Potential Impacts of I-976 on King County Metro and Regional Transit System

*August 23, 2019*

**Introduction.** Initiative 976, “Bring back our \$30 car tab fees,” would repeal or remove authority to impose certain vehicle taxes and fees; limit state and local license fees to \$30 for motor vehicles weighing 10,000 pounds or less, except charges approved by voters after the measure's effective date; base vehicle taxes on Kelley Blue Book value; require regional transit authorities to retire bonds early where allowed; and either reduce or repeal taxes pledged to bonds depending on whether bonds are retired by 2020. I-976 will be on the November 2019 ballot statewide.

This document provides a summary of the potential impacts of I-976 to King County Metro and the regional transit system. It is based on analysis performed by the Washington State Office of Financial Management (OFM), King County, and local jurisdictions. More information on this analysis can be found in the **Technical Appendix** that begins on page 3.

**Impacts on King County Metro and local communities.** King County does not currently collect a vehicle license fee (VLF) or motor vehicle excise tax (MVET), the taxing sources that would be repealed by Initiative 976. However, the State of Washington, Sound Transit, and 13 King County cities use these tax sources to fund mobility projects in King County, including many operated by Metro.

It is difficult to definitively determine the effects of the initiative because its implementation will rely on future decisions of the Legislature, city councils, and Sound Transit Board, and resolution of any potential legal challenges. That being said, absent replacement funds, the passage of I-976 could potentially result in significant cuts to King County Metro services, as well as transit-related projects undertaken by local jurisdictions and partner agencies, including:

- **Approximately \$134 million in cuts to Metro services between 2020 and 2025 due to reductions in the State’s Multimodal Account.** These estimates are based on analysis by the Washington State OFM, which estimates a \$1.5 billion cut to the Multimodal Account over the next six years. Reductions to programs funded by this account would be determined by the Legislature, but if the Legislature were to make an across-the-board reduction, the cuts could include:
  - \$22.8 million in cuts to Regional Mobility Grant Program awards for nine Metro projects, including RapidRide expansion, bus layover facilities, access to transit, transit integration, transportation demand management, speed and reliability projects, and 10,000 annual service hours on the Route 101 in Renton;
  - \$29.2 million in cuts to grants awarded to the cities of Burien, Kent, Tukwila, and Seattle for RapidRide investments, access to transit, and speed and reliability improvements;
  - \$12.2 million in cuts to the Access paratransit program;

- \$30 million in cuts to replace Metro vanpool vans;
  - \$2 million in cuts to Metro/Sound Transit coordination programs, including one for affordability and accessibility improvements for low-income passengers;
  - \$485,000 in cuts to the ORCA Summer Program, which provides bus passes to income-qualified high school students in Lake Washington and Highline districts;
  - \$1 million in cuts to a program to provide incentives to non-profits and small businesses in King, Pierce, and Snohomish Counties to provide ORCA passes to their employees;
  - \$350,000 for the transit-oriented development pilot project at the Kirkland Kingsgate Park and Ride; and
  - \$36 million to support electrification of the bus fleet.
- **Loss of the VLF as a revenue source for the existing King County Transportation Benefit District (TBD) or a potential, new unincorporated King County TBD.**
  - **Loss of 175,000 Metro bus service hours on 74 routes in Seattle, Burien, Shoreline, Skyway, Tukwila, and White Center during 2020, as a result of the cuts to the Seattle TBD funding.** The Seattle TBD is expected to lose \$36 million a year if I-976 passes.
  - **\$30.4 million in cuts to 12 suburban cities between 2020 and 2025 due to loss of the VLF as a funding source for their local TBDs.** Cities use these TBD funds for a variety of transportation-related purposes, including improvements to the right-of-way that enhance speed and reliability for transit or increase access to transit. These cuts are estimated at:
    - Snoqualmie: \$200,000 loss per year
    - Kenmore: \$350,000 loss per year
    - Mercer Island: \$376,000 loss per year
    - Lake Forest Park: \$430,000 loss per year
    - Shoreline: \$834,000 loss per year
    - Des Moines: \$919,000 loss per year
    - Burien: \$767,000 loss per year
    - Maple Valley: \$396,000 loss per year
    - Enumclaw: \$245,000 loss per year
    - Normandy Park: \$116,000 loss per year
    - Black Diamond: \$105,000 loss per year
    - Covington: \$334,000 loss per year
  - **\$1-\$10 million per year in cuts to Metro services due to cuts in formula grant funding provided by the Federal Transit Administration** due to reductions in the services Metro provides as a result of I-976-related cuts.
  - **Cuts of \$328 million per year to Sound Transit, based on OFM analysis.** Reporting in the *Seattle Times* indicates that Sound Transit estimates that it could face a \$20 billion impact through 2041, from the combination of collecting \$6.95 billion less in car tab revenues, as well as the cost of \$13 billion more in higher interest costs in the future.

## Technical Appendix

### Initiative 976 Summary

Initiative 976, “Bring back our \$30 car tab fees,” would repeal or remove authority to impose certain vehicle taxes and fees; limit state and local license fees to \$30 for motor vehicles weighing 10,000 pounds or less, except charges approved by voters after the measure's effective date; base vehicle taxes on Kelley Blue Book value; require regional transit authorities to retire bonds early where allowed; and either reduce or repeal taxes pledged to bonds depending on whether bonds are retired by 2020.

This measure will be on the November 2019 ballot statewide.

### Potential Impacts to State Funding in King County

If I-976 is approved by voters, the Washington Office of Financial Management (OFM) estimates that the State would realize a loss of approximately \$1.9 billion in revenues over the next six years (2020-2025). Funding reductions would continue indefinitely, but OFM has only projected the impacts through 2025.

#### Primary Reductions to State Revenue (2020-2025):

- Multimodal Account - \$1.5 billion
- Motor Vehicle Account - \$265 million
- Washington State Patrol Account - \$89 million
- Transportation Partnership Account - \$45 million
- Nickel Account - \$20 million

The State Legislature will need to determine which programs and projects to fund with the remaining revenue sources. Thus, it is impossible at this time to determine the specific state-funded projects or programs that would be cut as a result of I-976.

Based on the Legislature’s decisions there could be a loss of funding from the programs listed below. Unless otherwise identified, amounts are six-year projections based on the adopted 2019-2021 Transportation budget and supporting six-year project lists.

**Multimodal Account.** I-976 will reduce the revenue deposited in the State’s Multimodal Account by 68%, representing approximately \$1.5 billion cut over the next six years. The Multimodal Account currently funds multiple State programs, grant programs and local agency projects, including the Regional Mobility Grant Program, Rural Mobility Grant Program, Highway Safety, Puget Sound Ferry Operating and Capital programs, Washington State Patrol, Rail Capital and Operating, Transportation Improvement Board, Bicycle/Pedestrian, Safe Routes

to School, and direct allocations to cities and counties. The Multimodal Account funds many transportation investments and programs and is not restricted by the 18<sup>th</sup> Amendment. It is the largest source of State funding for public transportation. As a result, it is likely that public transit would be significantly affected, given the magnitude of reductions in this account.

Metro receives funding for capital projects from multiple grant programs that are funded from the State’s Multimodal Account, including the Regional Mobility, Special Needs, Transit Coordination, and Vanpool programs. In addition, Metro has multiple projects funded directly from the Multimodal Account in the state transportation budget. Metro funded projects that could be at risk due to their reliance on Multimodal funds are listed below.

**1. Regional Mobility Grant Program – \$52 million**

Metro currently has nine projects awarded totaling \$22.8 million. Cities in King County have five projects that benefit Metro that have been given an additional \$29.2 million. These funds are awarded to projects that support the RapidRide expansion program, service, bus layover facilities, access to transit, transit integration, transportation demand management and speed and reliability projects.

Metro and partner cities throughout King County have been planning to seek funding from the Regional Mobility grant program to help implement METRO CONNECTS elements such as RapidRide expansion, base expansion, and other capital improvements.

Most of the Regional Mobility Grant programs are for capital improvements, except in Renton where nearly 10,000 hours of service on the Route 101 could be affected if these grants are reduced.

Metro or its city partners would likely qualify for additional grant funding in 2023-2025, but these funds have not yet been allocated and so cannot be tallied here.

<b>Regional Mobility Grant Program</b>	<b>2019-21</b>	<b>2021-23</b>	<b>2023-25</b>	<b>Total</b>
<b>Metro Lead Projects</b>	<b>\$19,917</b>	<b>\$2,889</b>	<b>\$0</b>	<b>\$22,806</b>
King County Metro Northgate Transit Center TOD - Access and Facility Imp - 20170003	4,512	0	0	4,512
King County Metro Route 101 Service Increase: Renton to/from Seattle - 20170004	1,460	0	0	1,460
King County Metro Eastlake Off-Street Layover Facility - 20170005	6,337	0	0	6,337
King County Metro Renton to Auburn Transit Speed, Reliability & Service - 20170008	3,496	1,269	0	4,765
King County Metro/Sound Transit Link Station Integration - 20170013	1,456	0	0	1,456

<b>Regional Mobility Grant Program</b>	<b>2019-21</b>	<b>2021-23</b>	<b>2023-25</b>	<b>Total</b>
King County Metro Totem Lake/Kirkland to Bellevue/Eastgate Transit Imp - 20170020	500	1,620	0	2,120
King County Metro Transit Speed & Reliability Hot Spot Imp Program - 20170024	1,400	0	0	1,400
King County Metro - Park and Ride Efficiency and Access Project - 20150009	100	0	0	100
King County Metro - Route 245 Corridor Speed and Reliability Improvement - 20150008	656	0	0	656

*Dollar amounts shown in thousands*

<b>Regional Mobility Grant Program</b>	<b>2019-21</b>	<b>2021-23</b>	<b>2023-25</b>	<b>Total</b>
<b>City Lead Projects</b>	<b>\$20,396</b>	<b>\$8,764</b>	<b>\$0</b>	<b>\$29,160</b>
City of Kent: Rapid Ride Facility Passenger Amenities & Access Improv. - 20190004	1,236	6,764	0	8,000
City of Tukwila: South King County Regional TDM for Centers & Corridors - 20190005	160	0	0	160
Seattle DOT: Market/45th RapidRide - 20190009	4,000	2,000	0	6,000
City of Burien: Ambaum Blvd and H Line Transit Pathway Improvements - 20190011	10,000	0	0	10,000
Seattle, City of - Delridge to Burien RapidRide Line - 20170025	5,000	0	0	5,000

*Dollar amounts shown in thousands*

## **2. Special Needs Transportation Funding - \$14.5 million (2019-2021)**

- Metro receives funding from the State to help cover the cost of providing transportation for customers with special needs. This helps to fund our Access paratransit program.
- Absent additional revenue, loss of this funding would affect Metro's ability to maintain or improve the quality of this service.
- In addition, multiple non-profit providers of transportation for special needs customers could be affected by reductions to this program.

**3. Vanpool Program - \$15 million**

- Metro receives funding to help to replace vans that have reached the end of their useful life.
- With the largest vanpool program in the state, Metro typically receives \$5 million per biennium.

**4. Central Puget Sound Transit Coordination Grant Program - \$2 million (2019-2021)**

- Metro partners with Sound Transit, Community Transit, Pierce Transit and Everett Transit to receive funding to help integrate planning, transportation demand management programs, and ORCA fare payment programs in King, Pierce, and Snohomish counties.

<b>Transit Coordination Grant Program</b>	<b>2019-21</b>	<b>2021-23</b>	<b>2023-25</b>	<b>Total</b>
<b>Projects</b>	<b>\$2,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,000</b>
Sound Transit - Affordability and Accessibility Improvements for Low Income Riders	1,000	0	0	1,000
Sound Transit - Regional Transit Marketing Program	1,000	0	0	1,000

*Dollar amounts shown in thousands*

**5. Specific Appropriations included in State Transportation Budget – \$1.8 million**

- ORCA Student Summer Program - \$485,000
- Incentives to nonprofits and small businesses in King, Pierce, and Snohomish Counties to provide ORCA passes to their employees - \$1 million
- Transit-Oriented Development pilot project at the Kirkland Kingsgate Park and Ride - \$350,000

**6. State Green Transportation Program – \$36 million**

- This new grant program, which was authorized in the 2019 State Legislative session, supports public transportation’s investments in cost-effective electrification projects.

**State Roads Grant Funding & Capital Project Impacts.** King County’s Department of Local Services (DLS) receives funding for capital projects from multiple grant programs that are funded from the Multimodal Account and Rural Arterial Trust. Both accounts will be reduced if I-976 passes. In addition, DLS is eligible to receive (though has not routinely received) state funds from other accounts that will be affected by I-976, such as the Transportation Improvement Board.

### **1. Direct distribution – \$3 million (six year total)**

- Roads receives about \$500,000 per year in direct distributions from the Multimodal Account, as part of the Connecting Washington tax package.

### **2. County Road Arterial Board (CRAB) – Likely less than \$1 million impact over six years**

- The Rural Arterial Trust Account would be reduced by approximately \$5 million from a total of \$166 million<sup>1</sup>. DLS has received less than \$10 million over the last six years from this program, primarily for road overlay projects.

### **3. Transportation Improvement Board (TIB) – Likely no impact**

- Over the six-year period the Transportation Improvement Account would be reduced by approximately \$2.5 million from a total of approximately \$726 million. Roads has not received any grant funds from this account since 2014.

## **Potential Impacts to Federal Funding in King County**

Metro receives approximately \$80 million each year in formula grant funding from the Federal Transit Administration that is based partially on service that Metro provides. The full financial federal impact is unknown until specific information is known on any resulting bus service reduction. The impact likely would be between \$1-\$10 million per year.

## **Impacts to King County Revenue Authority**

Passage of I-976 would eliminate the VLF revenue option for Transportation Benefit Districts (TBD) in the future, including the existing King County TBD (Ordinance 17746) and a potential future unincorporated King County TBD. The existing County TBD or a potential, new unincorporated TBD would still have the ability to levy other taxes allowed to TBDs under State law, including sales tax, gas tax, and tolling.

## **Impacts to Cities in King County**

King County's cities will experience a number of impacts if I-976 passes, including the loss of the ability to use VLF as a revenue tool as part of a local TBD, as well as potential redirection of limited state funds by the Legislature.

Loss of VLF revenue to cities that use it as part of a TBD would be an immediate revenue impact to King County's cities. That is because, while possible state-funded program cuts would be made at the discretion of the legislature, city-funded investments through local TBDs are presumed to be eliminated due to I-976's repeal of the funding source.

<sup>1</sup> Current total program size is based on Governor's proposed 2019-21 budget

Seventeen cities in King County have formed TBDs, with 13 using VLF as a source of revenue, for a potential revenue loss of approximately \$240 million over the next six years.<sup>2</sup> The City of Seattle alone is projecting an annual loss of \$36 million (\$216 million over six years) that will potentially require cuts to 175,000 bus service hours on 74 routes purchased from Metro through the Seattle TBD. More information about these TBDs is listed below.

**East King County.** Three cities in east King County have enacted TBDs, which collected \$928,147 in 2018. Revenue loss to those cities is projected at approximately \$4.6 million by 2025.

<b>East King County Area TBD's (using VLF)</b>	<b>Estimated Revenue Collected in 2018</b>
Snoqualmie	\$196,317
Kenmore	\$355,950
Mercer Island	\$375,880
<b>Total</b>	<b>\$928,147</b>

**Northwest King County (Shoreline and Lake Forest Park).** Two cities in the northwest portion of the King County have enacted TBDs, which collected \$1,263,029 in 2018. Revenue loss to those cities is projected at approximately \$4.6 million by 2025.

<b>King County Area TBD (using VLF)</b>	<b>Estimated Revenue Collected in 2018</b>
Lake Forest Park	\$429,261
Shoreline	\$833,768
<b>Total</b>	<b>\$1,263,029</b>

<sup>2</sup> Based on the Office of Financial Management's fiscal impact statement, and assuming that, without I-976, the Seattle TBD would be renewed at the same level in 2020.

**South King County.** Seven cities in South King County have enacted TBDs, which collected \$2,882,230 in 2018. Revenue loss to those cities is projected at approximately \$14.4 million by 2025.

<b>King County Area TBD (using VLF)</b>	<b>Estimated Revenue Collected in 2018</b>
Des Moines	\$918,908
Burien	\$767,493
Maple Valley	\$396,348
Enumclaw	\$245,421
Normandy Park	\$115,620
City of Black Diamond	\$104,663
Covington	\$333,777
<b>Total</b>	<b>\$2,882,230</b>

**City of Seattle.** The Seattle TBD currently imposes an \$80 vehicle license fee (VLF) and 0.1% sales tax, which together generate approximately \$62 million annually. The total estimated revenue impact of I-976 is a loss of \$36 million per year.

This revenue loss from the Seattle TBD would have significant service, customer, and staffing impacts for Metro:

- Seattle TBD currently funds approximately 350,000 annual service hours, which Seattle purchases from Metro. Passage of I-976 would require the reduction of approximately 50% of those hours, or approximately 175,000 annual hours, absent additional revenue (even assuming that the Seattle TBD uses its \$20 million reserve fund to help cover service during 2020).
- Metro and the Seattle Department of Transportation (SDOT) are working together to develop service reduction scenarios to better understand the composition of the 175,000 annual service hour reduction that would be required. This level of cuts could be made using Metro’s administrative authority, which allows cuts of up to 25% of service hours in a route within a single service change without seeking King County Council approval. However, given the magnitude of the cumulative impact, Metro would plan to engage with King County Councilmembers to provide information on the cuts and their impacts ahead of any planned service changes if I-976 is enacted.
- Based on analysis to date, and absent additional revenue, the necessary service reductions would likely occur in stages during the two service changes in 2020. In March 2020, a reduction of approximately 115,000 hours would be necessary, with 20,000 of those

hours for peak period service. In September 2020, the remaining approximately 60,000 hours would be cut.

- While cuts would predominantly affect Seattle, cuts would also be felt directly in Burien, Shoreline, Skyway, Tukwila, and White Center, because Seattle is funding numerous routes that cross city boundaries. In addition, the impact of the cuts would be experienced throughout the region, due to the fact that Metro provides many first/last mile trips within downtown Seattle as part of the regional transit network.
- Cuts would be expected to affect some trips on all or nearly all the 74 routes receiving some funding from the Seattle TBD, which includes the C, D, and E RapidRide lines, in addition to many of Metro's other highest-ridership routes.
  - The impacts of this reduction are likely to include increases in customer pass-ups and crowding, as well as reduced frequencies and service span.
  - Other services that would be jeopardized include Trailhead Direct and Night Owl, both of which have been funded in partnership with SDOT.
- Cuts of 175,000 annual services hours roughly translates to reductions in operations staffing of: 78 operator FTEs (if layoffs occur, part-time operators would be laid off first so actual number of affected employees could be higher); 3 first-line supervisors; and 1 chief.

## **Washington State Office of Financial Management Analysis of I-976**

I-976 changes vehicle taxes and fees by lowering motor vehicle and light duty truck weight fees to \$30; eliminating the 0.3 percent sales tax on vehicle purchases; lowering electric vehicle and snowmobile fees; modifying and reducing Sound Transit motor vehicle excise tax provisions; and removing authority for transportation benefit districts to impose a vehicle fee. Total revenue loss to the state in the next six years is \$1,921,901,238. Total revenue loss to local governments in the next 6 years is \$2,317,121,034. The departments of Licensing and Revenue have estimated implementation costs of \$2,846,800 in the 2019-2021 biennium.

### **General Assumptions**

- Except as otherwise provided, the effective date of the initiative, if approved by voters, is December 5, 2019. Section 10 and 11 take effect on the date that the regional transit authority complies with Section 12 of this act. Section 13 takes effect on April 1, 2020, if Sections 10 and 11 have not taken effect by March 31, 2020.
- The provisions of the initiative apply prospectively, not retroactively.
- Fiscal estimates use the state's fiscal year of July 1 through June 30. Fiscal year 2020 is July 1, 2019, to June 30, 2020.
- State revenues are based on the June 2019 transportation revenue forecast.
- Local revenues are based on the most recent actual figures and are not forecasted.
- Transportation benefit districts (TBDs) have the authority to collect vehicle fees, and sales and use tax. This initiative repeals only the authority to collect vehicle fees, so TBDs could continue to collect sales and use tax.
- Section 5(1) erroneously states that the electric vehicle fee is \$130 total. RCW 46.17.323 includes two fees. \$100 in section (1) and \$50 in section (4)(a). The current electric vehicle fee is \$150 total. Calculations for the impact of the fee reduction are based on the

correct fee. Chapter 287, Laws 2019 establishes the transportation electrification fee of \$75. I-976 would lower the \$100 in section (1) to \$30 and eliminate the \$50 in section (4)(a). It does not affect the new \$75 fee.

### State Revenue

The initiative reduces license fees for vehicles under 10,000 pounds to \$30. The additional 0.3 percent sales and use tax on motor vehicle sales is eliminated. The snowmobile license fee is reduced from \$50 to \$30. Commercial trailer fees are reduced from \$34 to \$30. The electric vehicle fee in Section 5(1) is reduced from \$100 to \$30. An additional electric vehicle fee in Section 5(4)(a) of \$50 is eliminated.

Potential Revenue Impact by Fund Distribution	Beginning Dec. 5, 2019						
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Registration Fees:							
Snowmobile Account (01M)	(\$240,300)	(\$447,200)	(\$448,500)	(\$449,900)	(\$451,200)	(\$453,000)	(\$2,490,100)
WSP Highway Account (081)	(\$9,916,900)	(\$15,661,000)	(\$15,692,400)	(\$15,723,900)	(\$15,755,400)	(\$15,823,800)	(\$88,573,400)
Transportation Partnership Account (09H)	(\$5,115,000)	(\$8,077,700)	(\$8,094,000)	(\$8,110,100)	(\$8,126,400)	(\$8,161,700)	(\$45,684,900)
Rural Arterial Trust Account (102)	(\$202,163)	(\$539,700)	(\$714,975)	(\$928,725)	(\$1,176,675)	(\$1,451,700)	(\$5,013,938)
Motor Vehicle Account (108)	(\$28,223,075)	(\$45,210,500)	(\$46,151,950)	(\$47,278,650)	(\$48,576,750)	(\$50,112,500)	(\$265,553,425)
Puget Sound Ferry Operations (109)	(\$609,800)	(\$963,000)	(\$965,000)	(\$966,900)	(\$968,900)	(\$973,100)	(\$5,446,700)
Transportation Improvement Account (144)	(\$202,163)	(\$539,700)	(\$714,975)	(\$928,725)	(\$1,176,675)	(\$1,451,700)	(\$4,272,075)
Multimodal Account (218)	(\$128,650,600)	(\$227,504,000)	(\$231,592,800)	(\$294,399,500)	(\$298,790,300)	(\$303,184,500)	(\$1,484,121,700)
Nickel Account (550)	(\$2,322,700)	(\$3,668,000)	(\$3,675,400)	(\$3,682,700)	(\$3,690,100)	(\$3,706,100)	(\$20,745,000)
Total	(\$175,280,538)	(\$302,071,100)	(\$308,050,000)	(\$372,469,100)	(\$378,712,400)	(\$385,318,100)	(\$1,921,901,238)

### Description of affected accounts

- The Snowmobile Account funds administration, acquisition, development, operation and maintenance of snowmobile facilities and the implementation of snowmobile safety, enforcement and education programs.
- The State Patrol Highway Account funds activities of the Washington State Patrol, including traffic enforcement (and associated criminal investigations), commercial vehicle enforcement and ferry vessel and terminal security.

- The Transportation Partnership Account funds projects and improvements from the 2005 Transportation Partnership Omnibus Transportation Appropriations Act.
- The Rural Arterial Trust Account funds construction and improvement of county roads and bridges.
- The Motor Vehicle Account is the main source of funds for highway construction, maintenance, ferries and support services. A portion of motor fuel tax revenues is distributed to cities and counties for road programs.
- The Puget Sound Ferry Operations Account funds ferry operations and maintenance.
- The Transportation Improvement Account funds administration of the Transportation Improvement Board and grants for local government transportation projects that address congestion.
- The Multimodal Transportation Account funds all modes of transportation projects, including public transportation, rail and bicycle/pedestrian projects.
- The Transportation 2003 Account funds debt service on bonds and Washington State Department of Transportation operating and capital highway programs.

**Local Revenue**

This initiative repeals local authority to impose a TBD vehicle fee. TBD vehicle fees are used by 62 municipalities across the state to fund local improvements such as road repair and maintenance, transit systems, and sidewalks. In fiscal year 2018, TBDs using a vehicle fee across the state collected \$58,186,839. This revenue would be eliminated beginning on the effective date of this initiative.

Sections 10 and 11 would reduce the motor vehicle excise tax (MVET) that funds the Central Puget Sound Regional Transit Authority (RTA) commonly known as Sound Transit. MVET rates are reduced from 0.8% to 0.2% and will be calculated based on Kelley Blue Book vehicle value instead of the manufacturer’s suggested retail price.

This tax rate would be repealed when the RTA is able to refund, refinance or defease, or terminate, outstanding bonds that have been issued against this tax. It is unknown if this is possible. If the bonds are not able to be defeased, the MVET will remain unchanged to pay off the bonds previously issued that are pledged to the revenue source. If the bonds are able to be defeased, Sound Transit’s revenue would be reduced by \$328,000,000 per fiscal year based on 2018 revenue. For new bonds issued, the MVET will decrease from 0.8% to 0.2%.

The initiative also repeals local authority to impose a passenger-only ferry tax. Currently there are no passenger-only ferry districts using the MVET authority to fund their ferries.

<b>Tax/Fee</b>	<b>Fiscal year 2018 revenue impact</b>
TBD Fee	(\$58,186,839)
RTA MVET	(\$328,000,000)
Passenger-only ferry MVET	0

### **State Government Anticipated Expenditures**

The Department of Licensing (DOL) would have temporary, higher administrative and computer costs to implement this initiative. If Sound Transit is able to defease or refinance its bonds and the MVET is reduced, DOL would issue refunds to customers who register their vehicles prior to their annual vehicle registration date. The DOL would also have costs for computer updates, temporary staffing costs for additional calls to their call center, and accounting services to issue refunds. Biennial administrative costs for the agency are \$2,740,900 in the 2019-2021 biennium.

The Department of Revenue (DOR) would experience temporary, higher administrative costs to implement this initiative, including costs for computer updates and administrative costs for rule making, accounting services to issue refunds and develop new forms. Biennial costs for the agency are estimated at \$105,900 for computer updates and administrative items in the 2019-2021 biennium.



September 11, 2019  
SCA PIC Meeting

**Item 13:**  
Levies and Ballot Measures in King County  
**UPDATE**

**SCA Staff Contact**

Brian Parry, Policy Director, [brian@soundcities.org](mailto: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 jurisdictions. 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.

At the September PIC meeting, members are encouraged to provide updates on local election results from the August 6, 2019 primary election. Full election results in King County from the August election can be found [here](#).

Results of August 6, 2019 Special Election		
Jurisdiction	Measure	Results
King County	Regional Parks Levy. Six-year, \$810 million levy. Estimated at 18.3-cents per \$1,000 of assessed value.	<b>Approved: 70.21%</b> Rejected: 29.79%
Seattle Public Library	Operations Levy. Seven-year, \$213 million levy to fund operations and maintenance.	<b>Approved: 76.00%</b> Rejected: 24.00%
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.	Approved: 58.51% <b>Rejected: 41.49%*</b>
Puget Sound Regional Fire	Levy for fire protection and emergency medical services. Authorizes levy of \$1.00 per \$1,000 of assessed value.	<b>Approved: 56.70%</b> Rejected: 43.30%

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

Future Ballot Measures – SCA Cities			
Year	Month	Jurisdiction	Measure
2019	Nov.	Shoreline	Authorizing a measure to issue bonds of up to \$103.6 million for an aquatics, recreation, and community center, and authorizing a portion of those funds to be expended for priority parks and open space investments

Potential Future Ballot Measures – SCA Cities			
Year	Month	Jurisdiction	Measure
2020		Kirkland	Fire Services and Capital Levy

<b>Future Ballot Measures – Other Jurisdictions and Special Purpose Districts</b>			
<b>Year</b>	<b>Month</b>	<b>Jurisdiction</b>	<b>Measure</b>
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.

<b>Potential Future Ballot Measures – Other Jurisdictions and Special Purpose Districts</b>			
<b>Year</b>	<b>Month</b>	<b>Jurisdiction</b>	<b>Measure</b>
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](mailto:brian@soundcities.org) or 206-499-4159.



September 11, 2019  
SCA PIC Meeting

**Item 14:**  
Potential Upcoming SCA Issues  
**UPDATE**

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**SCA Staff Contact**

Brian Parry, Policy Director, [brian@soundcities.org](mailto: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:

- Equity and inclusion – Pre PIC Workshop at 6:00 PM on September 11, 2019
- Addressing toxic social media – Pre PIC Workshop at 6:00 PM on October 9, 2019
- Homelessness and the impacts of the *Martin v. City of Boise* decision – Pre PIC Workshop at 6:00 PM on November 13, 2019

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](mailto:brian@soundcities.org) or 206-499-4159.



September 11, 2019  
SCA PIC Meeting

## Item 15a:

King County Clean Water Plan

### ***INFORMATIONAL ITEM***

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#### **SCA Staff Contact**

Cynthia Foley, Policy Analyst, [cynthia@soundcities.org](mailto:cynthia@soundcities.org), (206) 495-3020

#### **SCA Members of the Regional Water Quality Committee**

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

#### **Informational Item**

King County is in the early stages of developing a [Clean Water Plan](#) that will update and potentially expand upon the existing [Regional Wastewater Service Plan](#), which was approved in 1998 and established wastewater policies and capital projects through 2030. The finalized plan will guide future investments in wastewater treatment and may consider regional stormwater filtration and other efforts to protect local waterways.

Over the next several decades, the region will spend billions of dollars on water quality protection. To develop the Clean Water Plan, King County will evaluate future needs, including maintaining the system, making facilities more resilient, reducing untreated wastewater flows into the Puget sound, and potential new requirements for additional levels of wastewater treatment.

The latest information about upcoming workshops, open houses, and other opportunities to stay informed and provide input on the development of the Clean Water Plan is available on [the project website](#). The plan is expected to be finalized in 2022.

#### **Background**

King County is in the early stages of developing a [Clean Water Plan](#), which will establish the County's strategies and policies for protecting regional water quality through 2060. The plan will update the existing [Regional Wastewater Service Plan](#), which was approved in 1998 and established wastewater policies and capital projects through 2030.

As part of developing the Clean Water Plan, the King County Wastewater Treatment Division (WTD) is engaging stakeholders in regional discussions aimed at focusing water quality expenditures on "the right investments at the right time."

Over the next several decades, the region will spend billions of dollars on water quality protection. Decisions about water treatment and system maintenance will impact environmental outcomes as well as the rates and fees paid by residents.

The Clean Water Plan is intended to inform the County's plan and strategies for:

- Maintaining the 50-year-old system of wastewater pipes, pumps and treatment facilities;
- Making treatment facilities more resilient;
- Further reducing the amount of untreated sewage and polluted stormwater that overflows into local water bodies during storms;
- Potential new requirements for additional level of wastewater treatment;
- Recovering resources from wastewater, such as biosolids, energy and recycled water; and
- Addressing affordability and the means of financing water quality improvements; and
- Ensuring benefits are distributed equitably.

### **Next Steps**

To develop the Clean Water Plan, planning scenarios will be created as a method for comparing and evaluating different types of investment approaches. Analysis of the scenarios will take place in 2020 and the Clean Water Plan is expected to be finalized in 2022. For example, scenarios could emphasize increased investment in clean water, managing costs, taking a lead in implementing new technologies, or the status quo.

Engagement will take place throughout plan development. Outreach will include:

- Briefings and presentations to the Metropolitan Water Pollution Abatement Advisory Committee (MWPAAC);
- Regular feedback from an external advisory group composed of roughly twenty community organizations and industry representatives; and
- The Regional Water Quality Committee will participate in a series of topical workshops.

The latest information about upcoming workshops, open houses, and other opportunities to stay informed about the development of the Clean Water Plan is available [online](#). Questions and comments can be directed to SCA Policy Analyst Cynthia Foley by email at [cynthia@soundcities.org](mailto:cynthia@soundcities.org) or by phone at (206) 495-3020.