



2021-22 State Legislative Agenda

Widen State Route 18

The City joins the South East Area Legislative Transportation Coalition (SEAL-TC) in requesting the State fully fund the widening of State Route 18 (SR 18) from Issaquah/Hobart Road to I-90. Widening this stretch of the road is essential to alleviate both safety and capacity issues. A single lane in each direction and the lack of a median contributes to an increased likelihood of dangerous head-on collisions. In addition to safety concerns, SR 18 is a major regional connector. Many communities in South East King County rely on SR 18 to connect to Interstate 90. Because of the capacity issues of this stretch of road, portions of the traffic that could be traveling on SR 18 instead flow through Issaquah and contribute to the City's congestion. The State has already committed roughly \$175 million to this effort by contributing to two separate projects. The WSDOT preliminary construction cost estimate to complete the corridor is roughly \$345 million.

Interstate 90 Under/Overcrossing

The Front Street Interchange Justification Report (IJR) was completed in 2019 and identified improvements that include an additional crossing of I-90 between SR-900 and Front Street to relieve congestion issues at the Front Street interchange and enhance the safety and flow of I-90, the State's critical connection between Eastern Washington production and Western Washington shipping. The benefits identified in the IJR, along with the Sound Transit Light Rail Station information and the City's work to envision the reconstruction of Gilman Boulevard to meet the needs of the Urban Growth Center, make this the opportune time to fund pre-design and environmental work to help resolve regional traffic issues resulting from the congestion and operations around I-90. In the next transportation package, the City requests \$3.4 million be allocated to the 2023-25 biennium to begin the pre-design and environmental documentation process for this project.

Issaquah Food & Clothing Bank

The City joins the Issaquah Food & Clothing Bank (IFCB) and Eastside Fire & Rescue (EF&R) in requesting \$1M toward a larger facility for the IFCB. The community demand for food, basic needs, and case management services is growing 20% annually and the current facility is at capacity. Increased space will allow the expansion of programs and services to help reach the 4 out of 5 food insecure people in the IFCB's 110 square mile service area who are not currently accessing these vital resources. The new facility would be jointly located at the EF&R headquarters building on Newport Way, close to the downtown corridor to remain accessible to the community. The 22,000 SF community hub will include warehouse space, classroom space, food bank, clothing bank, community kitchen, shared space, and office programs.

Fiscal Sustainability

The City recognizes the financial challenges the State is facing in light of the COVID-19 pandemic. However, the City is facing the same challenges with fewer resources. We ask the Legislature to provide tools to support city fiscal sustainability, including but not limited to:

- **Equitable Tax Structure - Streamlined Sales Tax Mitigation:** The City of Issaquah joins other impacted communities in asking that the Legislature restore funding to the Streamlined Sales Tax Mitigation Program. While the State's tax structure has many flaws, none detrimentally impact the City to the same magnitude as the negative impact of destination-based sales tax sourcing. In 2020, the Legislature recognized this and passed legislation that would have continued the mitigation program; however, the Governor vetoed the program. The City asks the Legislature to restore funding to the program in the 19-21 and the 21-23 budgets.
- **1% Property Tax Cap:** The City joins the Sound Cities Association in urging the Legislature to replace the 1% cap on annual property tax increases with a limit that is tied to inflation plus population growth.

Transportation/Transit

- Issaquah will **support** initiatives that proactively address regional transportation solutions, especially funding for State Route 18 improvements.
- Issaquah will **support** the expansion of state grants and other funding for demand management, shuttles, transit and rideshare infrastructure to help address regional travel shed traffic impacts on the Issaquah community.
- Issaquah will **support** legislative initiatives to enhance funding for Commute Trip Reduction (CTR) programs.
- Issaquah will **support** legislative initiatives to continue expanding the use of electric vehicles in the State of Washington including incentives and investments for electrification of public and private fleets.
- Issaquah will **support** legislative proposals that provide additional revenue authority to local governments for maintenance, operations, and new construction of the local transportation system.

Affordable Housing, Health, Human Services and Homelessness

- Issaquah will **support** options to increase the supply of affordable housing in the Central Puget Sound region through investments in the Housing Trust Fund, preserving the Document Recording Fee, and providing local option funding mechanisms that preserve resources for the City.
- Issaquah will **support** initiatives that will increase the availability of resources that add services and shelter, and assist communities in addressing issues of mental health, substance use disorder, and homelessness.
- Issaquah **supports** local option tools like the multifamily property tax exemption (MFTE) and supports modifying the program to allow for greater local flexibility.
- Issaquah will **monitor** the implementation of recent and any proposed changes to the Residential Landlord Tenant Act for its impact on both landlords and tenants.
- Issaquah **supports** legislation to curb evictions following the end of the eviction moratorium and urges the Legislature to take up the issue.
- Issaquah **supports** increased investments in behavioral health resources and tools to address the structural shortage of behavioral health professionals.

Budget and Fiscal Matters

- Issaquah joins the Sound Cities Association in **supporting** replacing the arbitrary 1% cap on annual property tax increases with a limit tied to inflation plus population growth.
- Issaquah **opposes** unfunded or “under-funded” mandates on local governments and urges the Legislature to **protect** local revenue authority that is critical to cities providing core services their citizens depend upon.

- Issaquah strongly **supports** the renewal of Streamlined Sales Tax (SST) mitigation payments to cities that do not receive adequate Market Fairness Act (MFA) revenue to fully offset the elimination of SST mitigation payments.
- Issaquah **supports** progressive revenue options like a payroll tax, provided it does not erode local taxing authority.
- Issaquah **supports** a local option to adopt a graduated Real Estate Excise Tax (REET) that mirrors the State’s graduated REET, which is a more progressive revenue source.
- Issaquah will **monitor** legislation that would modify the B&O tax apportionment to ensure it remains revenue-neutral.
- Issaquah **supports** efforts to protect state-shared revenues and existing distributions from the taxation of marijuana to help properly fund public safety.

COVID-19 Recovery

- Issaquah **supports** legislation that will protect public employees’ pension contribution rates that would otherwise be impacted due to mandatory reduction in work hours.
- Issaquah **supports** tools and resources for local business recovery.
- Issaquah **supports** the Eviction Resolution Program (ERP), which facilitates early resolution of disputes over non-payment of rent and arrears during and after the state’s emergency COVID-19 eviction moratorium.
- Issaquah **supports** providing tools and resources to ensure cities are made whole from overdue utility bills during the COVID-19 pandemic.

Criminal Justice/Public Safety/Fire/Courts

- Issaquah **supports** policing reforms that align with the City’s Police Accountability, Equity and Human Services Action Plan and will **monitor** statewide policing reforms to ensure the City retains local control over the law enforcement policy decisions that meet the needs of the community.
- Issaquah **supports** sustainable funding for law enforcement training through Basic Law Enforcement Academy (BLEA) classes and policy changes that would decrease the wait time for newly hired officers.
- Issaquah will **monitor** any legislative initiative on the use of police body cameras to ensure it includes Public Records Act provisions to put reasonable limits on “body cam” video data and information requests.
- Issaquah will closely **monitor** legislation growing out of a study of how the state could potentially implement a statewide relicensing program for those who have committed Driving While License Suspended (DWLS) offenses. The City will want to ensure such a program does not cancel out successful relicensing and payment plans – or absolve drivers of insurance requirements – in individual jurisdictions.
- Issaquah will **monitor** the development of policies related to medication assisted treatment (MAT) services in city jails to ensure sufficient resources are appropriated and local logistical challenges are addressed.
- Issaquah **supports** legislation and increased funding for Wildland Urban Interface fire prevention methods and better forest health management practices.

Economic Development/Infrastructure

- Issaquah **supports** passage of Capital Budget funding that enables re-capitalizing of the Public Works Assistance Account, so the state retains a low-interest loan program for basic infrastructure needs throughout Washington.
- Issaquah will **monitor** any legislative initiative, growing out of a legislatively-directed study, to examine the merits of establishing a State Infrastructure Bank.
- Issaquah will **support** Capital Budget funding and grants for stormwater.
- Issaquah will **support** key Capital and Transportation budget grant programs for cities such as the Washington Wildlife and Recreation Program (WWRP), Youth Athletic Facilities (YAF), Safe Routes to Schools, Bicycle-Pedestrian grants, etc. If WWRP is fully funded, the city will receive roughly \$2.66 million from the Urban Wildlife Habitat Category toward the expansion of Harvey Manning Park.
- Issaquah will **support** legislative initiatives to re-establish state funding and partnerships for economic development incentive programs such as the Local Revitalization Financing program (LRF) or the Local Infrastructure Assistance Tools (LIFT) program.
- Issaquah will **support** legislation allowing local governments expanded use of “Small Works Rosters” to do small-scale infrastructure and public works jobs in-house.
- Issaquah **supports** legislation to establish a property tax-based tax increment financing tool for local governments to responsibly support economic development. Washington State is at a competitive disadvantage by not having access to this important economic development tool.
- Issaquah **supports** the Main Street Tax Credit Program and the expansion of this program that provides a Business & Occupation (B&O) or Public Utility tax (PUT) credit for private contributions given to eligible downtown revitalization organizations.
- Issaquah **supports** ArtsWA’s request for \$416,120 from the biennial capital budget to continue the pilot program for small scale capital projects in Creative Districts. The initial investment in this program resulted in a roughly \$26,000 grant to the City for improvements in the Creative District. If the program is fully funded, the City stands to receive an additional \$24,000 grant.

Environment/Natural Resources

- The City of Issaquah will pursue opportunities to grow and/or enhance the City’s open spaces through partnership, acquisitions and/or policy changes.
- Issaquah **supports** efforts to strengthen and clarify energy codes and work towards net zero buildings.
- Issaquah will **monitor** legislation that would modify the Renewable Portfolio Standard.
- Issaquah will **support** legislation to expand “Product Stewardship” programs to address the overall rising costs and increased challenges of recycling.
- Issaquah will **support** expanded investments in energy efficiency and renewable energy grant programs, such as through the Department of Commerce Energy Efficiency and Solar grants.
- Issaquah **supports** protecting the core provisions of the Clean Energy Transformation Act.
- Issaquah **supports** a Clean Fuel Standard to reduce the greenhouse gas emissions associated with transportation fuels.

- Issaquah **supports** a watershed-based strategic plan to address local fish-blocking culverts along with State culverts.
- Issaquah **supports** statewide efforts to achieve meaningful salmon and orca recovery through funding of strategic action including habitat conservation and funding.
- Issaquah will **support** legislation that will facilitate the transition away from fossil fuels through the electrification of buildings and transportation systems.

Land-Use/Growth Management Act (GMA)/Housing

- Issaquah is supportive of the Growth Management Act in general and would **oppose amendments** to the GMA that weaken or undermine the statute.
- Issaquah **supports** the current Urban Growth Area boundary and would **oppose** any efforts to move it or additional growth that is not connected to transportation funding.
- Issaquah **supports** tools that incentivize, but do not mandate, cities within the urban growth boundary to increase their density.
- Issaquah **opposes** statewide approaches to land use decisions that should be made at the local level, such as the planning and zoning of accessory dwelling units (ADUs).

Local Government in General/Miscellaneous

- Issaquah will **support** legislative initiatives that can help reduce costs for cities and counties or make service delivery more efficient.
- Issaquah will **support** legislative initiatives to enhance funding for emergency management functions of local governments.
- Issaquah **opposes** any initiatives on cybersecurity that would result in unfunded or “under-funded” mandates on local governments.
- Issaquah will **support** legislative proposals to fund local government cybersecurity initiatives such as software and professional services.
- Issaquah will **support** tools such as Alternative Dispute Resolution to settle conflicts over burdensome public records requests.

Personnel, Pension, and other Human Resource Issues

- Issaquah joins the Association of Washington Cities (AWC) and other local government and business organizations in **opposing** legislation that would add new costs and requirements to employee benefit programs without accompanying funds.
- Issaquah joins others in **opposing** legislation that would expand “presumptive disease” laws and definitions in Workers’ Compensation claims.
- Issaquah **opposes** bills or budget initiatives that would result in increased employer/employee pension rates but supports legislation that protects public employee retirement benefits that may be impacted from furloughs or other mandatory work hour reductions as a result of the COVID-19 pandemic.

Water/Water Resources/Water Quality

- Issaquah will **support** a legislative initiative by the Cascade Water Alliance, Seattle Public Utilities and others to ensure that reclaimed water purveyors be required to enter into agreements with water-supply utilities to address such issue as service area needs, wellhead protection, and water quality, before moving to sell reclaimed water on the open market.
- Issaquah is actively working with regional partners to characterize and design a pilot cleanup of PFAS/PFOS chemicals in the Issaquah Valley Aquifer. The City **supports** the Department of Ecology request for \$750,000 to continue this work.
- The city will **monitor** all legislation and state budget policies related to PFAS chemicals.