



SCA Public Issues Committee MINUTES

February 12, 2020 – 7:00 PM

Renton City Hall

1055 S Grady Way, Renton WA 98057

1. Welcome and Roll Call

PIC Chair Deputy Mayor Christie Malchow, Sammamish, called the meeting to order at 7:02 PM. 32 cities had representation ([Attachment A](#)). Guests present included Councilmember Kent Treen, Sammamish (PIC Alternate); Deputy Mayor Tony Ventrella, Newcastle (PIC Alternate); Councilmember Tamie Deady, Black Diamond (PIC Alternate); Councilmember Barbara DeMichele, Issaquah (PIC alternate), Councilmember Jeremy Barksdale, Bellevue (PIC Alternate), Councilmember Valerie O’Halloran, Renton; Councilmember JC Harris, Des Moines; Councilmember James Jerayaj, Auburn; Councilmember Mason Thompson, Bothell; Councilmember Earnest Thompson, Normandy Park; Joyce Nichols, Bellevue staff; Kelsey Beck, Seattle Staff; Susan Oxholm, King County staff; Lyman Howard, Clyde Hill staff; Diana Hart, Woodinville staff; Doug Levy, Renton consultant; Jenny Huston, King County staff; Hannah Bahnmitter, Renton Staff; Harald Hyllseth; and Carmela Ennis, King County staff.

2. Public Comment

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

3. Approval of the December 11, 2019 PIC Minutes

Chair Malchow asked if there were any amendments to the December 11, 2019 PIC minutes. **Councilmember Ed Prince, Renton, moved, seconded by Councilmember Kate Kruller, Tukwila, to approve the December 11, 2019 minutes. The motion passed unanimously.**

4. Chair’s Report

Chair Malchow welcomed members to the first meeting of 2020. She noted that she serves as the PIC’s representative on the SCA Board. She gave an overview of meeting procedures for new members. She encouraged members to come prepared to meetings, having read materials, and asked all members to RSVP for meetings.

5. Executive Director’s Report

SCA Executive Director Deanna Dawson provided an update on the King County Regional Homelessness Authority that was recently formed to address homelessness crisis response. The Governing Committee for this new body will consist of three SCA members (Mayor Angela Birney of Redmond, Mayor Nancy Backus of Auburn, and Councilmember Ed Prince of Renton), as well as the County Executive, two County Councilmembers, Seattle Mayor, two Seattle Councilmembers, and three members representing individuals with lived experience. The first meeting of the Homelessness Authority will be held on a to be determined date in early March.

The three SCA members serving on this Governing Committee are committed to representing the interests of all 38 of our member cities. To that end, Mayor Birney, Mayor Backus, and Councilmember Prince have asked SCA to convene a meeting of all SCA cities in advance of the first meeting of the Regional Homelessness Authority. This will be an opportunity to update all 38 SCA cities on what we know about the new Homelessness Authority, and more importantly, to get direction from SCA cities prior to that first meeting. This meeting will be held on Monday, March 2, 2020 11:30 AM – 12:30 PM, Tukwila Community Center, Meeting Room A, 12424 42nd Ave S, Tukwila, WA 98168.

6. 2020 PIC Meeting Schedule

Chair Malchow asked if there were any questions about the 2020 PIC meeting schedule as provided in Resolution 2020-1 ([Attachment B](#)). **Councilmember Kate Kruller, Tukwila, moved, seconded by Councilmember James McNeal, Bothell, to approve Resolution 2020-1. There was no discussion. The motion passed unanimously.**

Councilmember Kate Kruller, Tukwila, noted that some members were likely to have a conflict for the March PIC meeting due to a National League of Cities conference scheduled that week and encouraged members to coordinate with their alternates.

7. Regional Board and Committee Appointments

PIC Nominating Committee Chair Councilmember Ross Loudenback, North Bend reported that the Nominating Committee met on February 10, 2020 to make recommendations to fill vacancies on regional boards and committees. He said there is a remaining vacant alternate seat on the King County Flood Control District Advisory Committee due to lack of applicants and encouraged members to apply.

Councilmember Ross Loudenback, North Bend, moved, seconded by Councilmember Ed Prince, Renton, to recommend the SCA Board of Directors appoint Councilmember Robyn Mulenga, Auburn, as a member of the Children and Youth Advisory Board; Mayor Mary Lou Pauly, Issaquah, as a second-alternate to the PSRC Executive Board; and, Councilmember Kevin Schilling, Burien, as an alternate to the King County Flood Control District Advisory Committee. There was no discussion. The motion passed unanimously.

8. 2020 Legislative Session

SCA Policy Director Brian Parry provided members with a report on bills under consideration related to the 2020 SCA Legislative Agenda or important to SCA cities ([Attachment C](#)). Parry introduced Candice Bock, Director of Government Relations for the Association of Washington Cities (AWC) who provided an update on the 2020 Washington State Legislative Session. Bock reported on priority bills of interest and provided members with a copy of the most recent AWC "[Hot Sheet](#)" bill tracking summary. Bock noted that the cutoff date for bills to be voted out of their chamber where they were introduced is Wednesday, February 19, and that will significantly winnow down the number of bills still being considered. She encouraged members to contact their legislators about issues important to cities.

Mayor David Baker, Kenmore, said that he is very concerned about proposed legislation that would remove local control over zoning and land use decisions. He also noted that it is

important for cities to consistently let legislators know the importance of replacing the 1% property tax restriction.

SCA Executive Director Dawson reported on [House Bill 2907](#), a proposal to authorize King County to implement a business payroll excise tax in King County. A handout ([Attachment D](#)) was provided with a summary of the bill. The bill would authorize King County to collect an annual excise tax on business payroll expenses of not less than one-tenth and not more than two-tenths of a percent. The tax applies to all payroll expenses attributable to employees making more than \$150k in annual compensation. The tax may be imposed for 25-years and may be reauthorized by the county. The City of Seattle [estimates](#) the tax would raise approximately \$120 million per year; however, it is not clear at this time the origin of that estimate. Exemptions from the tax include businesses with fewer than 50 employees, provided the business pays annual compensation of less than \$150k to at least half of its employees; payroll expenses attributable to grocery workers; businesses that only sell, manufacture, or distribute motor vehicle fuel; businesses that only sell, manufacture, or distribute liquor, and government entities. Per the bill, 43% of all revenue would be provided to the city with the highest homeless population (Seattle). The remaining 57% would be allocated to King County. At least half of all funds appropriated must go toward acquisition, rehabilitation, or construction of affordable housing. The remaining funds could be spent on other affordable housing and homelessness services described in the bill. The bill calls for an oversight and accountability board to be created to advise on spending, and that the make-up of that body was amended in committee to include city and sub-regional representation.

Dawson said that while many cities have expressed support for securing funding for affordable housing, concerns and questions have been raised about this specific proposal. These include not being consulted as the bill was being developed; the potential for the tax to push high-wage jobs out of King County cities, especially in the south end; a lack of clarity as to which businesses would be impacted and how much they would be required to pay; and whether the bill would be amended to preempt other local taxes that cities rely on for basic services. She asked members to share whether their city had discussed the proposal, what additional feedback PIC members or their cities have, and what questions SCA could help answer.

Councilmember Kate Kruller, Tukwila, said her city council discussed the bill and are opposed. She said the goals of addressing affordable housing and homelessness fit with the city's values, they have a lot of questions about the impact on their economy and felt caught off guard by the proposal and how quickly it appears to be moving through the legislature.

Mayor Nancy Backus, Auburn, said that she discussed the bill with Senator Karen Keiser and was told to expect significant changes to the bill as it is considered by the legislature. Backus said she is concerned about the tax pushing jobs out of communities as it is currently proposed. She noted that city funding sources are already very constrained and preemption of any of these options would make it harder for cities to provide basic services. She said it is very important to have sub-regional representation overseeing expenditures under the tax if it is authorized.

Mayor Elaine Cook, Woodinville, said her city is working on plans to attract high-wage jobs and said she is concerned the tax would be a deterrent.

Mayor David Baker, Kenmore, said his city council discussed the bill and are monitoring it, but that there are too many amendment proposals being discussed by various parties to weigh-in fully at this time.

Councilmember James McNeal, Bothell, said his city council has not had an opportunity to discuss the bill, but that he is concerned about the impact on small businesses, the construction industry, equity and sub-regional input in how any funds would be spent, and the potential for the tax to push high-wage jobs across county borders.

Councilmember Janice Zahn, Bellevue, said her city council has not had the opportunity to discuss the bill. She said that cities already have plans in place that they are working to implement to address affordable housing and homelessness and that any spending should be consistent with these plans. She said more information is needed about who would be impacted by the tax, that there needs to be city involvement in oversight, and that there should be more focus on homelessness prevention. She noted that the legislature is also considering authorizing a councilmanic sales tax for similar purposes and questioned whether both proposals would be approved.

Councilmember Ed Prince, Renton, said that he is very concerned about preempting other local funding sources and that cities need more tools to provide services, not fewer.

Councilmember Tola Marts, Issaquah, said his city council has not had the opportunity to discuss the bill. He said it doesn't seem like a good idea to have such a tax apply only to King County and that it seems to work against the region's goals of keeping jobs and housing together. He said it is unclear what the basis is for allocating 43% of any funds collected to the City of Seattle and that the proposal feels rushed.

Councilmember Chance LaFleur, Enumclaw, said his city council has not had the opportunity to discuss the bill. He expressed concerns about the bill, and noted that he is concerned with taking an approach that penalizes businesses that are bringing prosperity and high-wage jobs to the region. He said it is unclear why some business types were exempted and not others, and that the speed the proposal is moving is very concerning.

Mayor Erin Sitterley, SeaTac, said that she opposes the bill. She said the number one issue on SeaTac's legislative agenda is maintaining local control and that the proposal would take away their authority to decide on local taxes. She said that she is concerned about the tax pushing businesses out of the city. She noted airlines that have located offices in SeaTac and the threat that these jobs might be moved out of the region.

Mayor Angela Birney, Redmond, said that she supports the idea of looking to less regressive taxing options, but that she is very concerned about preempting local authority, pushing jobs out of the county, and the potential that it would be approved in addition to councilmanic sales tax authority.

Councilmember Semra Riddle, Lake Forest Park, said that she is concerned about local control as well as unintended impacts the tax may have on employees, such as businesses reducing the number of high-wage fulltime jobs with benefits and relying more heavily on part time workers or independent contractors.

Deputy Mayor Krystal Marx, Burien, said her city council has not had the opportunity to discuss the proposal. She said that any proposal should take into account sub-regional collaborations, such as the South King Housing and Homelessness Partners, and their priorities.

Councilmember Martin Moore, Federal Way, said that Federal Way is very concerned about the proposal and that there is a lot of frustration with how it was developed.

PIC Vice Chair Bill Boyce, Kent, said that it is important to have city and sub-regional perspectives taken into account.

Mayor Marianne Klaas, Clyde Hill, said that her city council has not had the opportunity to discuss the proposal. She said the city has a very small number of employers, but many residents who were business owners, and expressed concern about impacts. She said implementing the tax without a spending plan in place would be ill advised.

9. 2020 Regional Transit Policy and Plan Updates

SCA Policy Analyst Cynthia Foley reported on updates to regional transit plans and said that Executive Director Deanna Dawson would be providing a report on discussions related to a potential countywide transit levy.

Foley said that the Regional Transit Committee will update several important transit policies in 2020 in anticipation of final action in early 2021: Metro Connects, Metro's Service Guidelines, and their Strategic Plan. Each of these policy documents play an important role in guiding the deployment of transit service in the region.

Foley said that Metro Connects is a long-range vision for transit service that outlines a regional transit service network through 2040. She stated that an [interactive map](#) of the Metro Connects service network is available online and is a useful tool for members to view Metro's long-range vision for service in their communities. Foley noted that Metro lacks funding to implement a significant share of the service envisioned in Metro Connects. The Service Guidelines provides metrics to evaluate service performance and are especially important to cities as they guide the addition and removal of service. The Strategic Plan for Public Transportation defines broad goals and objectives to guide Metro's performance as an agency.

SCA Executive Director Deanna Dawson reported on ongoing discussions about a countywide transit levy potentially being placed on the ballot in August of 2020. She noted that consideration of a ballot measure has been ongoing among King County leadership in anticipation of the expiration of Seattle's transit levy in 2020 and the potential to establish a "re-regionalized" system. If a countywide measure is not pursued, it is expected that the City of Seattle will seek to renew their own transit levy independently.

Dawson said county officials have stated that a decision should be made by end of February as to whether to put together a countywide levy for consideration by voters in August 2020, to give METRO staff and the County Council time to iron out details of what would be included in a levy. The proposal under consideration would levy a two-tenths of a percent sales tax under the authority of the King County Transportation Benefit District formed in 2014. Metro estimates the tax would raise approximately \$160 million annually.

Dawson said that members of the King County Council and Metro staff have said they will be meeting with cities and groups of cities over the next two weeks to discuss the proposal and solicit feedback. Dawson encouraged PIC members to discuss the issue with their city councils and asked members to share their initial thoughts or questions.

Mayor Elaine Cook, Woodinville, said that her city council would be discussing the proposal at their next meeting, and that Woodinville needs more transit to accommodate projected growth in the city.

Councilmember Ed Prince, Renton, said transit is vitally important to the city and that he looks forward to supporting a countywide measure.

Deputy Mayor Krystal Marx, Burien, said that transit is important to the city and that they are still dealing with the loss of \$800,000 in roads funding due to the passage of I-976.

Councilmember Chance LaFleur, Enumclaw, said the city was unlikely to see much transit benefit from a countywide measure and that it was bad timing as the city is looking at options to fund their Transportation Benefit District due to the passage of I-976.

Councilmember Ross Loudonback, North Bend, said he was concerned about moving forward without a clear plan, and that his community would need to see what service they would get if a transit levy was approved.

Mayor David Baker, Kenmore, said that there are too many questions at this point to know whether the city would support such a measure.

Councilmember Semra Riddle, Lake Forest Park, said the city's roads budget was wiped out by I-976 and they may be looking for approval of funding, and that having a transit measure on the ballot may make that more difficult.

Councilmember Tola Marts, Issaquah, said his city council has not discussed a proposed countywide measure directly. The city is concerned that light rail serving Issaquah that was approved in ST3 may not materialize. He said residents are frustrated with the service planned by Metro, which will require them to transfer in Bellevue rather than continuing direct to Seattle.

Mayor Angela Birney, Redmond, said that light rail is coming to the city in 2023 and 2024 and the city will need more transit service to connect residents to those stations. She said that as a

region, we need to invest in transit to reduce our carbon footprint. She said that with so many tax measures being considered, it will be hard to build momentum for another one regardless of how important it may be.

Councilmember Linda Newing, Newcastle, said that her city is very concerned about traffic and experiencing the impacts of new growth. She said they are currently underserved with limited non-peak service and overcrowded buses.

Councilmember Traci Buxton, Des Moines, said that the city's roads budget also took a significant hit from I-976. She said it will be difficult to ask residents to fund both local roads and regional transit at the same time. She said she would like more information about how such a measure would benefit her community.

Chair Malchow, Sammamish, said that her city lost express service in 2014 and restoring that service would be important for residents in her community.

10. Vision 2050

SCA Policy Director Brian Parry reported on the release of the draft update to the region's plan for growth, VISION 2050. VISION is the plan that sets expectations for the four-county region that makes up the Puget Sound Regional Council. King, Pierce, Snohomish, and Kitsap Counties. The role of VISION is to provide a framework for managing that growth in the region with a consistent set of goals to provide for a sustainable region and high quality of life. The policies and growth pattern included in VISION will ultimately directly influence the type of planning that has to be included in local comprehensive plans on a range of topics.

In December, the PSRC Growth Management Policy Board unanimously recommended a draft update to VISION after more than two years of work by that body. The plan now goes to the PSRC Executive Board. The current schedule calls for the Executive Board make their final recommendation in March, which will then go before the PSRC General Assembly at their annual meeting on May 28, 2020.

Parry said that SCA representatives on the Growth Board supported the draft plan and felt that it reflected guiding principles adopted by SCA in 2019. He asked members to discuss VISION within their cities and share any concerns or to contact SCA if they need any additional information.

11. Affordable Housing and Countywide Planning Policies

Discussion deferred to a future meeting.

12. Long-Range Solid Waste Disposal in King County

Discussion deferred to a future meeting.

13. Levies and Ballot Measures in King County

SCA Policy Director Brian Parry asked members to provide updates on any ballot measures under consideration in their cities or impacting their communities.

14. Potential Upcoming SCA Issues

There was no discussion.

15. Upcoming Events

- a. SCA Networking Event (guest speaker Dow Constantine) – Feb 19, 2020
- b. SCA Public Issues Committee – Wednesday, March 11, 2020 – 7:00 to 9:00 PM

16. For the Good of the Order

Councilmember Janice Zahn, Bellevue said that there will be a meeting hosted by the National League of Cities First Tier Suburbs Council on March 10. The topic is innovation, homelessness, and collaborative partnership. She encouraged members to contact her if they would like more information.

Councilmember Erin Stout, Black Diamond, reported that the city now has a seven-member council and that they recently went through the process of appointing three new members.

17. Adjourn

The meeting was adjourned at 9:00 PM.

**Public Issues Committee Meeting
February 12, 2020**

City	Representative	Alternate
Algona	Dave Hill	
Auburn	Nancy Backus	James Jeyaraj
Beaux Arts Village	Tom Stowe	Athena Howes
Bellevue	Janice Zahn	Jeremy Barksdale
Black Diamond	Erin Stout	Tamie Deady
Bothell	James McNeal	
Burien	Krystal Marx	Nancy Tosta
Carnation	Dustin Green	Kim Lisk
Clyde Hill	Marianne Klaas	
Covington	Fran Hollums	Joseph Cimaomo
Des Moines	Traci Buxton	
Duvall	Michelle Hogg	Jennifer Knaplund
Enumclaw	Chance LaFleur	Tony Binion
Federal Way	Martin Moore	Lydia Assefa-Dawson
Hunts Point	Joseph Sabey	N/A
Issaquah	Tola Marts	Barbara de Michele
Kenmore	David Baker	Corina Pfeil
Kent	Bill Boyce	Toni Troutner
Kirkland	Kelli Curtis	Toby Nixon
Lake Forest Park	Tom French	Semra Riddle
Maple Valley	Sean Kelly	Les Burberry
Medina	Jen Garone	
Mercer Island	Benson Wong	David Rosebaum
Milton	Jim Gillespie	Shanna Styron Sherrell
Newcastle	Linda Newing	Tony Ventrella
Normandy Park	Sue-Ann Hohimer	Ernest Thompson
North Bend	Ross Loudenback	Heather Koellen
Pacific	Leanne Guier	David Sporaasli
Redmond	Angela Birney	
Renton	Ed Prince	Armondo Pavone
Sammamish	Christie Malchow	Kent Treen
SeaTac	Erin Sitterley	Pam Fernald
Shoreline	Chris Roberts	Will Hall
Skykomish	Henry Sladek	
Snoqualmie	Katherine Ross	Matt Larson
Tukwila	Kate Kruller	Verna Seal
Woodinville	Elaine Cook	Gary Harris
Yarrow Point	Dicker Cahill	
SCA	Deanna Dawson Brian Parry	Cynthia Foley Alexis Mercedes Rinck Leah Willoughby

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