



SCA Public Issues Committee

AGENDA

March 9, 2016 – 7:00 PM

Renton City Hall

1. **Welcome and Roll Call** – Councilmember Marlla Mhoon, Covington, Chair 2 minutes
2. **Public Comment** – Councilmember Marlla Mhoon, Covington, Chair 10 minutes
3. [Approval of minutes – February 10, 2016 meeting](#) 2 minutes
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4. **Chair’s Report** – Councilmember Marlla Mhoon, Covington, Chair 5 minutes
5. **Executive Director’s Report** – Deanna Dawson, SCA Executive Director 10 minutes
6. [Sound Transit’s ST3 System Plan](#) 15 minutes
DISCUSSION
Page 21
Katie Kuciemba, Senior Policy Analyst
(5 minute staff, 10 minute discussion)
7. [Proposed Methanol Plant in Tacoma, WA](#) 20 minutes
DISCUSSION ITEM
Page 25
Deanna Dawson, SCA Executive Director
(10 minute staff report, 10 minute Q and A)
8. [2016 Legislative Session Update](#) 15 minutes
UPDATE
Page 93
Katie Kuciemba, Senior Policy Analyst
(5 minute staff report, 10 minute Q and A)
9. [SCA and All Home Convening of Cities on Homelessness](#) 10 minutes
UPDATE
Page 99
Ellie Wilson-Jones, Policy Analyst
(5 minute staff report, 5 minute Q and A)

10. [Best Starts for Kids Levy – Youth and Family Homelessness Prevention Initiative Implementation Plan](#)

UPDATE 15 minutes
Page 103
Deanna Dawson, SCA Executive Director
(5 minute staff, 10 minute Q&A)

11. [Future Levies and Ballot Measures in King County](#)

UPDATE 5 minutes
Page 129
Katie Kuciemba, Senior Policy Analyst
(2 minute staff report, 3 minute Q and A)

12. [Potential Upcoming SCA Issues](#)

UPDATE 10 minutes
Page 131
Deanna Dawson, SCA Executive Director
(5 minute staff report, 5 minute discussion)

13. Informational Item

- a. [Mental Illness and Drug Dependency Annual Report](#)
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14. Upcoming Events

- a. SCA & All Home Convening of Cities – Friday, March 11, 2016 – 8:00 AM to 12:30 PM – Tukwila Community Center
- b. SCA Networking Dinner featuring 2016 Legislative Session Recap – Wednesday, March 30, 2016 – 5:30 PM to 8:00 PM – Inglewood Golf Club, Kenmore
- c. SCA Best Starts for Kids Roundtable – Thursday, March 31, 2016 – 4:00 PM to 6:00 PM – Renton City Hall Conferencing Center
- d. SCA Public Issues Committee Meeting – Wednesday, April 13, 2016 – 7:00 PM to 9:00 PM – Renton City Hall

15. For the Good of the Order

16. Adjourn

Did You Know?

The City of Covington was named after Richard Covington, a surveyor for the Northern Pacific Railroad. By 1900, the cross-country railroad traveled through Covington to Auburn, which was the western terminus. Like peeling an onion, there are different layers to each city's history. The introduction of the railroad to our region and the discovery of the dense trees brought settlers and industry. Five mills were built in Covington; all of which closed by 1920. Once the plentiful hills of trees were depleted, some pioneers moved on to dairy farming and a cheese factory was built. As the cheese factory folded, the building became a dance hall during the prohibition era. Covington, like all cities in our region, continues to build and grow at its own pace into the community vision for the future.

Historical firsthand accounts of our beautiful and unique region are priceless. This information and more can be found in [Covington Washington And Its Surrounding Areas: A Written Portrait of Covington's Past](#) by: Virginia Levack; Katherine Cullman; Bob Nelson; Lydia Sutton; and Covington Neighbors' Council.

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

To be the most influential advocate for cities, effectively collaborating to create regional solutions.

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

February 10, 2016 – 7:00 PM

Renton City Hall

1055 S Grady Way, Renton WA 98057

1. Welcome and Roll Call

PIC Chair Councilmember Marlla Mhoon, Covington, called the meeting to order at 7:02 PM. 33 cities had representation ([Attachment A](#)). Guests present included: Tamie Deady, Black Diamond Council; John Stilin, Redmond Council; Bob Baggett, Auburn Council; Dana Hinman, City of Auburn; Shelley Kloba, Kirkland Council; David Storaasli, Pacific Council; Christie Malchow, Sammamish Council; Peter Troedsson, City of Bothell; Robert Back, Des Moines Council; Erin Sitterly, SeaTac Council; Pam Fernald, SeaTac Council; Carol Simpson, Newcastle Council.

2. Public Comment

Chair Mhoon asked if any member of the public had any public comment. Seeing none, Chair Mhoon closed the public comment portion of the meeting.

3. Approval of the January 13, 2016, 2015 Minutes

Council President Hank Margeson, Redmond, moved, seconded by Councilmember Kate Kruller, Tukwila, to approve the January 13, 2016 PIC minutes.

There was no discussion. The motion passed unanimously.

4. Chair's Report

Chair Mhoon reported that there was strong attendance at the pre-PIC workshop. She asked that members attend meetings prepared to discuss, and potentially vote on, agenda items. If there is an action item, members will have time in between PIC meetings to discuss with their city councils and staff, as well as SCA staff, prior to participating in the vote on that issue.

Chair Mhoon gave a report on the 2016 SCA Board Retreat, which took place at the Inglewood Golf Club in Kenmore. The Board looked into the future, and came up with "headlines" they would like to read about SCA in five years, and discussed strategies to undertake in the next three years to achieve these longer range goals. The top priorities that the Board identified for 2016 include: transportation, economic development, human services (with a significant focus for 2016 on homelessness), and affordable housing.

Chair Mhoon reported that the SCA Board of Directors was invited to have breakfast with Governor Inslee on February 4, 2016 at the Executive Residence. The Governor shared his

priorities: affordable housing, homelessness and education. Board members shared SCA strategies and goals. In addition to the Governor and SCA Board, Senators Hasegawa and Fain, and Representatives McBride and Stokesbary, were present.

5. Executive Director's Report

Deanna Dawson, SCA Executive Director, reported earlier that day she and Kenmore Mayor/ SCA Vice President David Baker and PIC Chair Marlla Mhoon met with King County Executive Dow Constantine. Meeting topics included: 2016 SCA Board retreat and priorities; upcoming 2/17 SCA Networking Dinner, at which Executive Constantine will be presenting; as well as legislative issues. The legislative issues included: preservation tax exemption bill, which SCA cities worked closely on (which Executive thanked members for), a planned lobby day in which SCA will be working with King County and WSAC on 2/18 on the 1% property tax cap; and 2017/2018 County Budget. Dawson reported that the Executive welcomed SCA participation early in the county budget process. The discussion included putting together a review committee to work with Dwight Dively and County staff to give early input. More details will be forthcoming. There was also discussion on the recent announcement that Kevin Desmond will be leaving Metro to head up the Vancouver BC transit agency.

Dawson reported that she and SCA President Backus had met with former Governor Chris Gregoire regarding Challenge Seattle.

The first meeting of the Children and Youth Advisory Board (overseeing the Best Starts for Kids Levy) was held on February 9, 2016. Dawson attended along with Councilmember Hilda Thompson, Lake Forest Park. Dawson stated that she continues to work with the County to establish a roundtable of city officials to advise Councilmember Thompson and Mayor Backus. Dawson will be sending an announcement to members.

Dawson reminded members to register for the first SCA Networking dinner of 2016 on 2/17. She also noted that the second dinner of the year was tentatively planned for 3/30/2016 at Inglewood Golf Club in Kenmore. The program for this event will be a legislative recap.

Dawson told members of a successful orientation for regional boards and committees, and thanked the City of SeaTac for hosting. Guests included County Council Chair Joe McDermott, Councilmember Dave Upthegrove, and PSRC Director Josh Brown. At the event, SCA President Mayor Nancy Backus announced a new initiative, a mentoring program to match new and experienced elected officials. More details are being developed. Please let Dawson, deanna@soundcities.org, know if you are interested in being matched with a mentor, or mentee.

Dawson thanked members for attending the PIC 101 workshop prior to PIC, and welcomed new members. She encouraged members to pick up an SCA pin to wear to regional meetings. She thanked Republic Services for sponsoring the cost of the pins.

Dawson thanked members for their forgiving her for missing last month's PIC meeting.

Last, Dawson noted that soon Policy Analyst Ellie Wilson-Jones would be going on parental leave. She noted that SCA would be making some staffing reassignments to cover her workload.

6. 2016 Legislative Session Update

Katie Kuciemba, SCA Senior Policy Analyst, reported that today is the 31st day of the 60 day “short” session. February 9, 2016 was the last day to pass bills in House fiscal committees, Senate Ways & Means, and transportation committees in the house of origin. The next major milestone will be February 17 which is the last day to consider bills in the house of their origin. The final day of the 2016 session is expected to be March 10, 2016.

Kuciemba reported that on February 5, the Senate voted 21-25 not to confirm Department of Transportation Secretary Lynn Peterson. The agency is currently being led by Acting Secretary Roger Millar. Several SCA Mayors expressed to state senators that Ms. Peterson has been responsive to issues affecting cities. Kuciemba also noted that Department of Corrections Secretary Dan Pacholke resigned on February 6.

As also discussed during the Executive Director’s report, Kuciemba stated that SCA members will be speaking to legislators in Olympia on February 18, 2016 in support of a local option of raising the 1% property tax cap. Members interested in attending should contact SCA Executive Director Deanna Dawson.

Kuciemba reported on legislation intended to revise the public records act with regard to requests to local agencies sponsored by Representative Joan McBride. While the original bill, HB 2576, allowed for cost recovery of certain commercially motivated records requests, an amendment in committee removed the ability for local agencies to charge record requestors that intend to resell the data for profit. There is some understanding that amendments will be made on the House Floor to add this section back into the bill – in addition to an amendment related to stating that asking for “all records” is not an identifiable records request. HB 2576 is currently in the House Rules Committee after passing in committee with a 5 – 4 vote.

Kuciemba reported that there is some movement with affordable housing legislation. The Preservation Tax Exemption Bill, SB 6239, sponsored by Senator Joe Fain and initiated by the City of Seattle, authorizes a local option property tax exemption program for multi-family properties that provide a percentage of affordable housing. SB 6239 was passed out of the Senate Ways & Means Committee on February 9. Several SCA member cities worked to help with passage of the bill. A competing bill, HB 2442, proposed by the King County Assessor’s Office also addressed affordable housing but did not pass out of the Finance Committee in the House by the deadline.

Representative McBride sponsored two bills this session related to housing: HB 2395, which authorizes a local option fee for converting rentals to condos, and HB 2397, which authorizes a local option housing demolition fee. Both bills support affordable housing but are unlikely to see passage during the 2016 session.

Kuciemba reported that HB 2348, related to the adoption of local fireworks ordinances, was voted out of the House Local Government Committee on a party line vote and there is

anticipated ongoing opposition. HB 2348 remains in the House Rules Committee and is unlikely to be passed during the 2016 session. Likewise, HB 2362, regarding body-worn cameras passed the House Judiciary Committee on January 20 but is unlikely to pass the full Legislature this session.

King County has proposed legislation concerning county road administration and maintenance which comes from recommendations of the Bridges and Roads Task Force. Senator Fain has sponsored the Senate Bill, SB 6314 and Representative Luis Moscoso has sponsored the House Bill, HB 2590. A provision regarding so-called "orphaned roads" that raised concerns for SCA member cities was removed by an amendment offered by Representative Strom Peterson, and HB 2590 was passed out of the House Local Government Committee on February 3.

Kuciemba stated that work is still being done this session to advance excess liquor revenue distribution legislation. HB 2438 and SB 6425 were given public hearings during the week of January 25 with support from the Association of Washington Cities and SCA membership. A letter initiated by Representative Tana Senn, and signed by forty other legislators, encourages leadership to move the legislation forward in 2016.

Related to the Fixing America's Surface Transportation Act, or the "FAST Act," Kuciemba reported the new federal funding for transportation projects and programs is an opportunity to equalize the federal partnership with local governments and the state. Today's allocation formula grants the state 66% and local governments 34%. It is anticipated that the Governor will convene a group of stakeholders to make recommendations on how the funds should be distributed. Stakeholders are expected to include the Governor's Office, Washington State Department of Transportation, Association of Washington Cities, Washington State Association of Counties, ports, the legislature, transit and metropolitan planning organizations.

In conclusion, Kuciemba thanked those cities who submitted their adopted 2016 legislative agendas and priorities with SCA.

In response to a request for clarification from Councilmember Kate Kruller, Kuciemba gave additional information regarding the 2/18 lobby day.

Councilmember Tola Marts, Issaquah, noted that a debriefing after the legislative session concluded would be helpful. Staff agreed, noting that this could be done at the next PIC meeting, as well as at the March 30 SCA Networking Dinner.

Mayor Rich Crispo, Newcastle, inquired as to whether there was an official SCA position on the 1% property tax cap. Staff read the policy:

While cities understand and appreciate property owners' concerns about rising costs and increased property taxes, in some jurisdictions the current 1% property tax cap has created an ever widening structural gap between revenues, and the costs of providing needed services to residents and making prudent investments in infrastructure. SCA therefore supports legislation to raise the 1% property tax revenue limit.

Crispo noted that even if his city were to double the property tax collection to 2%, this would amount to only approximately \$40,000 in revenue. He inquired as to whether there has been discussion about more effective ways to collect taxes already owed to cities, rather than turning to raising taxes. A discussion ensued about methods cities used to collect taxes and permit fees for solicitors and peddlers. Staff will follow up on this topic.

Mayor David Baker, Kenmore, noted that his city would not raise property taxes above 1% if they were granted additional authority. But he recognized that this was a tool that would be helpful to other cities, so he was supportive of legislation giving cities the option. To Baker's point, Dawson noted this was a local option.

7. All Home Convening of Cities

Ellie Wilson-Jones, SCA Policy Analyst, reported on the SCA and All Home Convening of Cities being held March 11, 2016 at Tukwila Community Center. The event will convene teams from King County cities to build relationships within those city teams and across communities to respond to the growing crisis of homelessness.

Before providing more specifics on the March 11 Convening, Wilson-Jones first provided a recap of the results of the January 29, 2016 One Night Count, which found that homelessness continues to be a crisis in King County. During the annual event, more than 1,100 volunteers – including PIC and SCA Board Members – counted people surviving unsheltered in cars, in doorways, under bridges, and elsewhere. In total, volunteers counted 4,505 men, women, and children without shelter. This was a 19 percent increase from the 2015 count and the third double digit increase in a row. This year's increase fell disproportionately on many SCA cities and South King County in particular. The count increased by roughly 100 people in Seattle but by more than 600 outside Seattle. The number of people counted as unsheltered in South King County increased by 53 percent. Much of this year's overall increase countywide came from people surviving in vehicles—nearly 500 more than in 2015

Deanna Dawson, SCA Executive Director, noted that King County and the City of Seattle have declared a state of emergency in response to the homelessness crisis. Dawson distributed a letter ([Attachment B](#)) drafted by the City of Seattle requesting that Governor Jay Inslee build on investments to address homelessness and declare a statewide state of emergency. The City of Seattle is seeking feedback on the letter and is inviting cities to sign on. SCA staff will distribute this draft letter to cities along with the invite for the March 11 Convening.

Wilson-Jones provided additional detail on the March 11 Convening of Cities. The purpose of the Convening is to bring together teams from cities to build a regional and multi-disciplinary response to homelessness. This strategy is in recognition of the fact that homelessness will not be solved by one city nor through a single approach, as people are mobile and the causes of homelessness are many. Cities are asked to put together four-person teams consisting of one elected official, a representative for city administration (a mayor or city administrator or manager), a human services staffer, and a first responder.

That [All Home Strategic Plan](#) adopted in June of 2015, with an endorsement from SCA, calls for this Convening to occur. Since that time, SCA and All Home have worked with member cities

staff to get their feedback on how this Convening should be structured, and the SCA Board has also provided input.

The registration site for the event should be available this week and an invite will be sent to cities. An agenda will also be distributed in advance of the event. PIC members are encouraged to assist their cities in gathering a team to attend the Convening.

Chair Mhoon encouraged PIC members to review the chart on page 34 of the PIC packet that lists the results of the One Night Count.

Mayor David Baker, Kenmore, stated that the letter drafted by the City of Seattle should provide greater recognition of seniors. He stated that seniors are a large part of the homeless population and will require greater focus. Dawson stated that this feedback would be provided to the City of Seattle.

Deputy Mayor Sheree Wen, Medina, asked how proposed funding for homelessness would be used. Dawson responded that the [All Home Strategic Plan](#), adopted last year, identified local strategies for responding to homelessness but sufficient funding sources have yet to be identified.

Councilmember Bill Pelozo, Auburn, asked whether it is known how many of the 4,505 people identified in the One Night Count are originally from the state of Washington. Wilson-Jones answered that that level of detail is not collected in the One Night Count but that local data is available in the [All Home Strategic Plan](#) showing the last zip code of people experiencing homelessness that have provided information to the HMIS database (*Note: To elaborate on the information that was presented to the PIC, page 10 of the [All Home Strategic Plan](#) states that 87 percent of people experiencing homelessness in King County were from King County and 97 percent were from Washington State, according to 2013 HMIS data*). Wilson-Jones stated that there are limitations to the available local data, but that it suggests the vast majority of those experiencing homelessness locally are from the area.

Chair Mhoon stated that, as an example to support what has been seen in the data, the youth facility in Redmond has said it serves primarily youth from that community.

Councilmember Kate Kruller, Tukwila, stated that the timing of the count is designed to capture data at the time of the year when those counted are the least likely to be transient. She stated that people are more mobile in the warmer summer months and that people identified in January are more likely from our area.

8. Final Recommendations of the Bridges and Roads Task Force

Katie Kuciemba, SCA Senior Policy Analyst, reported the Bridges and Roads Task Force began to meet in August 2015 to identify policy and fiscal strategies to maintain and preserve King County's rural or unincorporated roads and bridges. The Task Force's final meeting occurred on January 20, 2016 where the final recommendations were presented publicly to King County Executive Constantine and King County Councilmember Lambert.

The Task Force recommendations can be categorized into the following: revenue, infrastructure and outreach. For revenue, the Task Force recommends a new county-wide revenue tool is needed that is tied to inflation, sustainable, long-term, provides a benefit to cities and the County, and is not regressive. For infrastructure, the Task Force is recommending authority for cities to annex “orphan” County roads that lie inside their boundaries, and supports annexation of Potential Annexation Areas within the growth boundaries of those cities. Finally, the Task Force recommends enhanced public outreach efforts to increase awareness about issues currently facing Road Services. Stakeholders will include elected bodies, other agencies, the media, and the public.

The importance of building a city-county partnership was a focal discussion point, with King County Executive Constantine acknowledging the financial burden put on cities when they take over county roads – since such roads need to be upgraded to city service standards. As such, the Executive is promoting a more regional approach, and ultimately, believes that a state solution is needed.

Kuciemba reported that King County has worked with state legislators on HB 2590, sponsored by Representative Moscoso, and SB 6314, sponsored by Senator Fain. The legislation includes the following:

- Modifies the appraisal process for vacation of county roads to allow an appraiser to consider certain public benefit factors in the valuation, including transfer of liability, risk, increased property taxes, cost avoidance, limits on development and future public benefit.
- Allow greater flexibility to keep records electronically, and in a location other than physically in the county road engineer’s office while preserving public access to the records.
- For counties with a population of more than 400,000, increases the amount of work that county crews can perform “in-house” before having to go out to bid with contractors by raising the limit for storm water and riverine projects from \$45,000 to \$125,000 if only a single craft or trade is involved; and from \$90,000 to \$250,000 if more than a single craft or trade is involved.

SCA worked closely with cities and King County Executive to ensure that the legislation did not prevent meaningful cooperation and agreement related to infrastructure ownership. A provision regarding so-called “orphaned roads” that raised concerns for SCA member cities was removed by amendment.

Kuciemba concluded that SCA staff will work with King County in identifying future outreach that could include county-city coalition-building, efforts to increase situational awareness, a possible PSRC-led regional collaboration, and discussions on state funding options for local roads in preparation for future legislative sessions. The work would commence in the July 2016 timeframe. The PIC will be updated by SCA staff when next steps have been proposed in working collaboratively with King County, including any known outreach to city councilmembers and/or mayors. Dawson confirmed that she and Mayor Baker and PIC Chair

Mhoon had met with Executive Constantine that morning, and that he agreed with the time frame.

Kuciemba invited Duvall Councilmember Amy Ockerlander, a member of the Task Force, to comment. Ockerlander noted that stakeholders from throughout the county were involved in the process, giving a broad array of perspective, although it was unfortunate that more cities were not invited to participate. She noted that the next level of work would need to be done with cities from all parts of the county. She noted that there were challenges with communication that needed to be overcome. She also noted the need for additional public outreach on needs of both county, and cities. She reported that her experience on the Task Force was positive, and hoped that cities would come to the next phase of the process with an open mind.

Mayor Dave Hill, Algona, noted challenges posed by West Valley Highway, which is owned in part by Algona, Pacific, and King County. This is an example where jurisdictions need to work together. Ockerlander agreed, noting that there were many examples like this in the county. She noted that the cities who took on roads formerly belonging to the county needed to be made whole. She noted that in some cases this may mean financial compensation, in others it may be through assistance in, for example, grant writing.

Councilmember Bob Keller, Sammamish, noted an issue with a county road that is a main commute route in and out of Sammamish that is poorly maintained. He also noted needs to address "second tier" state highways such as Highway 522 and 202. Ockerlander acknowledged that this was an important issue, but that the Task Force looked only at the needs for county rural roads. She noted the power of working in coalitions, and complimented the coalition working on transit needs on 522 as an example of a positive collaboration.

Council President Hank Margeson, Redmond, noted the challenges faced by cities who had incorporated areas, and the poorly maintained roads that they inherited. He noted that cities are forced to make difficult choices in their budgeting, and to come up with funds to maintain their roads. He noted that the county had not done this, which has led to the poorly maintained county roads. He was critical of the county attempting to pass the responsibility onto cities. He noted that working together is a two way street, and that the county needs to do a better job of communicating with and building trust with cities. He did not feel that the county had communicated adequately before dropping the current bill.

In response to a question from SCA Executive Director Deanna Dawson, all cities present noted that they supplemented their roads budgets with general fund dollars, to Margeson's point about cities making hard choices to responsibly care for their roads.

Chair Mhoon noted that cities had power to impose utility taxes, which the county did not, an issue raised in her earlier meeting with Executive Constantine. Margeson responded that the county had sought this authority in the past. It was noted that in past years the county had sought countywide power to levy utility taxes, although in recent years they had sought the authority only for residents in unincorporated areas.

9. Mental Illness and Drug Dependency (MIDD) Levy Renewal

Ellie Wilson-Jones, SCA Policy Analyst, reported that King County currently has a Mental Illness and Drug Dependency – or MIDD – sales tax levy, a local option tax created by the Legislature in 2005 and put into place by the King County Council in 2007. This 0.1 percent sales tax generates about \$53 million annually to fund behavioral health services with five goals in mind: (1) Reducing the number of mentally ill and chemically dependent people using costly interventions like jail, emergency rooms, and hospitals. (2) Reducing the number of people who recycle through the jail because of mental illness or chemical dependency. (3) Reducing chemical dependency and mental and emotional disorders in youth and adults. (4) Diverting mentally ill and chemically dependent youth and adults from justice system involvement. (5) Linking to and furthering the work of, other county efforts like ending homelessness and the Veterans and Human Services Levy, among others.

At the end of this year, the initial MIDD levy ordinance, which set those five policy goals, will expire unless the King County Council acts to renew it. Work is underway by the MIDD Oversight Committee to review the strategies funded by the first MIDD sales tax, solicit information from communities and stakeholders about current service needs, and develop a proposal for a second MIDD sales tax. SCA is represented on the MIDD Oversight Committee by a member, Councilmember Dave Asher of Kirkland, and an alternate, Councilmember Brenda Fincher of Kent.

There are two main work products that the MIDD Oversight Committee will be involved in developing this year. These arise out of a King County Council ordinance requiring the King County Executive to develop two reports with input and assistance from the MIDD Oversight Committee. The first is a Retrospective Review and Assessment of MIDD I, which is due to the King County Council by June 30, 2016. The second is a new MIDD Service Improvement Plan for the potential MIDD II, which would guide MIDD investments beginning in the 2017. The MIDD Service Improvement Plan is anticipated to be transmitted to the King County Council in September 2016 with the Executive's proposed biennial budget.

A detailed timeline is contained in the memo in the PIC packet listing when county staff will begin drafting each of these reports, when they will go to the MIDD Oversight Committee for feedback, when they will go out to the public for comment, when the Oversight Committee is anticipated to act to approve each report, and ultimately when the reports are expected to be transmitted to the King County Council for action. April, May, and June will be key months for MIDD work. SCA Policy Analyst Doreen Booth will be tracking this work and keeping member briefed while Wilson-Jones is on parental leave during those months.

Mayor Bernie Talmas, Woodinville, stated that referrals of the plans for the MIDD and Best Starts for Kids levies to the Regional Policy Committee (RPC) were discussed by that committee today. Deanna Dawson, SCA Executive Director, noted that she would follow up with RPC members on this issue. Mayor David Baker, Kenmore, stated that staff needs an opportunity to work on this issue. Councilmember Bill Peloza, Auburn, stated that SCA and King County will be working to resolve these concerns by February 24. Council President Hank Margeson, Redmond, stated that the purpose of the RPC is to give cities and other represented bodies a voice. He stated that the prior MIDD levy was referred to the RPC.

10. Future Levies and Ballot Measures in King County

Katie Kuciemba, SCA Senior Policy Analyst, that the City of Tukwila is still undergoing deliberations about a Regional Fire Authority; therefore the possible ballot measure listed for April 2016 will be removed for the March PIC packet.

Kuciemba reported the following measures from the February 9, 2016 King County special election:

- Auburn School District – Educational Program and Operations Replacement Levy passing with 54%
- Federal Way School District – Capital Projects Levy passing with 61%
- Fife School District – Capital Projects Technology Levy passing with 55%
- Mercer Island School District
 - Prop 1, Capital Projects Levy passing with 74%
 - Prop 2, School Transportation Levy passing with 77%
- Renton School District
 - Prop 1, Educational Programs, Maintenance and Operations Levy (replacement) passing with 64%
 - Prop 2, Capital Levy for School Facilities passing with 63%
- Seattle School District
 - Prop 1, Operations Levy passing with 72%
 - Prop 2, Capital Levy (renewal) passing with 71%
- Tukwila School District
 - Prop 1, Programs and Operations Levy (renewal) passing with 70%
 - Prop 2, General Obligation School Bond passing with 67%
 - Prop 3, Technology Levy (renewal) passing with 71%

Kuciemba stated that Vashon Island School District had a general obligation bond measure which is currently not reaching the 60% yes vote threshold.

Chair Mhoon spoke to the impressive results from the school district ballot measures, which is a turnaround from prior years.

Councilmember Tola Marts, Issaquah, inquired whether cities have received negative feedback from school districts about accelerated growth in King County and the challenges such growth places on districts.

Council President Hank Margeson, Redmond, responded that the Lake Washington School District had two failed ballot measures in a row in an area where a significant amount of growth has occurred. Margeson indicated that the opposition campaign focused on concerns of taxing to build palatial schools at a time when the recovery from the recession was incomplete, while other may feel that not funding the school district could slow growth.

Councilmember Bill Pelozza, Auburn, stated that the City of Auburn passed a resolution in support of the Auburn School District levy and that passed on February 9.

Councilmember Bob Keller, Sammamish, stated that King County Fire Districts 10 and 38 are voting on whether to put a regional fire authority on the ballot in April 2016.

Councilmember Amy Ockerlander, Duvall, stated that the City of Duvall is considering a levy in November for ballfields, police, and technology. The decision by the Council will be made at the last moment to ensure robust public feedback about the size of the measure. This would be the first time in 15 years that the City of Duvall has placed a measure on the ballot.

Councilmember Mike Sando, Enumclaw, stated that King County Fire District 28 will have a levy on the April 2016 ballot.

Mayor Rich Crispo, Newcastle, stated that school districts should consider the residential infrastructure needs when siting a new school in a neighborhood. School district bonds should consider mitigation for the impact schools create on the area around it. Dawson referred to a recently adopted process for cities and school districts to do joint planning. Crispo noted that the school district had not been collaborative in working with the city. Chair Mhoon inquired about process for school districts to do mitigation for neighborhood impacts. Staff will follow up on these issues.

Mayor Leanne Guier, Pacific, stated that school siting discussions are being discussed and addressed by the Growth Management Planning Council and that tonight's PIC feedback would be brought back to the committee.

Councilmember Michelle Sipes-Marvin, Normandy Park, stated that the City of Normandy Park will return to voters in August with a levy measure. This would be a similar levy to the one that failed in November 2015.

Councilmember Lydia Assefa-Dawson, Federal Way, expressed environmental concerns regarding a methanol plant proposed to be built in Tacoma. She alerted members to a special City Council meeting being held in Federal Way on February 11, 2016 to discuss the impacts on the city. She referred members to the University of Washington Tacoma website: www.tacoma.uw.edu/methanol.

11. Potential Upcoming SCA Issues

Deanna Dawson, SCA Executive Director, reported that this recurring agenda item is a catchall for issues that SCA will track and may bring back at a later time. Dawson asked that members provide her with any updates to the list via email at deanna@soundcities.org.

12. Upcoming Events

The next SCA Networking Dinner will be held on Wednesday, February 17, 2016, at 5:30 PM at the Renton Pavilion Event Center. King County Executive Constantine will be the keynote speaker.

The next Public Issues Committee Meeting will be held on Wednesday, March 9, 2016, at 7:00 PM at Renton City Hall.

SCA & All Home Convening of Cities will be held on Friday, March 11, 2016, from 8:00 AM to 12:30 PM at the Tukwila Community Center.

13. For the Good of the Order

Mayor David Baker, Kenmore, reported on legislation proposed by the Puget Sound Clean Air Agency (PSCAA) addressing asphalt plants. Staff will follow up and may bring back additional information to PIC.

Councilmember Kate Kruller, Tukwila, reported that the Tukwila School District is on an elite list of 130 districts across the U.S. that earned inclusion in the College Board's 2015 Gaston Caperton Opportunity Honor Roll. The award is for districts that have expanded access to higher education for traditionally underrepresented students by providing them with rigorous academic offerings and innovative college-preparation programs.

Councilmember Kruller also reported on staffing needs for the Tukwila food bank.

Councilmember James McNeal, Bothell, shared news of the preservation of Wayne Golf Course through collaborative efforts of OneBothell, Forterra, and King County.

Chair Mhoon brought members attention to the "Did You Know" section of the agenda regarding Sexual Assault Awareness Month (SAAM) and urged member cities to pledge to support. Contact SCA Executive Director Deanna Dawson, deanna@soundcities.org if your city will participate.

14. Adjourn

The meeting was adjourned at 8:47 PM.

2016 Roll Call – Public Issues Committee Meeting February 10, 2016

City	Representative	Alternate
Algona	Dave Hill	Bill Thomas
Auburn	Nancy Backus	Bill Peloza
Beaux Arts Village	Tom Stowe	Richard Leider
Black Diamond	Janie Edelman	Tamie Deady
Bothell	James McNeal	Tris Samberg
Burien	Nancy Tosta	Austin Bell
Carnation	Jim Berger	Dustin Green
Clyde Hill	Barre Seibert	George Martin
Covington	Marlla Mhoon	Margaret Harto
Des Moines	Melissa Musser	Robert Back
Duvall	Amy Ockerlander	Will Ibershof
Enumclaw	Mike Sando	Chance LaFleur
Federal Way	Dini Duclos	Lydia Assefa-Dawson
Hunts Point	Joseph Sabey	
Issaquah	Tola Marts	Jennifer Sutton
Kenmore	David Baker	Nigel Herbig
Kent	Bill Boyce	Dana Ralph
Kirkland	Toby Nixon	Shelley Kloba
Lake Forest Park	Catherine Stanford	Tom French
Maple Valley	Erin Weaver	
Medina	Sheree Wen	
Mercer Island	Benson Wong	Debbie Bertlin
Milton	Susan Johnson	Debra Perry
Newcastle	Rich Crispo	Carol Simpson
Normandy Park	Michelle Sipes-Marvin	Doug Osterman
North Bend	Ross Loudenback	Jonathan Rosen
Pacific	Leanne Guier	David Storaasli
Redmond	Hank Margeson	John Stilin
Renton	Ed Prince	Armondo Pavone
Sammamish	Bob Keller	Christie Malchow
SeaTac	Rick Forschler	Erin Sitterly
Shoreline	Chris Roberts	Keith Scully
Skykomish	Henry Sladek	
Snoqualmie	Bob Jeans	Matt Larson
Tukwila	Kate Kruller	Verna Seal
Woodinville	Bernie Talmas	Susan Boundy-Sanders
SCA Deanna Dawson Katie Kuciemba Ellie Wilson-Jones Doreen Booth Kristy Cole		

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

February __, 2016

The Honorable Jay Inslee
Governor, State of Washington
P.O. Box 40002
Olympia, WA 98504-0002

Dear Governor Inslee,

As you are well aware, many of our communities throughout this state remain in crisis with regard to the growing number of people experiencing homelessness. Our state's current needs outweigh current capacity, leaving too many seniors, families, and individuals vulnerably sleeping on the street. The reasons underlying this crisis are many. No local government or the State can solve this issue alone. This is why we, the undersigned, are making a formal request to you as governor of the state of Washington to continue to build on your investments today by acknowledging the crisis at hand and officially declaring a state of emergency.

On January 27, hundreds of committed residents throughout the central Puget Sound carried out the annual One Night Count. Snohomish County saw a 50% increase in the number of homeless identified compared with 2015. In King County, there was a 19% increase from this past year. Our state's Superintendent of Public Instruction reports that nearly 35,000 children in our public schools are classified as homeless. While other counties throughout the state have yet to report numbers for 2016, most saw similar upward trends from 2014 to 2015.

Last week Senator Sharon Nelson, standing with legislators and local elected leaders, announced the introduction of legislation that would tap into the state's Rainy Day Fund to make significant needed investments to support housing and homelessness. This legislation, entitled the Bring Washington Home Act, has bipartisan support. The bill invests \$18.455 million in services such as rapid rehousing for people who are mentally ill, chemically dependent or chronically homeless; \$4.625 million for homeless youth programs; and an additional \$150 million split between a combination of capital investments to build permanent support housing and emergency shelter beds, and competitive grants. Sadly, it is this magnitude of investment that our state must authorize this year if our communities are going to be able to address this problem. However, as mentioned above, this is a problem too great for the any local or state government to solve alone, and that is why we must also work together to engage the federal government on this critical issue facing our state.

We, the below signed public and private partners are committed to working with the State, and importantly your office, in addressing this growing crisis. By declaring a state of emergency, seeking an even greater investment from the state legislature this session, and calling on our federal partners for additional financial assistance during this time of crisis.

Sincerely,

DRAFT



March 9, 2016
SCA PIC Meeting

Item 6:

Sound Transit's ST3 System Plan

DISCUSSION

SCA Staff Contact

Katie Kuciemba, Senior Policy Analyst, katie@soundcities.org, 206-433-7169

SCA Members serving on the Sound Transit Board of Directors

Mayor Nancy Backus, Auburn; Mayor Fred Butler, Issaquah; Mayor John Marchione, Redmond

Discussion

SCA staff will provide an overview on the Sound Transit 3 (ST3) System Plan, including core priorities identified by the Sound Transit Board, financial policy considerations, and commonalities identified by SCA member cities within the Sound Transit district. SCA would like feedback on countywide principles and questions that should be considered by Board Members in advance of the final ST3 package approval, expected in June 2016. While SCA will be monitoring the development of individual candidate projects, the focus of the PIC discussion will be on region-wide/multi-corridor candidate projects.

Background

Sound Transit operates express bus, commuter rail, and light rail service in the region and constructs capital projects in support and expansion of those services. The voters within the Sound Transit boundaries have previously approved two ballot measures: Sound Move in 1996 and ST2 in 2008.

In December 2014, the Sound Transit Board of Directors adopted the regional transit [Long Range Plan Update](#) and directed staff to prepare a new system plan (ST3) that could be considered by voters in 2016. Subsequently, the Washington State Legislature included authority for Sound Transit to return to voters with a \$15 billion ballot measure within the first 15 years of the plan, though the legislation did not limit the financing plan to 15 years. Sound Transit's additional funding authority includes:

- Property tax of up to 25 cents for each \$1,000 of assessed valuation (\$75 annually for a \$300,000 house). A property tax was identified as a way to establish a more progressive revenue source for regional transit investments that reduces reliance on the sales tax.
- Sales tax of up to an additional 0.5 percent (\$.50 on a \$100 purchase).
- Motor vehicle excise tax (MVET) of up to 0.8 percent of vehicle value (\$80 annually on a \$10,000 vehicle).

The legislation also required that Sound Transit contribute \$20 million over five years to affordable housing, and must give developers of affordable housing the first opportunity to bid on 80% of its surplus property.

Sound Transit is considering the time span for collection of additional funding sources to generate sufficient revenue to execute a more robust ST3 package, in addition to federal grants, bonds, existing taxes, fares and other sources. The time horizon for the additional funds could include, but are not limited to, a:

- 15-year measure, which could generate up to \$26 billion;
- 20-year measure, which could generate up to \$26 billion for use in the first 15 years and an additional \$4 billion supporting other projects completed over the following five years; or a
- 25-year measure, which could generate up to \$26 billion for use in the first 15 years and an additional \$22 billion for other projects the following 10 years. A longer financial package would capitalize on the retirement of Sound Move and ST2 bonds, thereby restoring ST's bonding capacity.

Under collection of the full authorized revenues the estimated cost to a typical adult living in the Sound Transit District would be approximately \$200 more annually, or about \$17 more per month. A longer duration for investments would increase the amount of revenues collected over time but not the annual or monthly per-person costs.

The Sound Transit Board will have to find the right balance between geographic value and taxpayer appetite with an ST3 System Plan. A 25-year financing plan would extend light rail to likely destinations in Ballard, West Seattle, Everett and through the region; versus a 15-year funding cycle with a shorter duration of taxes collected but enabling a quicker turn around for future phases of high capacity transit planning.

A list of [candidate projects](#) are being evaluated by the Board and Sound Transit staff that could potentially be included as part of a November 2016 ST3 ballot measure. Sound Transit has shared with the Board and stakeholders the technical analysis of the candidate projects related to costs, ridership and other core priorities identified by the Sound Transit Board, including:

- Completing the Link light rail spine;
- Ridership;
- Cost, including capital and operations/maintenance;
- Connections to PSRC-designated Regional Centers;
- Integration with other transit operators/transportation systems;
- Multi-modal access;
- Promoting transit-supportive land use and transit-oriented development; and
- Socio-economic benefits.

The Board is currently drawing upon the technical analysis as it narrows in on a draft ST3 System Plan.

While the Board has yet to decide what projects to include in the ST3 System Plan, Board Members have indicated that their priorities include completing the light rail "spine." SCA staff reviewed the sixteen letters submitted by SCA member cities and identified the following commonalities related to region-wide programs or policies:

- System Access Improvements, including enhanced investments for local transit, pedestrian and bicycle access, bicycle storage, and additional parking capacity. This

includes managing demand for parking at designated Sound Transit facilities, per existing policy. Recommendations call for robust system access planning incorporated early in the lifecycle of a project to ensure connectivity, integration of modes, and reflect the needs of diverse transit ridership.

- Equitable Housing, including maximizing transit-oriented development (TOD) potential and affordable housing through strategic use of remnant property and capital investments, when consistent with local plans and policies. Recommendations call for local flexibility and should include providing support for TOD beyond the project planning phase.
- Regional Transit Integration, including advanced planning for interagency and multi-modal transit connections to optimize the regional network. This includes ensuring that local transit agency long range planning efforts, such as King County Metro Transit's Long Range Plan, are coordinated with the ST3 System Plan and effectively implemented.
- Enhanced Outreach and Coordination, including a commitment to working with local jurisdictions during the full lifecycle of a project – and in concert with local communities. This is in recognition that Sound Transit identifies that local jurisdictions are essential partners in each candidate project, the System Access Fund, the TOD Development Program, and the Innovation and Technology Fund.
- Social Equity, including connecting diverse and lower-income communities to the places they need to go with frequent, reliable and affordable transit options. A plan should help to provide greater access – and build strong transit ridership – in areas outside of the densest urban core. ST3 plan development, and subsequent outreach for specific projects, should include robust public engagement in communities of color, low income communities, and non-English communities.

As a result of the recently submitted stakeholder letters requesting “early wins,” Sound Transit CEO Peter Rogoff has directed staff to examine frontloading smaller projects that could make a big difference in the near term as larger high-capacity transit projects are built over the long term. Early-investment of capital improvements could include:

- Expanded service, which could include improved frequency and capacity with more rail and bus service to help build ridership;
- More parking options for cars and bikes to improve access;
- Bus travel time savings, such as using freeway shoulders or new capital along bus corridors;
- New stations to reach more riders, including stations built on existing alignments (infill stations); and
- Improved customer experience, including transit centers and technology.

It is anticipated that a list of potential “early win” projects could be released in March when the Board is expected to learn more about the financial impacts and transit benefits of the projects to the ST3 System Plan.

Next Steps

Following review of the letters submitted by jurisdictions in January 2016, a draft system plan is expected to be released for public comment on March 24, 2016. The Sound Transit Board is expected to adopt a final ST3 System Plan in June 2016, which could be placed on the November 2016 ballot for a public vote on funding for the plan.

SCA would like feedback on countywide principles and questions that should be considered by Board Members in advance of the final ST3 System Plan approval. While SCA will be monitoring the development of individual candidate projects, the focus of the PIC discussion will be on region wide/multi-corridor candidate projects. PIC feedback could respond to the following:

- What are the risks/benefits to a shorter versus longer ST3 System Plan?
- What is the right balance in considering “early wins” versus long-term investments, such as major high-capacity transit expansion? An early-investment in capital infrastructure could disproportionately reduce later spending in an ST3 System Plan.
- What role Sound Transit should take in supporting affordable housing?
- What would it look like for Sound Transit to have enhanced coordination with local jurisdictions? With underrepresented communities?

SCA staff will monitor and attend Sound Transit meetings and provide update to members of the PIC until the time in which the Sound Transit Board adopts the final ST3 System Plan.

The anticipated timeline for that adoption is as follows:

Date	Milestone
March 24, 2016	Sound Transit anticipated to release draft ST3 System Plan to the public for comment
April 13, 2016	SCA Public Issues Committee meeting update on ST3
April-May, 2016	Sound Transit public and jurisdictional outreach on draft ST3 System Plan (integrated with Metro Transit’s Long Range Plan public outreach)
June 23, 2016	Sound Transit Board anticipated to adopt final ST3 System Plan
November 2016	Potential public vote on ST3 funding package

Item 7:

Proposed Methanol Plant in Tacoma, WA

Discussion Item

SCA Staff Contact

Deanna Dawson, SCA Executive Director, Deanna@soundcities.org, 206-433-7170

Discussion

The cities of Federal Way and Normandy Park have adopted resolutions opposing the siting of a proposed methanol plant at Port of Tacoma at this time due to the lack of a transparent siting process, and an absence of information regarding adequate public safety and environmental safeguards. Several SCA Board members suggested bringing this matter before PIC for information and discussion. City of Federal Way staff prepared this staff memo, and will be at the March 9, 2016 PIC meeting to present information and answer questions. If requested by the PIC, this matter could come back for action at a future meeting.

Background

Proposed Project

Northwest Innovation Works Tacoma, LLC (NWIW), a business venture formed with funding from the Chinese government and British Petroleum, has proposed to develop and operate a natural gas-to-methanol production plant in the City of Tacoma on approximately 125 acres leased from the Port of Tacoma. The lease agreement with the Port of Tacoma was presented and approved at the May 1, 2014 meeting of the Port of Tacoma Board of Commissioners.

Pursuant to the minutes taken at that May 1, 2014 meeting, key elements of the lease included the following:

- Term is 30 years with an option to extend by 25 additional years
- Term of initial lease contains three phases: Feasibility, Construction, and Operation
- Staff deemed the lease as sustainable and as meeting the financial goals set by the Commission
- Port is guaranteed \$1.8 Million by a letter of credit if NWIW cancels the lease during the feasibility phase
- Full rent will begin in January 2019. During the construction period, NWIW will pay 50% rent
- Planned use to include converting natural gas to methanol
- Natural gas will be delivered via pipeline and exported via ship to China
- Methanol will be used by Chinese customers mainly to produce olefins and also a small portion will be used as an energy source

- 30% of the natural gas will be used in the manufacturing process and 70% goes into the production of the olefins themselves

After hearing from staff, representatives of NWIW, and 20 public commenters, the Board of Commissioners voted 4-0 to authorize the CEO to sign a lease agreement with NWIW.

Environmental Review

Pursuant to the State Environmental Policy Act (SEPA), once a permit application is received or an agency proposal is initiated, an environmental review process is commenced. Assuming there is no categorical exemption, which there is not in this case, a SEPA lead agency is determined. For this specific project, on November 18, 2015, the Washington State Department of Ecology (DOE) transferred lead agency status from DOE to the City of Tacoma. On December 15, 2015, as the SEPA lead agency, the City of Tacoma issued a Determination of Significance, Notice of Request for EIS Scoping Comments, and Notice of Public Scoping Meeting (Notice). The purpose of this Notice was to briefly describe the project and inform the public of the scoping phase of the environmental review. A copy of the Notice is included as [Attachment A](#).

In the December 15 Notice, the proposed project was described as follows:

- The plant will include up to four methanol production lines, each with a production capacity of 5,000 metric tons per day, for a total of 20,000 metric tons per day
- Natural gas will be delivered to the methanol plant via a new lateral pipeline, which will transmit odorized gas
- The lateral pipeline will connect the regional pipeline to the NWIW project site over an approximately 10-mile corridor through unincorporated Pierce County, the Puyallup Tribe of Indians Reservation, and the cities of Sumner, Puyallup, Fife, Tacoma, and potentially others
- The production process will require up to approximately 10.4 million gallons of water per day
- At full production, the project will require up to approximately 450 megawatts of electrical power
- The anticipated yearly production at full capacity is approximately 7.2 million tons of methanol
- Up to approximately 300,000 metric tons of methanol will be stored in storage tanks on site
- Between four and seven ships per month are anticipated to be loaded

The City of Tacoma's Determination of Significance on this project triggered the scoping process for an Environmental Impact Statement (EIS). The purpose of the EIS is to develop information that is then used to support permit review and development of recommended mitigation measures related to potential impacts association with matters such as transportation, fire, health and safety.

Initially, the City of Tacoma commenced a 60-day scoping process that began on December 15, 2015 and was to end on February 17, 2016. The stated purpose of this scoping process was to

narrow the scope of the EIS. Two public scoping meetings were set for January 21, 2016 and February 16, 2016 to provide information about the proposed project and to facilitate an opportunity for the public to make oral comment on the scope of the EIS.

Scoping Meeting

The first public meeting was held on January 21, 2016 at the Tacoma Convention Center. The turnout was far greater than expected and attendees exceeded the capacity of both the main room and the overflow room. Members of the public were concerned with the project and all of its potential impacts, but also the perceived failure of notification regarding the project itself. In response to this, the City of Tacoma extended the scoping period from February 17, 2016 to March 4, 2016 and added a third public meeting on February 10, 2016. A revised Notice was issued on January 27, 2016 to include the additional meeting and extended scoping period. A copy of the revised Notice is included as [Attachment B](#).

As part of the scoping process, a draft scoping report was issued by the City of Tacoma on February 5, 2016. A copy of that document and its appendix is included as [Attachment C](#).

The second public meeting was held on February 10, 2016 at the Tacoma Convention Center. A larger room was utilized that accommodated the many members of the public that attended. Public comments were provided by a representative of the City of Federal Way Mayor's Office and two City Councilmembers.

City of Federal Way Resolution

Following the first public hearing, word regarding the project began to spread to Federal Way residents. Despite the fact that many Federal Way residences are within two to three miles of the proposed project, no public notices regarding this project or these public meetings were received by Federal Way residents or the City of Federal Way.

In response to the growing concern, Mayor Jim Ferrell and the Federal Way City Council called an emergency Council meeting on February 11, 2015 to allow for information to be presented on the project and for the City Council to formulate a resolution that would allow them to take an interim position on the project and provide public comment on the scope of the EIS. A copy of the Federal Way City Council's Resolution 16-701 is included as [Attachment D](#).

The Federal Way City Council determined not to support the NWIW project at the current time mainly due to the uncertainty of the impacts of the project and the lack of information sharing surrounding the project. Additionally, the City Council provided comments on the scope of the EIS and asked that the following be considered by the City of Tacoma:

- Off-site impacts of the project that extend into the City of Federal Way
- Environmental impacts, safety records and mitigation measures for other methanol facilities, on an international basis for the methanol industry and the principals involved with the Tacoma project
- Public health risks of exposure to methanol pollutants, including air quality, water quality and usage, soil leaching, and industrial accidents

- Workplace safety risks for employees of the methanol plant and neighboring industrial users of the Port of Tacoma
- Risk analysis for industrial accidents and impact of man-made or natural disasters, both during construction and operation
- Pipeline safety, during construction and operation
- Short and long term impacts on natural resources during construction and operation
- Cost-benefit analysis during construction and operation
- Environmental justice issues

This resolution was submitted to the City of Tacoma as public comment on February 12, 2015.

Current Status of Project

On February 19, 2016, the City of Tacoma issued a press release stating that NWIW has requested that the City of Tacoma pause the SEPA environmental review process for the proposed methanol plant in Tacoma. In response to that request, the City of Tacoma cancelled the public scoping meeting scheduled for February 24 (previously scheduled for February 16). On its website, NWIW President Murray V. Godley, III stated that “we have been surprised by the tone and substance of the vocal opposition that has emerged in Tacoma. To force a facility on a community that does not welcome it would not be consistent with our goals. Therefore, we have decided to pause the State Environmental Policy Act (SEPA) environmental review process in Tacoma.”

If and/or when NWIW chooses to reinstate the SEPA process or files a revised application, the City of Tacoma will initiate a new 45-day scoping period and provide notice of that new scoping period to all of those parties that have previously submitted comments.

Attachments

- [December 15, 2015 Notice](#)
- [January 27, 2016 Revised Notice](#)
- [February 5, 2016 Draft Scoping Documents](#)
- [City of Federal Way Resolution 16-701](#)

**Determination of Significance, Notice of Request for EIS Scoping Comments, and
Notice of Public Scoping Meeting**

Proponent: Northwest Innovation Works, Tacoma, LLC
Project Name: Tacoma Manufacturing and Marine Export Facility (TMMEF)
Location of Proposal: Blair-Hylebos Peninsula, Port of Tacoma: 3400 Taylor Way, Tacoma, tax parcels: 0321363034, 0321363037, 0321363033, 0321363013, 0321363033, 0321363036, and 0321354035; see attached map (also at www.cityoftacoma.org/planning, under 'Proposed Methanol Plant')
SEPA Lead Agency: City of Tacoma – File No. SEPA2015-40000260025

Project Description: Northwest Innovation Works, Tacoma, LLC (NWIWT) proposes to develop and operate a natural gas-to-methanol production plant and export facility on approximately 125 acres in the Port of Tacoma (Port). The project objective is the manufacture and shipment of methanol (a liquid) to global markets for use as a feedstock for manufacturing olefins used in the production of plastics and other materials. The characteristics of the proposed project are described below.

As proposed, the plant will include up to four methanol production lines, each with a production capacity of 5,000 metric tons per day, for a total of 20,000 metric tons per day. The plant will also include ancillary elements such as an administrative and lab building, employee parking, access roadways, fire suppression facilities, air separation units, air storage, water storage and treatment facilities, wastewater treatment facilities, cooling towers, a flare system for the disposal of flammable gases and vapors, substations and emergency generators. Plant components are proposed to be primarily located on approximately 110 acres of Port property situated at the southwest base of the Blair-Hylebos peninsula. Construction is expected to proceed in two phases, each including two production lines totaling production capacity of 10,000 metric tons per day.

The plant will utilize ultra-low emissions (ULE) reforming technology, which will emit substantially lower greenhouse gas and other air pollutants compared to conventional technologies for reforming natural gas to methanol.

Natural gas will be delivered to the methanol plant via a new lateral pipeline, which will transmit odorized gas. Northwest Pipeline GP will be responsible for obtaining permits and constructing this lateral pipeline. This lateral pipeline will connect the existing regional pipeline to the NWIWT project site over an approximately 10-mile corridor through unincorporated Pierce County, the Puyallup Tribe of Indians Reservation, and the cities of Sumner, Puyallup, Fife, Tacoma, and potentially others. Separately, Northwest Pipeline GP is pursuing expansion of its regional pipeline between Sumas and Longview, Washington which is being permitted through the Federal Energy Regulatory Commission. NWIWT anticipates using natural gas distribution capacity that will be provided by that portion of the Northwest Pipeline regional expansion project between Sumas and Tacoma.

The production process will require up to approximately 10.4 million gallons per day of water, which will be supplied by the City of Tacoma Domestic water and sanitary services for on-site personnel use will be obtained from the City of Tacoma. Treated process wastewater (up to approximately 1.44 million gallons per day) will be discharged to the City of Tacoma's wastewater treatment works.

A construction stormwater permit will be required. Stormwater management post-construction will be discharged through Port of Tacoma outfalls or through the City of Tacoma's stormwater system.

At full production, the project will require up to approximately 450 megawatts of electrical power, which will be transmitted through the existing transmission system with localized upgrades if necessary.

The anticipated yearly production at full capacity is approximately 7.2 million metric tons of methanol. Up to approximately 300,000 metric tons of methanol will be stored in storage tanks at atmospheric pressure and ambient temperature and surrounded by secondary containment. Storage tanks will be co-located with plant components, as well as on approximately 15 acres of land adjacent to or in close proximity to the main 110 acre plant site. Methanol product will be transferred by pipeline across Port property from the storage area to the Port's existing deep draft marine terminal (the "East Blair One [EB1] terminal) on the Blair Waterway. Roadway improvements to access the EB1 terminal may be necessary. NWIWT anticipates loading between four and seven ships per month depending on vessel size. The Port will be responsible for obtaining permits for modifications to the dock, as well as localized dredging, if necessary, in the vicinity of the berth.

The plant will be operated in compliance with applicable fire, health, and safety regulations and codes. Plant safety features will include fire suppression systems, fire safety equipment, and storage and containment systems designed to current industry standards and regulatory requirements. NWIWT will conduct process safety management assessments and develop emergency response plans in accordance with applicable local, state and federal regulations.

Determination of Significance: NWIWT acknowledges the issuance of a Determination of Significance as the SEPA Threshold Determination in order to initiate SEPA scoping for an Environmental Impact Statement ("EIS") for the TMMEF Project. The EIS is not a substitute for permit review. It is a process that develops information that is used to support permit review and development of recommended mitigation measures related to potential impacts associated with matters such as transportation, fire, health and safety. Key permits for this project include the City of Tacoma Shoreline Substantial Development Permit, Department of Ecology Water Quality Certification, the Department of Fish and Wildlife's Hydraulic Project Approval, the U.S. Army Corps of Engineers' Sections 10 and 404 permits, and a Notice of Construction air contaminant permit from Puget Sound Clean Air Agency. The federal permits will likely involve a thorough review of waterway operations by the US Coast Guard.

Scoping: Consistent with TMC Chapter 13.12, the City of Tacoma, as SEPA lead agency, is initiating a 60-day scoping process beginning December 15, 2015 and ending on February 17, 2016 to narrow the scope of the EIS. The NWIWT Project EIS will discuss the probable significant adverse impacts of the proposed action, the no-action alternative, and alternatives that are capable of attaining the proposal's objectives stated above. The Blair-Hylebos Terminal Redevelopment Project FEIS (Feb. 2009) and the Tacoma LNG FEIS (Nov. 2015) are proposed for incorporation, to the extent relevant, by reference under WAC 197-11-600(4)(b) to provide additional information and analysis in preparation of the project-specific TMMEF EIS. The City has determined that Environmental Health and Safety ("EH&S") will be areas of emphasis in the EIS.

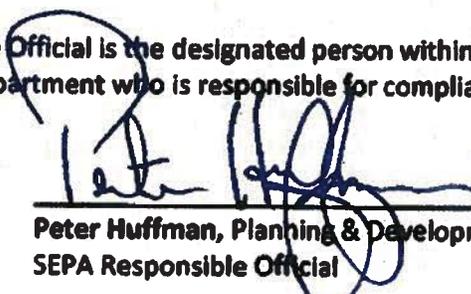
In addition to the foregoing topics, agencies, affected tribes, and members of the public are invited and encouraged to comment on the scope of this EIS. You may comment on alternatives, proposed mitigation measures, probable significant adverse impacts, permits, licenses and/or other approvals that may be required. The City will use the scoping comments to help define the topics to be examined closely in the project-specific EIS. Methods for presenting your comments are described below. All comments are due no later than 5 p.m. on February 17, 2016.

- **EIS Public Scoping Meetings (2)** – The first EIS Public Scoping Meeting is scheduled to begin at 6:30 p.m. on Thursday January 21, 2016 at the City Convention Center, 1500 Broadway; NWIWT will have representatives and materials available in the foyer to share currently available information beginning at 5 p.m. The second EIS Public Scoping Meeting is proposed for February 16 in NE Tacoma (taking further public comment and comments on the draft scope developed by City staff and posted on City website February 9); time and location will be posted on the City web page as these are determined.
- The purpose of the public scoping meeting is to provide information about the proposed project and to provide an opportunity to make oral comment on the scope of the EIS. Additionally, written comments will be accepted at this meeting (comment forms will be available) which will be entered in the proposal's environmental review record as scoping comments. Additional information may be found at www.cityoftacoma.org/planning.
- **Submittal of written comments** - Written comments may be submitted via mail, e-mail or fax to the City's Project Manager, as follows

Project Manager:	Ian Munce, AICP, Principal Planner
Address:	City of Tacoma Planning & Development Services Department 747 Market Street, Suite 345 Tacoma, WA 98402
E-mail:	tacoma.methanol.sepa@cityoftacoma.org
Phone#:	(253) 573-2478
Fax#:	(253) 591-5433

Responsible Official: The Responsible Official is the designated person within the City of Tacoma's Planning & Development Services Department who is responsible for compliance with the SEPA lead agency procedural responsibilities.

Issuance Date: December 15, 2015



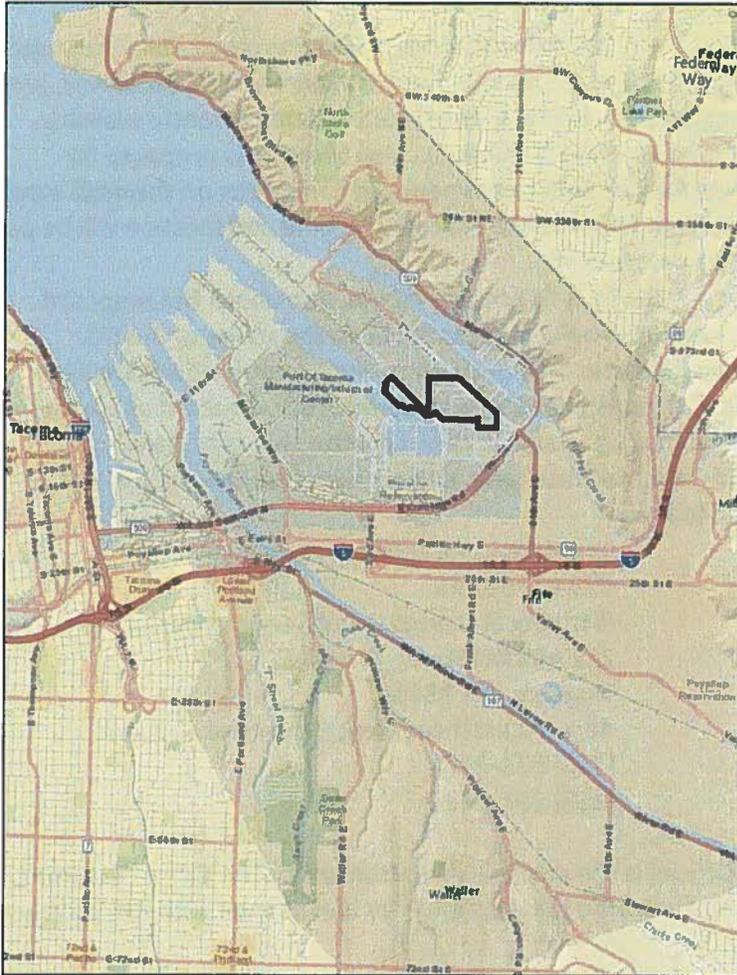
Peter Huffman, Planning & Development Services Director
SEPA Responsible Official

Tacoma Daily Index Publication: December 15, 2015 and December 22, 2015

The City of Tacoma does not discriminate on the basis of disability in any of its programs, activities, or services. To request this information in an alternative format or a reasonable accommodation, please contact the City Clerk's Office at 253.591.5505. TTY or speech-to-speech users please dial 711 to connect to Washington Relay Services.

PROJECT AREA MAP

Proponent: Northwest Innovation Works, Tacoma, LLC
Project Name: Tacoma Manufacturing and Marine Export Facility (TMMEF)
SEPA Lead Agency: City of Tacoma
Agency File No.: SEPA2015-40000260025



Proposed Tacoma Methanol Manufacturing and Export Facility

 Project Location*

* Approximately 15 acres of land adjacent to or in close proximity to the location shown above will be needed for storage tanks.



Contact: Ian Munce
Building and Land Use Services
City of Tacoma
747 Market Street, Room 345, Tacoma, WA 98402
(253) 573-2478 | imunce@cityoftacoma.org

**Determination of Significance, Notice of Request for EIS Scoping Comments, and
Notice of Public Scoping Meeting: Updated January 27, 2016**

Proponent: Northwest Innovation Works, Tacoma, LLC
Project Name: Tacoma Manufacturing and Marine Export Facility (TMMEF)
Location of Proposal: Blair-Hylebos Peninsula, Port of Tacoma: 3400 Taylor Way, Tacoma, tax parcels: 0321363034, 0321363037, 0321363033, 0321363013, 0321363033, 0321363036, and 0321354035; see attached map (also at www.cityoftacoma.org/planning, under 'Proposed Methanol Plant')
SEPA Lead Agency: City of Tacoma – File No. SEPA2015-40000260025

Project Description: Northwest Innovation Works, Tacoma, LLC (NWIWT) proposes to develop and operate a natural gas-to-methanol production plant and export facility on approximately 125 acres in the Port of Tacoma (Port). The project objective is the manufacture and shipment of methanol (a liquid) to global markets for use as a feedstock for manufacturing olefins used in the production of plastics and other materials. The characteristics of the proposed project are described below.

As proposed, the plant will include up to four methanol production lines, each with a production capacity of 5,000 metric tons per day, for a total of 20,000 metric tons per day. The plant will also include ancillary elements such as an administrative and lab building, employee parking, access roadways, fire suppression facilities, air separation units, air storage, water storage and treatment facilities, wastewater treatment facilities, cooling towers, a flare system for the disposal of flammable gases and vapors, substations and emergency generators. Plant components are proposed to be primarily located on approximately 110 acres of Port property situated at the southwest base of the Blair-Hylebos peninsula. Construction is expected to proceed in two phases, each including two production lines totaling production capacity of 10,000 metric tons per day.

The plant will utilize ultra-low emissions (ULE) reforming technology, which will emit substantially lower greenhouse gas and other air pollutants compared to conventional technologies for reforming natural gas to methanol.

Natural gas will be delivered to the methanol plant via a new lateral pipeline, which will transmit odorized gas. Northwest Pipeline GP will be responsible for obtaining permits and constructing this lateral pipeline. This lateral pipeline will connect the existing regional pipeline to the NWIWT project site over an approximately 10-mile corridor through unincorporated Pierce County, the Puyallup Tribe of Indians Reservation, and the cities of Sumner, Puyallup, Fife, Tacoma, and potentially others. Separately, Northwest Pipeline GP is pursuing expansion of its regional pipeline between Sumas and Longview, Washington which is being permitted through the Federal Energy Regulatory Commission. NWIWT anticipates using natural gas distribution capacity that will be provided by that portion of the Northwest Pipeline regional expansion project between Sumas and Tacoma.

The production process will require up to approximately 10.4 million gallons per day of water, which will be supplied by the City of Tacoma Domestic water and sanitary services for on-site personnel use will be obtained from the City of Tacoma. Treated process wastewater (up to approximately 1.44 million gallons per day) will be discharged to the City of Tacoma's wastewater treatment works.

A construction stormwater permit will be required. Stormwater management post-construction will be discharged through Port of Tacoma outfalls or through the City of Tacoma's stormwater system.

At full production, the project will require up to approximately 450 megawatts of electrical power, which will be transmitted through the existing transmission system with localized upgrades if necessary.

The anticipated yearly production at full capacity is approximately 7.2 million metric tons of methanol. Up to approximately 300,000 metric tons of methanol will be stored in storage tanks at atmospheric

pressure and ambient temperature and surrounded by secondary containment. Storage tanks will be co-located with plant components, as well as on approximately 15 acres of land adjacent to or in close proximity to the main 110 acre plant site. Methanol product will be transferred by pipeline across Port property from the storage area to the Port's existing deep draft marine terminal (the "East Blair One [EB1] terminal) on the Blair Waterway. Roadway improvements to access the EB1 terminal may be necessary. NWIWT anticipates loading between four and seven ships per month depending on vessel size. The Port will be responsible for obtaining permits for modifications to the dock, as well as localized dredging, if necessary, in the vicinity of the berth.

The plant will be operated in compliance with applicable fire, health, and safety regulations and codes. Plant safety features will include fire suppression systems, fire safety equipment, and storage and containment systems designed to current industry standards and regulatory requirements. NWIWT will conduct process safety management assessments and develop emergency response plans in accordance with applicable local, state and federal regulations.

Determination of Significance: NWIWT acknowledges the issuance of a Determination of Significance as the SEPA Threshold Determination in order to initiate SEPA scoping for an Environmental Impact Statement ("EIS") for the TMMEF Project. The EIS is not a substitute for permit review. It is a process that develops information that is used to support permit review and development of recommended mitigation measures related to potential impacts associated with matters such as transportation, fire, health and safety. Key permits for this project include the City of Tacoma Shoreline Substantial Development Permit, Department of Ecology Water Quality Certification, the Department of Fish and Wildlife's Hydraulic Project Approval, the U.S. Army Corps of Engineers' Sections 10 and 404 permits, and a Notice of Construction air contaminant permit from Puget Sound Clean Air Agency. The federal permits will likely involve a thorough review of waterway operations by the US Coast Guard.

Scoping: Consistent with TMC Chapter 13.12, the City of Tacoma, as SEPA lead agency, is initiating a 60-day scoping process beginning December 15, 2015 and ending on February 17, 2016 to narrow the scope of the EIS. The NWIWT Project EIS will discuss the probable significant adverse impacts of the proposed action, the no-action alternative, and alternatives that are capable of attaining the proposal's objectives stated above. The Blair-Hylebos Terminal Redevelopment Project FEIS (Feb. 2009) and the Tacoma LNG FEIS (Nov. 2015) are proposed for incorporation, to the extent relevant, by reference under WAC 197-11-600(4)(b) to provide additional information and analysis in preparation of the project-specific TMMEF EIS. The City has determined that Environmental Health and Safety ("EH&S") will be areas of emphasis in the EIS.

In addition to the foregoing topics, agencies, affected tribes, and members of the public are invited and encouraged to comment on the scope of this EIS. You may comment on alternatives, proposed mitigation measures, probable significant adverse impacts, permits, licenses and/or other approvals that may be required. The City will use the scoping comments to help define the topics to be examined closely in the project-specific EIS. Methods for presenting your comments are described below. All comments are due no later than 5 p.m. on ~~February 17, 2016~~ **March 4, 2016**.

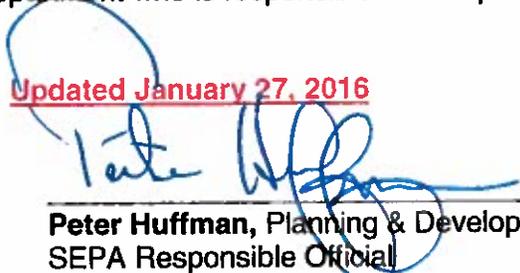
- **EIS Public Scoping Meetings (2-3)** – The first EIS Public Scoping Meeting is scheduled to begin at 6:30 p.m. on Thursday January 21, 2016 at the City Convention Center, 1500 Broadway; NWIWT will have representatives and materials available in the foyer to share currently available information beginning at 5 p.m. **The second EIS Public Scoping Meeting is scheduled to begin at 6:30 p.m. on Wednesday, February 10, 2016, in the 5th Floor Exhibit Hall at the City Convention Center, 1500 Broadway (doors will open at 5:00 p.m. for speaker sign-up; speakers will be called upon in order of sign-up). The third EIS Public Scoping Meeting is scheduled for February 16 at Meeker Middle School in NE Tacoma. Doors will open at 5:00 p.m. for speaker sign-up; the meeting will begin at 6:30 p.m. We are locating the third meeting to make it easier for NE Tacoma residents to attend.**

- City staff plan to have a draft Scope of Work available and posted on the project web page no later than February 5, 2016. As much as possible, the second and third hearings should focus on the details of the Scope of Work.
- The purpose of the public scoping meeting is to provide information about the proposed project and to provide an opportunity to make oral comment on the scope of the EIS. Additionally, written comments will be accepted at this meeting (comment forms will be available) which will be entered in the proposal's environmental review record as scoping comments. Additional information may be found at www.cityoftacoma.org/planning.
- **Submittal of written comments** - Written comments may be submitted via mail, e-mail or fax to the City's Project Manager, as follows:

Project Manager: Ian Munce, AICP, Principal Planner
Address: City of Tacoma: Planning & Development Services Department
747 Market Street, Suite 345, Tacoma, WA 98402
E-mail: tacoma.methanol.sepa@cityoftacoma.org
Phone#|Fax #: (253) 573-2478 | (253) 591-5433

Responsible Official: The Responsible Official is the designated person within the City of Tacoma's Planning & Development Services Department who is responsible for compliance with the SEPA lead agency procedural responsibilities.

Issuance Date: December 15, 2015, Updated January 27, 2016



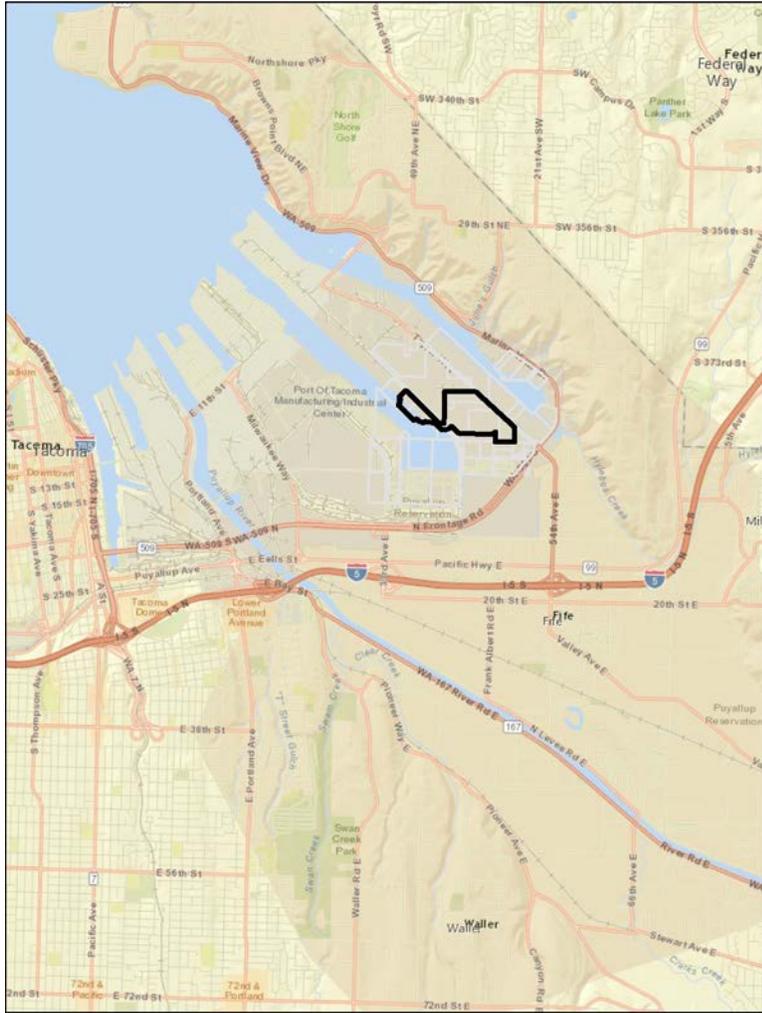
Peter Huffman, Planning & Development Services Director
SEPA Responsible Official

Tacoma Daily Index Publication: December 15, 2015 and December 22, 2015, Updated January 27, 2016

The City of Tacoma does not discriminate on the basis of disability in any of its programs, activities, or services. To request this information in an alternative format or a reasonable accommodation, please contact the City Clerk's Office at 253.591.5505. TTY or speech-to-speech users please dial 711 to connect to Washington Relay Services.

PROJECT AREA MAP

Proponent: Northwest Innovation Works, Tacoma, LLC
Project Name: Tacoma Manufacturing and Marine Export Facility (TMMEF)
SEPA Lead Agency: City of Tacoma
Agency File No.: SEPA2015-40000260025



Proposed Tacoma Methanol Manufacturing and Export Facility

 Project Location*

* Approximately 15 acres of land adjacent to or in close proximity to the location shown above will be needed for storage tanks.



Contact: Ian Munce
 Building and Land Use Services
 City of Tacoma
 747 Market Street, Room 345, Tacoma, WA 98402
 (253) 573-2478 | Tacoma.methanol.sepa@cityoftacoma.org

**CITY OF TACOMA PLANNING AND DEVELOPMENT SERVICES
ENVIRONMENTAL IMPACT STATEMENT
DRAFT SCOPE OF WORK FOR**

**NORTHWEST INNOVATION WORKS PROPOSED
NATURAL GAS TO METHANOL PRODUCTION PLANT
AND EXPORT FACILITY**

February 5, 2016

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Appendix 1 Summary of Scoping Comments (Scoping Report)

DRAFT

1. Introduction

City of Tacoma Planning and Development Services is overseeing preparation of an environmental impact statement under the State Environmental Policy Act, Ch. 43.21C RCW ("SEPA"), for Northwest Innovation Works Tacoma, LLC ("NWIW") proposed natural gas to methanol production plant and export facility. An EIS is designed to provide an impartial discussion of probable significant adverse environmental impacts, reasonable alternatives, and mitigation measures that would avoid or minimize adverse impacts. Scoping is utilized before a draft document is prepared to identify the central issues the EIS will focus on.

To inform EIS scope, the City is holding three public scoping meetings, on January 21, February 10, and February 16, 2016, and is accepting scoping comments through March 4, 2016. Over 700 people attended the January 21 meeting. In addition to the testimony presented at the meeting, over 700 written comments have been submitted to date. Those comments are summarized at Appendix 1, and have informed development of this initial scoping document.

Based on the questions and concerns raised in public comment to date on the likely scope of the proposal's significant impacts, the EIS will need to address all elements of the environment, as outlined in SEPA regulations (WAC 197-11-444). Also, questions were raised on the degree to which the EIS should address off-site impacts, given the project relies on piped in out-of-state natural gas, which will be converted to another material on site, which will then be shipped overseas. Given these facts, impacts are not isolated at the site, so off-site impacts must be addressed. Also, the proponent is currently pursuing two other methanol plants in Washington and Oregon, which underscores the need for the EIS to consider cumulative impacts. The EIS will utilize a "tiered" analysis so that those impacts most directly caused by the project receive the more detailed analysis, with those impacts outside the region and more attenuated, being acknowledged, but not receiving the same level of scrutiny.

2. Proposal Description

2.1 Proposal

NWIW, a business venture formed with funding from the Chinese government and British Petroleum, has proposed to develop and operate a natural gas-to-methanol product plant and export facility on approximately 125 acres leased from the Port of Tacoma. The project location is on the Blair-Hylebos Peninsula, Port of Tacoma, 3400 Taylor Way, Tacoma.

The project is designed to manufacture and ship methanol to global markets for use as feedstock for manufacturing olefins.¹ Olefins are petrochemicals used in manufacturing plastics.

¹ The City understands Xizhong Island Petrochemical Park in Dalian, China has signed agreements committing to purchase methanol from NWIW's three projects.

The plant is one of the three NWIW is proposing in Washington (at Kalama and Tacoma) and Oregon (at Clatskanie).² Combined, these three plants would produce about 14.4 million metric tons of methanol annually, which exceeds the 6.5 million metric tons annually produced nationwide in the U.S. through a handful of currently operating methanol facilities.³ This is a major project, with the Tacoma facility alone being described as a multi-billion dollar investment.

The Tacoma plant is slated to include up to four methanol production lines, each with a production capacity of 5,000 metric tons per day, for a total of 20,000 metric tons per day. The plant will also include ancillary elements such as an administrative and lab building, employee parking, access roadways, fire suppression facilities, air separation units, air storage, water storage and treatment facilities, wastewater treatment facilities, cooling towers, a flare system for the disposal of flammable gases and vapors, substations, and emergency generators.

Natural gas will be delivered to the methanol plant via a new lateral pipeline, which will transmit odorized gas. Northwest Pipeline GP will be responsible for obtaining permits and constructing this lateral pipeline. The lateral pipeline will connect the existing regional pipeline to the project site over an approximately 10-mile corridor through unincorporated Pierce County, the Puyallup Tribe of Indians Reservation, and the cities of Sumner, Puyallup, Fife, Tacoma, and potentially others. Separately, Northwest Pipeline GP is pursuing expansion of its regional pipeline between Sumas and Longview, Washington, which is being permitted through the Federal Energy Regulatory Commission. NWIW anticipates using natural gas distribution capacity that will be provided by that portion of the Northwest Pipeline regional expansion project between Sumas and Tacoma.

The plant's anticipated yearly production at full capacity is approximately 7.2 million metric tons of methanol.⁴ Up to approximately 300,000 metric tons of methanol will be stored in storage tanks at atmospheric pressure and ambient temperature and surrounded by secondary containment. Storage tanks will be co-located with plant components, as well as on approximately 15 acres of land adjacent to or in close proximity to the main 110-acre plant site. Methanol product will be transferred by pipeline across Port property from the storage area to the Port's existing deep draft marine terminal on the Blair Waterway. Roadway improvements to access that terminal may be necessary. NWIW anticipates loading between four and seven ships per month depending on vessel size. The Port will be responsible for obtaining permits for modifications to the dock, as well as localized dredging, if necessary, in the vicinity of the berth.

² The applicant has indicated that additional plants may be proposed in future and the plants currently proposed may be expanded.

³ China produces about 45 million tons of methanol each year. Cheap natural gas is reviving the U.S. industry. The EIS will need to verify these figures and correct them as needed.

⁴ Maximum output may need to be adjusted upwards as $20,000 \times 365 = 7.3$ million.

2.2 Permitting

Commenters asked that the EIS identify all City permits required and who the decision makers are for each step of the permitting process. The EIS will do so, along with noting required federal and state permits.

3. Proposal Context

Commenters requested that the EIS review what methanol production facilities have been constructed worldwide since the 1960s and all methanol production facilities in the United States. Further, commenters asked what facilities are still in operation, what their conditions are, and what the employment counts are. Commenters requested that the EIS provide details about NWIW, including if NWIW operates other methanol plants elsewhere, the capacity of those facilities, and how long the plants have been online. The applicant is presently pursuing permits for two other facilities within the Pacific Northwest. As requested, the EIS will provide background information on the methanol industry and applicant.

4. Alternatives

SEPA requires an EIS to assess probable, significant, adverse impacts associated with the proposed action, no-action, and a reasonable range of alternatives. As this proposal is properly viewed as a public project for purposes of SEPA review given the presence of government funding and Port of Tacoma property ownership, off-site alternatives will be developed and assessed. Possible alternatives to consider include:

- The proposal;
- No action;
- Alternative uses of the site which present reduced environmental impacts;
- Other locations for the project; and,
- Alternatives to the proposed approach to plastics production which present reduced environmental impacts, such as recycling or producing plastics in-state.

During the remainder of this scoping process and during EIS development, these alternatives will be revised and other alternatives considered for EIS inclusion.

5. Air Quality

The EIS will evaluate air pollution impacts. Public comment emphasized the need to evaluate the direct, indirect, and cumulative impacts of air pollution in the area near the proposed project as well as in the City of Tacoma and the Puget Sound region. The analysis will consider proposal impacts in conjunction with existing conditions. Emissions considered will include

those associated with increased shipping and ground transportation, gas line transport, and how those activities would contribute to air pollution and increased particulate matter. However, the analysis will be tiered, meaning that impacts at the site and its immediate environs, within U.S. territorial waters, and within the Puget Sound region, will be given the most attention.

Commenters referenced the United States Environmental Protection Agency's list of Hazardous Air Pollutants, which establishes workplace and emission standards for such substances. Commenters requested that the EIS identify all hazardous substances and the projected levels to be released at the proposed facility, even if found to be at or below minimum levels. Additionally, commenters requested that the EIS identify any non-regulated substances that may be released at the proposed facility that may constitute a nuisance.

The EIS analysis will identify the required air permits and federal, state, and local air emission requirements. Commenters requested that the degree of the Port of Tacoma's present compliance with regulatory requirements and existing conditions be considered.⁵ The EIS will do so. In addition, mitigation measures will be identified, such as emission reduction mechanisms and continuous air quality monitoring to ensure compliance.

Public comment identified greenhouse gas emissions as an air emission of particular concern given the climate change challenges the Pacific Northwest is facing.⁶ This is an issue the state, nation, and other countries are just beginning to address, given concerns that without concerted action, emissions will reach dangerous levels which threaten human health and safety.

Washington has proposed greenhouse gas emission rules, and the EIS will need to assess whether the project will be able to comply with those rules. The EIS will also need to consider consistency with international agreements (*e.g.*, the Paris climate change agreement along with U.S. agreements with other countries, including China); state laws such as Ch. 70.235 RCW; and other state and locally adopted policies, including the City of Tacoma's Climate Action Plan and Puget Sound Regional Council's Vision 2040.

To understand the proposal's greenhouse gas ramifications, an assessment must be made which encompasses the entirety of the proposal, as conceived from beginning to end. However, although the EIS will recognize each stage of the project, the EIS will not be designed to disclose every molecule of impact or capture every emission. That is an inefficient use of resources.

⁵ Given Tacoma's history with air emissions, residents are particularly concerned about new large-scale facilities with air emission impacts. The now defunct Asarco facility was referenced as an example.

⁶ See *e.g.*, *State of Knowledge: Climate Change in Puget Sound*, The Climate Impacts Group, University of Washington (November, 2015); *Washington Greenhouse Gas Emission Reduction Limits: Report Prepared Under RCW 70.235.040*, Washington Dept. of Ecology, Pub. No. 14-01-006 (December, 2014), p. v ("Washington is experiencing long-term impacts consistent with what is expected as a result of climate change. The sea level is rising on most of Washington's coast, ocean acidification has increased, and there is long-term warming. Glaciers and spring snowpack have declined and the timing of stream flows has changed for many revisions. And, climate extremes like floods, droughts, fires and landslides are already affecting Washington's economy and environment.")

Rather, the EIS is to provide an adequate disclosure of the likely probable, significant adverse impacts stemming from or proximately caused by the proposal. As such, while the complete context for the project must be acknowledged, the EIS is not designed to consider in detail the portions of the proposal which lay on the outer edges of causation. So, for example, an analysis of natural gas extraction techniques and transportation on one end, and plastics production on the other, is not necessary and will not be include in the EIS. But, as the project is tied to those actions, those ties must be acknowledged.⁷

As noted above, the complete range of steps involved in the project will receive differing levels of analysis. The full range of steps include local steps of obtaining natural gas, local piping of the gas, converting the gas to methanol, transporting the methanol locally, and product end use. Detailed levels of analysis for the steps associated with local project construction and on-site manufacturing and operation will be included in the EIS with indirect impacts acknowledged in the EIS. In summary, these are the impacts arising from:

- Project construction;
- Natural gas extraction and transport;
- On site manufacturing;⁸
- Local methanol transport following manufacture; and,
- Methanol end use.

To adequately disclose significant impacts, each phase must be considered or at least acknowledged, although the level of analysis will depend on the strength of the causal connection, proximity to local environs and direct connection to the construction and operation of the proposed facility. Normal methanol production includes emissions of nonmethane hydrocarbons, carbon monoxide, carbon dioxide, nitrogen oxides, volatile organic compounds, sulfur oxides, and particulate matter.⁹ Liquid natural gas extraction and transportation also have emissions, including methane which leaks from natural gas oil wells, pipelines, and storage. Methane is an emission of particular concern, given its high heat trapping properties as a

⁷ Supplemental direction on the approach to the analysis will be provided following additional review and comment. Also, the EIS will consider the degree to which each stage of product development has already been accounted for and mitigated, which may help simplify the analysis.

⁸ The applicant has stated 70% of natural gas will be converted to methanol, while the remainder will be combusted to produce energy for the chemical processes. Emissions associated with this combustion process will need to be disclosed.

⁹ These EIS will verify and disclose the emissions from methanol production.

greenhouse gas.¹⁰ These types of emissions are then combined with those associated with ocean transport across the Pacific Ocean and the end use of methanol for plastics manufacturing. Thus, even though the detailed analysis that would be compiled if this were a drilling or barging operation will not be included in the EIS, the EIS must nevertheless acknowledge this context, but as stated above, not consider in detail the portions of the proposal that lay outside direct local causation. That is because in order to compare this proposal with other alternatives, it is important to acknowledge, not analyze the complete context, rather than plant operation alone in isolation from the inputs and outputs without which the project would not operate.

There are also cumulative greenhouse gas emissions to consider. NWIW is proposing a total of three, and potentially more, methane production facilities within the Pacific Northwest. Methanol production from these three facilities would eclipse production from the seven existing facilities operating nation-wide. Cumulative impacts from the three new facilities, and existing seven facilities, will need to be considered. The cumulative impact of most significance will likely prove to be the air emissions impact, given the transient nature of air and particulate emissions. And, among air emissions, it is likely the greenhouse gas emission issue which will warrant the closest scrutiny. Again, however, the analysis will not attempt to capture in detail every single regional, national or global emission associated the extraction, piping and transportation of methanol, but be succinct and straightforward while providing adequate analysis to inform local decision making on the direct local emissions of the proposal.

With respect to the no-action alternative, the EIS may briefly consider if a coal fired facility in China may instead be built. If so, it may be worth considering how much of China's feed stock for plastics are derived from coal and how likely that is to continue, given high water usage at such facilities, coal mine locations in arid areas, and other factors.

The EIS will also need to identify mitigation alternatives, such as:

- Purchasing greenhouse gas emissions credits from a verified source;
- Offsetting emissions through renewable energy production;
- Alternatives to plastics, such as recycling;
- Requiring the tracking and reporting of all greenhouse gas emissions through the life of the proposed project; and,
- Other measures identified during EIS development, including those following public comment.

¹⁰ Public comment identified concerns over methane's potency, referencing California's Aliso Canyon methanol leak from an underground natural gas reservoir. That leak has not been given the news coverage other comparable environmental disasters have - despite a 1,000 foot tall plume - possibly as methane is not visible to the naked eye.

6. Environmental Health and Safety

6.1 Emergency Response

Methanol is flammable in liquid and gas states, and is considered highly toxic to humans and animals until it biodegrades. Consistent with comment, the EIS will complete a comprehensive analysis of the adequacy of federal, state, and local emergency response capabilities to address spills, explosion, and/or fire along the pipeline route, at the site, and during transfer for shipping purposes. Commenters asked that the EIS consider methanol tank construction and safety measures, including the degree of secondary containment. The EIS should also identify emergency response measure adequacy where the natural gas is being obtained and at the location where the methanol will be off-loaded. In total, the EIS assessment must address:

- Detailed emergency incident prevention, management, and response plans;
- Availability of fire response and emergency medical services, including transport times to specialty care facilities;
- Detailed emergency notification/advance warning plans for residents, businesses, and others, along with communication strategies, including ensuring emergency responders are aware of what hazardous materials are being transported and the potential for communications systems failure;
- Evacuation routes/plans with traffic flow analysis for communities, the nearby detention center, neighborhoods, businesses, and schools;
- Safeguards proven to contain leaks of toxic gases in order to immediately protect the public;
- Safeguards to be used should the first line of containment fail;
- Hazardous materials storage, handling, disposal, and monitoring;
- Fallout or blast zone delineation and potential impacts;
- Quantities, descriptions, capabilities, expertise, and experience of emergency response personnel, using a gap analysis;
- Measures in place to address potential health impacts to local residents and emergency response personnel that might result from additional exposure to hazardous materials related to a spill, fire, or explosion;
- How natural disasters (*e.g.*, earthquake, volcanic/lahar, wind, flood, tsunami) may contribute to and/or complicate response efforts;
- Emergency spill protocol for aquatic terrestrial and aquatic environments;
- Availability and source of funding, including the financial responsibilities of local governments, first responders, and the applicant;
- Available insurance or other financial mechanisms in place to address emergency scenarios, sufficient to cover all reasonably foreseeable costs of emergency response, clean-up, and habitat restoration; and,

- Emergency response record associated with NWIW (including its investors).

6.2 Worker and Resident Health and Safety

The EIS will address proposal impacts on worker health and safety. While the EIS focus will be on the site and surrounding environs, some attention to worker safety from natural gas extraction through end use is warranted. The safety records associated with NWIW, including its investors, in the same type of business ventures (or related ones to the extent this is a new enterprise for NWIW), and at existing methanol facilities, should be reviewed. Additionally, the safety record associated with the pipeline being used for transport will be considered.

The EIS will need to consider air emission impacts on human health and the environment. This includes assessing the health impacts on vulnerable populations, such as children and the elderly, as well as detainees at the nearby Immigration and Customs Enforcement detention center. The EIS will need to address these issues including, in particular, health risks for workers at the facility. Also, in the event of accidental releases, the EIS will need to address the degree to which a spill, explosion, or fire would impact air quality and exacerbate health impacts. This includes addressing concerns about the risks associated with chemicals required to clean up methanol spills and leaks. The EIS will identify those compounds.

6.3 Industrial Facilities Proximate to the Site

The proposal would be constructed proximate to railroad facilities and the LNG (liquefied natural gas) plant. Commenters noted that that proposed methanol refinery would be within the LNG blast zone and would be proximate to railroad tracks. The EIS will address safety concerns and impacts associated with proximity to these facilities..

7. Water Resources

7.1 Water Supply

The methanol plant will require significant quantities of water to function. Estimated usage amounts identify the facility as requiring about 10.4 million gallons of water per day (enough to supply 26,000 homes, assuming average use of 400 gallons per day).¹¹ Most of that supply will be consumed during the process or lost as water vapor. Further, the EIS will address where this water will be drawn from, the degree to which it will impact existing and planned uses, and whether this usage will result in or exacerbate water shortages in future, including during the summer months. Comments included requests for the following details:

¹¹ The EIS will need to confirm these figures.

- The specific amount and quality of water required for each reaction and stage of industrial process at the proposed facility;
- The temperature requirements of the water at each stage of its use at the proposed facility;
- The demonstrated technology for effectively recycling and cooling water at the facility;
- The environmental implications of recycling and cooling water in this way;
- Alternatives that require less water usage and the environmental impacts of those alternatives;
- The proposed project's ability to scale back use during drought periods;
- Specific processes at the facility that can be curtailed under defined drought conditions;
- NWIW plans or processes for water conservation during drought;
- The means that the City of Tacoma has to enforce water conservation during drought at the facility;
- How tidal forces will affect the water consumption and wastewater discharge from the proposed facility and environment;
- The ecological impacts of the proposed facility's water use on the aquatic and terrestrial life near those water sources; and,
- How impacts from the proposed facility may affect water customers, wildlife, and minimum in-stream flows in different seasons and during periods of drought.

7.2 Wastewater

The proposed methanol plant will produce a significant amount of wastewater, up to 1.44 million gallons per day. Commenters noted that the proposed facility will produce contaminated wastewater which may be handled by City of Tacoma employees while in the City of Tacoma storm water system and raised concerns about worker safety. The EIS will address how wastewater will be treated, removed from the site, and workers protected. This includes an assessment of any contaminants within the wastewater, which could include nickel, copper, zinc oxide, and other materials. Comments included requests for the following details:

- The chemical composition of the wastewater emitted from the plant;
- Whether the project can effectively use water sourced from wastewater treatment plants for some or all stages of the industrial process;
- A description of the pretreatment process that will be implemented for discharged water if it is determined that the proposed facility cannot reuse such water;
- Temperature of wastewater and its direct and indirect impacts;

- Whether there will be a requirement to reduce the temperature of the wastewater, to what degree, and how it will be done;
- Impacts from the wastewater on ecosystems including the tideflats, Commencement Bay and the Puget Sound;
- Whether the proposed facility can use wastewater from the Tacoma Wastewater treatment plant in its operations and if it would require additional treatment; and,
- A cost analysis of the City of Tacoma's water and on-site treatment requirements and costs.

7.3 Stormwater

The EIS will need to address stormwater issues at the site, and how stormwater will be managed, including its treatment and removal from the site.

7.4 Groundwater

The EIS will address impacts to groundwater from the proposal and measures taken to ensure groundwater safety. Commenters expressed concern about the health of the South Tacoma Aquifer should additional water resources be allocated to the proposed facility and asked that the EIS review impacts to the South Tacoma Aquifer over the course of the next 30 years.

In addition, groundwater protection is a significant issue in natural gas fracking. An explanation of how the proposal contributes to those off-site groundwater impacts will be provided. Safety measures along pipeline routes will also be identified.

8. Land and Shoreline Use

The EIS will address proposal compatibility with applicable City land use plans, zoning code, and the City's Shoreline Master Program, along with assessing surrounding development patterns. County, County-Wide, and multi-County policies, including Puget Sound Regional Council's Vision 2040 will also be considered.

The area is planned for industrial development, but impacts from this type of facility at this location have not been specifically addressed. Also, there are residential communities proximate to the site and proposal impacts on those communities will need to be addressed. In assessing land use compatibility, the EIS must consider impacts on visual resources, noise impacts (including from additional shipping traffic)¹², light/glare issues, odor concerns and

¹² For example, public comment raised questions on increased use of fog horns.

proposal impacts on other uses proximate to the facility, such as on parks and recreational activities.

9. Transportation

Transportation impacts associated with construction and operation, and additional vessel traffic will be addressed. During operation, there will be daily traffic associated with employees working what may be three shifts, coupled with delivery trucks to the facility. Total vehicle and vessel trips will need to be identified and impacts disclosed. Adequacy of existing transportation facilities, including impacts at railroad crossings, will be addressed.

10. Public Services and Utilities

The adequacy of public services and utilities to serve the site will be fully addressed. The City of Tacoma will provide water, stormwater, and wastewater infrastructure. The adequacy of the City's existing facilities, required improvements to those facilities, and impacts to rate-payers must be addressed.

Plant energy needs must also be addressed. At full production, the plant will require 450 megawatts of electricity per day. The EIS will address the adequacy of the infrastructure to supply that energy, the availability of the energy, and the infrastructure improvements which are necessary. Also, where that energy is coming from and the impacts associated with supplying that energy, will need to be disclosed.

11. Earth, Geology, and Soils

Ground disturbing impacts at the site and along the pipeline route will be addressed along with long-term soils impacts. Site vulnerability to seismic and tidal issues will be addressed, including:

- The potential for liquefaction at the site and the ability of the facility to withstand earthquakes will be assessed.
- Commenters asked that the EIS study the climate change predictions for sea level rise on the tideflats of Tacoma, where the project is proposed to be constructed. Commenters noted that climate change coupled with more intense and frequent rain events may increase the risks of flooding and damaging high tides at the proposed project site. The EIS will consider these concerns.

With respect to soils health, while methanol is understood to biodegrade quickly and therefore be unlikely to present accumulation concerns, other materials to be used at the facility do not biodegrade quickly. Consequently, a risk assessment and approach to managing that waste, and if necessary remediating it, must be addressed. Measures for ensuring successful facility decommissioning at the end of its useful life, and ensuring the site is not left in a contaminated state, must be outlined. As a precursor to that, present conditions must be documented. For example, commenters questioned whether the Kaiser Aluminum site has been adequately cleaned up. That status will be confirmed.

12. Plants and Animals

12.1 Terrestrial Wildlife

The EIS will address proposal impacts on terrestrial wildlife within the site and surrounding area.

12.2 Terrestrial Vegetation

The EIS will address proposal impacts on terrestrial vegetation within the site and surrounding area.

12.3 Aquatic Species

The EIS will address impacts on marine habitats and wildlife resources found within the project area and shipping route, which may include:

- Commercial shellfish and fishing;
- WDFW-listed Priority Habitat and Species;
- Recreational shellfish and fishing activities;
- Resident and migratory birds and marine mammals;
- Salt marshes, tidal flats, and other sensitive shallow water habitats;
- State and federally listed threatened and endangered species; and
- Tribal shellfish and fishing concerns.

Some impacts to animal species also have economic repercussions, such as to the fishing and tourist industries. For example, orca whales contribute to local economies dependent on tourism, especially between April and September, in the San Juan Islands.

Also, additional marine vessel traffic will result in greater shoreline erosion, increased turbidity, greater risk of introducing invasive species in ballast water, more vessel strikes of large

marine mammals, additional stranding of juvenile salmon on beaches from large wakes, and increased risk of oil spills or accidents. These impacts will be addressed.

Commenters noted that plastics pollution in the oceans is known to kills sea birds and sea life. The EIS will note this issue. Commenters also requested that the EIS analyze the bioaccumulation rates of the chemicals used at the proposed facility. EIS analysis will focus on impacts within U.S. territorial waters, with a summary of shipping impacts extending beyond that.

13. Historic and Cultural Preservation

The EIS will address impacts on cultural and historic resources, including historic properties, archaeological sites, and traditional cultural properties such as sacred sites, traditional fishing areas, and cultural landscapes in and proximate to the project area, and with respect to fishing, primarily within U.S. territorial waters.

14. Socio-Economic Impacts

The EIS will consider proposal impacts on property values and the potential costs associated with property damage in the event of a spill, explosion, fire, or other accident, and identify measures to ensure financial security is in place to address such accidents.

The EIS will also consider the cost of emergency response, planning, and staffing; infrastructure construction and improvements; and costs associated with impacts to the various elements of the environment the EIS addressed, including to commercial marine traffic, the fishing and shellfishing industries, and lost tourism and recreation opportunities.

These losses will be considered against the employment gains (including disclosures as to the wages associated with that employment) and public tax revenues associated with the project, after accounting for any exemptions or special offsets the proponent expects to utilize.

15. Cumulative Environmental Impacts

The proposal's cumulative impacts must be disclosed, which include total impacts over the proposal's life span, as well as impacts in conjunction with other related projects. The applicant is proposing two other facilities within the Pacific Northwest, which will be added to the roughly seven facilities currently existing nationwide.¹³ Not every element of the environment is necessarily cumulatively impacted by all of these facilities, as certain impacts are localized. However, where impacts combine for a more pronounced effect, all methanol facilities should be

¹³ The number of existing facilities will need to be confirmed.

considered. For example, as addressed in the section above on air impacts, air emissions do not stay in one place, so do have cumulative impacts which must be considered. Also, development within the area, including at the Port of Tacoma, will need to be considered.

16. Other Environmental Review Documents

The EIS will include consideration of relevant environmental review documents, to the extent they help inform the analysis. These may include the following:

- The Port of Tacoma completed an FEIS for redevelopment of the Blair-Hylebos Peninsula in 2009. This document addresses impacts associated with industrial development within this area.
- The City prepared an Emergency Response/Intelligent Transportation Systems study addressing resources and constraints in the proposal area.
- FERC is preparing an environmental assessment of the new pipeline and associated facilities.
- The Port of Kalama and Clark County are preparing an environmental impact statement addressing the Kalama project.

17. Conclusion

SEPA's over-riding purpose is to ensure decision making is fully informed with respect to environmental repercussions. Public comments have identified significant issues which need to be evaluated to provide those required disclosures. Many comments center on the need to protect Tacoma's environmental health both now and into the future. Concerns raised include public safety, air emissions (including greenhouse gases), water usage, and waste management, among many others. The EIS will address these issues, identify areas in which mitigation is feasible, and evaluate more environmentally benign alternatives to the proposal. And, as scoping proceeds, EIS scope will be refined and elaborated on.

Northwest Innovation Works Manufacturing and Marine Export Facility Environmental Impact Statement



Draft Scoping Report

February 5, 2016

Comments received December 15, 2015 through January 22, 2016

This report will be updated after the March 4, 2016, close of the EIS scoping comment period.



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1. Introduction

How to use this report

The City of Tacoma is the lead agency overseeing the preparation of an environmental impact statement (EIS) under the State Environmental Policy Act (SEPA) for a project proposed by Northwest Innovation Works Tacoma, LLC (NWIWT) located in the Port of Tacoma. An EIS must be prepared when the lead agency determines a proposal is likely to have significant adverse environmental impacts. The EIS provides an impartial discussion of significant environmental impacts, reasonable alternatives, and mitigation measures that would avoid or minimize adverse impacts.

The purpose of scoping is to identify the issues to be analyzed in the EIS. The purpose of this scoping report is to summarize the issues identified by individuals, tribes, organizations, and agencies during the scoping comment period for the manufacturing and marine export facility proposed by NWIWT. This report distills the comments into key themes; it does not contain all comments received verbatim nor does it quantify comments by topic.

Scoping comments will be used by the lead agency, here the City of Tacoma, to help determine the issues and extent of the analysis to be included in the EIS, as well as options for reasonable alternatives to the proposed project and mitigation measures that could be considered. The lead agency and its consultants will have the opportunity to review comments as they develop the draft EIS.

The City of Tacoma is awaiting anticipated comments from the Puget Sound Clean Air Agency and the Tacoma-Pierce County Health Department.

Please note that comments often mix statements of fact with statements of opinion.

Proposal overview and context

NWIWT proposes to develop and operate a natural gas-to-methanol production plant and export facility on approximately 125 acres leased from the Port of Tacoma (Port). The project location is on the Blair-Hylebos Peninsula, Port of Tacoma: 3400 Taylor Way, Tacoma. The project objective is the manufacture and shipment of methanol (a liquid) to global markets for use as a feedstock for manufacturing olefins used in the production of plastics and other materials. The characteristics of the proposed project are described below.

As proposed, the plant will include up to four methanol production lines, each with a production capacity of 5,000 metric tons per day, for a total of 20,000 metric tons per day. The plant will also include ancillary elements such as an administrative and lab building, employee parking, access roadways, fire suppression facilities, air separation units, air storage, water storage and treatment facilities, wastewater treatment facilities, cooling towers, a flare system for the disposal of flammable gases and vapors, substations and emergency generators. Plant components are proposed to be primarily located on approximately 110 acres of Port property situated at the southwest base of the Blair-Hylebos peninsula. Construction is expected to proceed in two phases, each including two production lines totaling production capacity of 10,000 metric tons per day.

The plant will utilize ultra-low emissions (ULE) reforming technology, which will emit substantially lower greenhouse gas and other air pollutants compared to conventional technologies for reforming natural gas to methanol.

Natural gas will be delivered to the methanol plant via a new lateral pipeline, which will transmit odorized gas. Northwest Pipeline GP will be responsible for obtaining permits and constructing this lateral pipeline. This lateral pipeline will connect the existing regional pipeline to the NWIWT project site over an approximately 10-mile corridor through unincorporated Pierce County, the Puyallup Tribe of Indians Reservation, and the cities of Sumner, Puyallup, Fife, Tacoma, and potentially others. Separately, Northwest Pipeline GP is pursuing expansion of its regional pipeline between Sumas and Longview, Washington which is being permitted through the Federal Energy Regulatory Commission; this is most likely a two year process. NWIWT anticipates using natural gas distribution capacity that will be provided by that portion of the Northwest Pipeline regional expansion project between Sumas and Tacoma.

It appears that there is no direct federal or State regulatory approval for the project siting decision itself. Rather, key permits for this project include the City of Tacoma Shoreline Substantial Development Permit, Department of Ecology Water Quality Certification, the Department of Fish and Wildlife's Hydraulic Approval, the U.S. Army Corps of Engineers' Sections 10 and 404 permits, and a Notice of Construction air contaminant permit from Puget Sound Clean Air Agency; the federal permits will likely involve a thorough review of waterway operations by the US Coast Guard. Under the State Environmental Policy Act (SEPA) environmental review precedes any permit decisions. Given the large-scale of the proposed project an Environmental Impact Statement (EIS) is being prepared, with all costs borne by the applicant (NWIWT). This work could have been overseen by the Washington State Department of Ecology (WSDOE), or another State agency, but WSDOE has delegated this responsibility to the City of Tacoma.

The production process will require up to approximately 10.4 million gallons per day of water, which will be supplied by the City of Tacoma. Domestic water and sanitary services for on-site personnel use will be obtained from the City of Tacoma. Treated process wastewater (up to approximately 1.44 million gallons per day) will be discharged to the City of Tacoma's wastewater treatment works. A construction stormwater permit will be required. Stormwater management post-construction will be discharged through Port of Tacoma outfalls or through the City of Tacoma's stormwater system.

At full production, the project will require up to approximately 450 megawatts of electrical power, which will be transmitted through the existing transmission system with localized upgrades if necessary.

The anticipated yearly production at full capacity is approximately 7.2 million metric tons of methanol. Up to approximately 300,000 metric tons of methanol will be stored in storage tanks at atmospheric pressure and ambient temperature and surrounded by secondary containment. Storage tanks will be co-located with plant components, as well as on approximately 15 acres of land adjacent to or in close proximity to the main 110 acre plant site. Methanol product will be transferred by pipeline across Port property from the storage area to the Port's existing deep draft marine terminal (the "East Blair One terminal) on the Blair Waterway. Roadway improvements to access the EB 1 terminal may be necessary. NWIWT anticipates loading between four and seven ships per month depending on vessel size. The Port will be responsible for obtaining permits for modifications to the dock, as well as localized dredging, if necessary, in the vicinity of the berth.

The plant will be operated in compliance with applicable fire, health, and safety regulations and codes. Plant safety features will include fire suppression systems, fire safety equipment, and storage and containment systems designed to current industry standards and regulatory requirements. NWIWT will conduct process safety management assessments and develop emergency response plans in accordance with applicable local, state and federal regulations.

Purpose of the scoping process

The first step in the development of an EIS is called scoping. During scoping, agencies, tribes, local communities, organizations, and the public may comment on factors that should be analyzed and considered in the EIS. Specifically, the scoping process is intended to collect input on the following topics:

- Range of reasonable alternatives
- Potentially impacted resources and extent of analysis for those resources
- Potential measures to avoid, minimize, and mitigate impacts of the proposal

While the lead agency is not required under SEPA to respond to individual comments during scoping, this report allows them to review and consider all comments when developing the scope of the EIS.

2. Scoping process

Notification of scoping

Determination of Significance

On December 15, 2015, the lead agency released a Determination of Significance (DS) that stated NWIWT's proposed project, Manufacturing and Marine Export Facility, may have a significant adverse impact on the environment and, therefore, required the development of an EIS under SEPA (Appendix A).

The scoping period began with the issuance of the DS. Washington State law mandates a 21-day public comment period for the scoping phase of an EIS. The lead agency elected to extend the standard comment period to an expanded 60-day scoping comment period scheduled to end on February 17, 2016. The DS notice also included announcement of two scoping meetings with verbal public comment sessions scheduled at the City Convention Center on January 21 and in North East Tacoma on February 16 at Meeker Middle School.

Following a larger than expected turnout at the first scoping meeting held on January 21, an additional scoping meeting was added on February 10 at the City Convention Center in a larger meeting venue and the scoping comment deadline was extended to March 4. A revised and updated DS that included details about the additional scoping meeting as well as the extended comment deadline was issued on January 27, 2016 (Appendix B).

Public and media notification

The lead agency notified key stakeholders, interested parties, agencies, and the general public of the DS and scoping comment period using a variety of communication tools. Notifications included:

- Announcement of the scoping comment period
- Description of the proposed project and area map
- Identification of the City of Tacoma as the lead agency
- Scoping process deadlines
- Description of opportunities to provide scoping comments
- Details about the scoping meetings

The tools used to announce the release of the DS and start of the scoping period included:

- Mailer to approximately 925 addresses and key stakeholders identified by the lead agency
- Email sent to approximately 75 email addresses and key stakeholders identified by the lead agency
- Print ad placed in the Tacoma Daily Index published on December 15 and 22, 2015

After a larger than expected turnout at the first scoping meeting on January 21, 2016, an additional scoping meeting was added on February 10, 2016, and the comment deadline was extended to March 4, 2016. Notice of the revised and updated DS was sent out on January 27, 2016, and included:

- Mailer to approximately 1000 addresses and key stakeholders identified by the lead agency
- Email sent to approximately 560 email addresses and key stakeholders identified by the lead agency
- Print ad placed in the Tacoma Daily Index

Opportunities to provide comment

The lead agency invited comments through a variety of methods as described below. The table below provides a count for the number of comments submitted during the scoping comment period using each option.

Comment option	Approximate number of comments submitted through January 22, 2016
Verbal public comment at scoping hearing	83 (at January 21 hearing)
Email	144
Written (letters and comment forms)	317
Voicemail	1
Total	545

Scoping meetings

Three in-person scoping meetings will be hosted by the lead agency. All three meetings included a verbal public comment session and the January 21 and February 16 meetings offered an open house with information about the proposed project (see below).

Meeting Date and Time	Location	Attendance
January 21, 2015 6:30 pm	City Convention Center 1500 Broadway	700+
February 10, 2016 6:30 pm	City Convention Center 1500 Broadway	TBD
February 16, 2016 6:30 pm	Meeker Middle School 402 Nassau Ave NE	TBD

Verbal public comment sessions

A total of three verbal public comment sessions were held, one at each scoping meeting. More than 85 people have provided verbal public comments as of January 22, 2016 (below). Each speaker was given up to three minutes to provide comments, which were documented by a court reporter.

January 21, 2016 Scoping Meeting	
Position	Number of People Signed Up
Neutral	5
Opposed	112
Supportive	62
Total	179*

* Due to time constraints only 83 people were able to speak.

A fourth sign-up sheet titled “Not Commenting” was also available for interested parties wishing to be added to the mailing list for project updates and information. 97 people signed up on the “Not Commenting” list.

Voicemail

Commenters were invited to call City of Tacoma staff to discuss the project. In the event that staff were unavailable, the call was forwarded to voicemail and later transcribed for comment analysis. One voicemail comment was received.

Email

Stakeholders were encouraged to email tacoma.methanol.sepa@cityoftacoma.org to submit their comments. Any emails received directly by staff during the comment period were reviewed and included for analysis. More than 144 email comments were received by staff during the scoping comment period through January 22, 2016.

Written

Those who wished to provide written comments could either submit them at the scoping meetings, mail them the City of Tacoma Planning & Development Services Department, or hand deliver them to Planning & Development Services during regular office hours. A total of 317 written comments were received through January 22, 2016.

Comment analysis process

The scoping period began December 15, 2015, and will end on March 4, 2016. As of January 22, a total of 547 scoping comments were received through the various methods described in the previous section. All submissions were reviewed and analyzed to prepare this report.

For the purpose of this summary, every comment has value, whether it is stated only once or multiple times. The analysis represented in this report does not tally the number of comments received on any given topic, nor determine whether comments supported or opposed the proposed project. Scoping is designed to help identify issues that should be addressed and analyzed in the EIS and is not intended to function as a “voting” process.

3. Public comments summarized by issue of concern

Organization of this section

The following sections are organized into categories that reflect the issues and concerns heard during the scoping period through January 22, 2016. Additional versions of this report will be published that incorporate comments heard through the end of the scoping period on March 4, 2016. These issues and concerns are summarized; they do not capture every comment verbatim for each category and they are not quantified.

Geographic scope

A variety of comments were received regarding the geographic scope of the EIS. No clear geographic area of study was widely agreed upon. Comments ranged from suggesting the EIS focus upon the specific site of the proposed project to the entirety of the City of Tacoma, Pierce County, the Puget Sound and Salish Sea regions, and the State of Washington.

Other commenters requested that the EIS study of the impacts of the proposed project as far upstream as Alberta, Canada, where the natural gas will originate, and as far downstream as China, where the final product will be shipped for plastic production. Many of those same comments requested information and further study of the impacts of the methods of natural gas extraction, including fracking, and the method of natural gas transport, including the existing and proposed pipelines.

Comments summarized by topic

Air quality

Commenters emphasized the need to evaluate the direct, indirect, and cumulative impacts of air pollution in the area near the proposed project as well as in the City of Tacoma and the Puget Sound region.

Commenters asked that the EIS state what permitting agency or agencies have jurisdiction over the proposed project and the permits required by such agencies.

Commenters expressed a desire for continuous air quality monitoring at the proposed facility.

Commenters noted that increased shipping and ground transportation needs would contribute to air pollution and increased particulate matter and requested the scope of the EIS include such impacts.

Commenters requested that the EIS study vapor plumes and potential toxic gases associated with the plant. Toxins specifically mentioned for analysis and inclusion in the EIS include:

- benzene
- formaldehyde
- sulfur dioxide
- fine particulates
- carbon dioxide
- carbon monoxide
- copper
- naphthalene
- nickel
- nitrogen oxide

- sulfur dioxide
- toluene
- volatile organic compounds (VOCs)

Commenters noted that the Port of Tacoma and other portions of Pierce County are often in violation of existing clean air regulations and expressed concern that the methanol plant would exasperate the problem.

Commenters requested that the EIS compare the proposed project's expected air pollution levels with other existing industries within the City of Tacoma.

Commenters were concerned that there would be an increase of burn-bans due to increased air pollution resulting from the proposed project.

Commenters expressed concern about odor coming from proposed project and pointed out that natural gas has an additive to make it smell bad. Quantities of potential escapement of natural gas were requested to be included in the scope of EIS. This particular issue was highlighted due to past "aroma" associations with the City of Tacoma. Commenters did not want to see another odor producer located in the Port of Tacoma to perpetuate a negative image of Tacoma.

Commenters suggested that air pollution associated with the project could reduce property values in the area near the proposed project and in all of Tacoma.

Commenters stated that pollution generated at the proposed facility might encourage current residents to move out of the area and discourage others from moving to the area.

Commenters referenced the United States Environmental Protection Agency's list of Hazardous Air Pollutants. This list establishes workplace and emission standards for such substances. Commenters requested that the EIS identify all hazardous substances and the projected levels to be released at the proposed facility, even if found to be at or below minimum levels. Additionally, commenters requested that the EIS identify any non-regulated substances that may be released at the proposed facility that may constitute a nuisance.

The link between air pollution and health including cancers and respiratory diseases, were noted as a concern by commenters. The health impacts on vulnerable populations, such as children, the elderly, were also mentioned. The health risks for workers at the proposed facility and at existing or new City of Tacoma sewer treatment facilities were also emphasized by commenters.

Commenters noted that increased shipping and vehicle traffic would result in higher levels of exhaust from diesel engines, which impacts human health and increases risk of asthma and cancer.

The impact of potential air pollution on health was noted by commenters as well as impacts to lost work time and increased medical costs for residents which would serve to reduce overall quality of life.

Commenters noted that gas pipelines leak methane. Commenters also stated that methane is more potent than CO₂ and request that the EIS analyze health and environmental impacts associated with methane leaks.

Commenters expressed concern about historical air pollution in the City of Tacoma by the Asarco Smelter and industrial activities at the Port of Tacoma.

Commenters expressed concern that toxic emissions would be carried by winds, and would impact populations outside of the immediate proposed project vicinity.

Climate change and greenhouse gases

Commenters expressed concern about the proposed project's potential to contribute to potential direct, indirect, short-term, long-term, and cumulative impacts of climate change and asked that this be analyzed in the EIS.

Commenters asked that the EIS review what the types and quantities of greenhouse gases that will be released as a result of the construction and continued operation of the proposed project.

Commenters noted that the Port of Tacoma is the area's largest contributor to greenhouse gas emissions.

Commenters asked that the EIS analyze if the processes used to generate the power that will be used by the proposed facility will result in increased greenhouse gas production.

Commenters ask that the EIS study the climate change predictions for sea level rise on the tideflats of Tacoma, where the project is proposed to be constructed.

Commenters noted that climate change coupled with more intense and frequent rain events may increase the risks of flooding and damaging high tides at the proposed project site.

Commenters asked that the EIS include the Port of Tacoma's plans to address rising tides and sea level rise associated with global climate change.

Commenters stated that this region will be facing a loss of hydroelectric power due to diminished snow pack and glacier melt as a result of global warming and this project will exacerbate the reduction in the generation of hydroelectric power.

Commenters stated that allowing the proposed project to utilize natural gas obtained through fracking would be contrary to the State of Washington's effort to decrease its use of fossil fuels and slow climate change.

Commenters noted that China is one of the world's worst polluters and supplying them with materials to create plastics would contribute to global warming.

Cumulative and indirect impacts

Commenters request that the scope of the EIS include the cumulative and indirect impacts plastic manufacturing will have on the environment and human health on a global scale.

Commenters requested that the EIS analyze how increased greenhouse gas production will affect global climate changes and what the impacts will be.

Commenters asked that the EIS analyze the effects that fracking has on the environment and human health.

Commenters requested the EIS include a description of what the plastics produced will be used for, where the plastics will be shipped, and if said plastics can be recycled.

Commenters asked that the EIS study the effects of increased plastics manufacturing, product disposal, and waste by-product storage on a regional and global scale.

Commenters noted that the proposed project could help third-world industries to consider cleaner fuel choices.

Economics

Commenters stated that NWIWT would profit from this project, but the risks and costs of the project are being passed onto the community and tax payers.

Commenters expressed support for the proposed project because tax payments will benefit local schools and public entities such as fire, emergency services, and police.

Commenters stated that home values would be negatively impacted if the proposed project is constructed.

Commenters asked that the EIS provide an analysis of land and home values and how the values may be affected if the proposed project is approved.

Commenters suggested that the proposed project would encourage current residents to move out of the area and discourage others from moving to the area.

Commenters explained that it would be hard to attract new people and businesses to the area if the proposed project is approved due to the risk of disaster and pollutants.

Commenters stated that the City's reputation as a livable city will be diminished and/or lost.

Commenters expressed fears that the proposed project would harm Tacoma's image as a desirable place to live and work, an image it has been cultivating for the last quarter of a century and longer.

Commenters noted that the increase in rail traffic, noise, and vibration could negatively impact the economy by reducing tourism and recreation.

Commenters pointed out that large sums of tax dollars have been invested in encouraging tourism and public recreation. Commenters noted that tourism and recreation contribute economic benefits, including job creation, to the region and need to be analyzed in the EIS.

Commenters expressed extreme concern about the impacts to residents and businesses if there is a reduction in the availability of water due to the consumption needs of the proposed plant.

Commenters expressed concern about the economic impacts of increased utility rates for residents and businesses.

Commenters asked that the EIS study impacts to businesses that rely on the Green River watershed.

Commenters stated that there will ultimately be a cost savings to the City if the methanol plant is not built because there will be not be increased energy and water demands and infrastructure costs.

Commenters asked the EIS to consider how much of the cost to construct the proposed project will be spent abroad on building components.

Commenters want the EIS to identify what, if any, financial incentives are being offered to the developer of this project.

Employment/Jobs

Some commenters expressed their support for the proposed project stating that it will promote economic growth for Tacoma and the region. One of the main themes in a large number of comments was the many benefits of job creation to the City of Tacoma and the region.

Commenters asked that the EIS include a model of the total employment effect, including indirect and induced jobs.

Commenters requested that the EIS include a study of the impacts that the project will have on job creation within the City.

Commenters stated that the number of jobs created will not justify the potential risk to the safety of Tacoma's citizens or environment.

Commenters stated that the approval of the proposed project will produce hundreds of family wage jobs in the region.

Commenters stated that there will be a negative impact to jobs because new or existing businesses will not want to locate or expand in the area if the proposed project is approved.

Commenters stated that the jobs within the methanol industry are risky and difficult to maintain.

Commenters expressed a desire for the potential newly created jobs to be "diverse."

Commenters stated that the potential newly created jobs will be "jobs with dignity."

Impacts from accidents/emergencies

Commenters questioned the true cost of a potentially catastrophic disaster at the proposed facility including spills, explosions, leaks, fires, earthquakes, high tides, floods, lahars, tsunamis, sabotages, terrorist attacks and requested that the EIS include an economic assessment that factors in the costs of the following:

- Commercial marine traffic
- Damage to the marine and terrestrial environment
- Impacts water resources, including the Puget Sound, aquifers, rivers, and streams
- Agricultural lands
- Lost local businesses
- Lost property and decreased property values
- Lost tourism and recreation opportunities
- Protecting detainees at the regional Immigration and Customs Enforcement detention facility
- Infrastructure construction and improvement
- Increased healthcare needs
- Externalized cost of climate change

Commenters expressed concerns that costs of emergency response, planning, and staffing would be a financial burden to local and regional governments and the general public.

Commenters noted that emergency response training and equipment costs will be spent by local and regional governments and request that the EIS evaluate who will pay for such training and equipment.

Commenters asked that the scope of the EIS include costs of future environmental clean-up required for potential site contamination.

Commenters requested the EIS consider the potential for property damage in the event of a spill, explosion, fire, accident, or natural disaster.

Commenters asked that the EIS include the cost of expanding to the City's wastewater treatment capabilities if the construction of the proposed facility requires it.

Commenters stated that Tacoma Rail trains travel near the proposed project site and that Tacoma Rail is currently underinsured. Further, commenters stated their fears that City of Tacoma rate payers will be financially responsible for train accidents that could involve the refinery.

Commenters want the EIS to state whether NWIWT will indemnify the City of Tacoma and the Port of Tacoma in the event of a major catastrophe at the proposed facility.

Commenters asked that NWIWT prove that it will carry insurance sufficient to cover all costs of an emergency or disaster. Commenters expressed worry that taxpayers will end up covering the cost of potential disasters associated with the project.

Commenters requested that the EIS investigate NWIWT's capital structure, available insurance, and ability to legally conduct business in the United States.

Commenters feared that NWIWT might avoid paying potential environmental cleanup cost by declaring bankruptcy or litigating.

Earth, geology, and soils

Commenters stated that the proposed facility is located in the tideflats area of Tacoma and that the soils of the tideflats are subject to liquefaction during a seismic events and volcanic eruptions.

Commenters submitted fact sheets from the United States Geological Society to which show that the proposed facility is vulnerable to seismic events and volcanic eruptions.

Commenters would like the EIS to examine the environmental, safety, and economic impacts of potential seismic events affecting the proposed project.

Commenters requested that the EIS analyze how the proposed project will ensure that the methanol storage tanks used will withstand the maximum feasible seismic event and subsequent soil movement under the tanks.

Commenters requested that the EIS analyze how the secondary containment of storage tanks will be constructed to withstand the maximum feasible seismic event and that a worst case scenario analysis be performed by an independent entity.

Commenters asked if the storage tanks to be used at the proposed facility have been utilized in facilities in other locations where they have been subject to real-world seismic events and successfully contained their contents. Commenters request that the EIS list those instances and results in detail.

Commenters asked what superfund soils clean-up activity is currently underway in the City of Tacoma.

Commenters want the EIS to disclose what toxins will be released and in what amounts during construction of the proposed project.

Commenters stated that the site of the proposed facility is industrial land and emphasized that this will be a “redevelopment” project, not a new development.

Commenters asked if there are any limitations on the parcel that the project is proposed to be built on due to past remediation.

Commenters requested that the EIS analyze the long term geological effects that will result from the extraction of the natural gas that will be piped to and used in the proposed facility.

Asarco

For almost 100 years, the Asarco Company operated a copper smelter in Tacoma. Air pollution from the smelter settled on the surface soil over more than 1,000 square miles of the Puget Sound basin. Arsenic, lead, and other heavy metals are still in the soil as a result of this pollution. Many commenters expressed concern that the methanol plant would add to the contamination in Tacoma and the Region’s soils and did not want to see “another Asarco” contaminating Tacoma.

Kaiser Aluminum Plant

The proposed project would be constructed on the former Kaiser Aluminum Plant site in the Port of Tacoma. Kaiser Aluminum operated an aluminum smelter and manufacturing plant there for over 60 years. The mill closed in 2001. In 2003, the Port of Tacoma bought the property and began cleanup of the site.

Commenters questioned whether the Kaiser Aluminum site has been cleaned up adequately.

Emergency response

Commenters requested a comprehensive analysis of the adequacy of federal, state, and local emergency response capabilities in the event of a spill, explosion, leak, fire, earthquake, high tide, flood, lahar, tsunami, sabotage, terrorist attack, or other disaster at the proposed facility.

Commenters noted the proximity of the plant to an urban population and expressed concerns about community safety and the adequacy emergency response. Commenters expressed a desire to know who would pay for disaster preparedness and emergency response.

Commenters also requested that the scope of the EIS include:

- Detailed emergency incident prevention, management, and response plans

- Evacuation routes with traffic flow analysis for communities, neighborhoods, businesses, and schools
- Detailed emergency notification plans for residents, businesses, and other persons
- Entrance and exit points for the proposed facility
- Emergency spill protocol for aquatic terrestrial and aquatic environments
- How a large volume of methanol would be recovered and/or neutralized
- Safeguards proven to contain leaks of toxic gases in order to immediately protect the public
- Safeguards to be used should the first line of containment fail
- Hazardous materials storage, handling, disposal, and monitoring
- Fallout or blast zone delineation and potential impacts
- Volcanic eruption and associated lahar impacts
- Exploration of financial liability beyond the amounts typically held by the plant operators

Commenters noted that the proposed project would be the largest methanol refinery in the world and an industrial accident at the site would pose direct danger to nearby residents and detainees at the nearby Immigration and Customs Enforcement detention center.

Commenters referenced the Aliso Canyon methanol leak in California and the negative impacts it has had on that community and environment citing concerns that something similar could happen in Tacoma if the proposed methanol plant is built.

Commenters requested that the EIS include a report of the safety record of the existing natural gas pipeline that will supply the natural gas to the proposed facility and that report disclose any past leaks.

Commenters asked what safety protocols will be in place for the existing and proposed natural gas pipeline.

Commenters were concerned about the risks associated with chemicals required to clean up methanol spills and leaks and would like the EIS to disclose those chemicals.

Commenters requested analysis of the health impacts to emergency response personnel that could result from exposure to hazardous materials.

Commenters stated that the local hospitals will likely not be adequate should an emergency or disaster occur at the proposed facility.

Commenters requested that the EIS include an analysis of federal, state, and local code revisions that would be required to be in effect prior to the operation of the proposed facility to ensure adequate emergency response and safety measures are in place in the event of a disaster or emergency at the proposed facility. Commenters also requested that said code revisions be adopted prior to the proposed facility's operation, should it be approved.

Energy

Commenters expressed a desire for the EIS to include an analysis of the power demand of the proposed facility and how the power will be provided to the plant.

Commenters asked that the EIS analyze if the generation of power to be supplied to the proposed project would result in increased greenhouse gas production.

Commenters asked for the specific sources of electric power that will be supplied to the plant.

Commenters requested the EIS include an analysis of the effects of the proposed project's power usage on residential utility rates over the life of the plant.

Commenters requested that the EIS analyze the electricity consumption rates provided by NWIWT to ensure they are valid.

Commenters expressed a desire for the City of Tacoma to seek out clean energy developments in the future.

Historic and cultural preservation

Commenters expressed concerns that their historic properties would be negatively impacted as a result of pollution generated at the proposed facility.

Land use and social elements

Agriculture

Commenters would like the EIS to analyze the impacts of the proposed facility on agriculture in the region.

Aesthetics

Commenters noted that the proposed project would impact the natural beauty of the area and expressed concern that there would be damage to the health and beauty of the region.

Employee Safety

Commenters asked that the EIS include mitigation that ensures the proposed project will be required to comply with the most up to date safety standards for workers involved with construction activities and future employees.

Commenters requested that the EIS include requirements for high safety standards, oversight control, and liability insurance assurances for workers and operators at the proposed facility.

Commenters noted that the proposed facility will produce contaminated wastewater which may be handled by City of Tacoma employees and expressed concerns about employee safety.

Land use

Commenters stated that the Port of Tacoma is the right place for the proposed facility because the proposed site is in an established industrial area, and the proposed project is consistent with the types of uses, noises, odors, aesthetics, processing, and shipping activity that is already occurring in area.

Commenters expressed a concern that the concentration industrial uses in the port is potentially dangerous.

Commenters expressed concern that the proposed project is not consistent with the visions and plans of the surrounding neighborhoods including the Dome District, Brewery District, and University of Washington.

Commenters noted that the Tacoma City Council approved plans for Puget Sound Energy to build a liquefied natural gas facility near from the proposed facility in the Port of Tacoma.

Commenters stated that that proposed facility would be within the blast zone of the liquid natural gas facility.

Light and glare

Commenters noted the close proximity of neighborhoods and businesses to the proposed facility and expressed concerns about light pollution associated with the increased shipping needs; shipboard lighting was specifically mentioned for further study in the EIS.

Public Health

Commenters requested the EIS study the direct, indirect, and cumulative impacts of the project on public health.

Commenters requested that the EIS include a Health Equity Impact Review.

Commenters emphasized the relationship between air pollution potentially caused by the project and public health, noting that air pollution could be related to various cancers, respiratory diseases, and neurological diseases.

Commenters noted that chemicals released through the process of methanol refining are cancer- and lung disease-causing. Similarly, other commenters requested that the EIS review the cancer rates near existing methanol refineries, both before and after facility operation.

Commenters are concerned with the potential for exposure to methanol and cite the hazardous effects including negative impacts to the neurological, ophthalmologic, gastrointestinal, and nervous systems.

Multiple comments described the physical properties of methanol and the exact reactions that take place in human body if exposed.

Commenters noted that the potential water pollution could negatively impact public health.

Commenters expressed concern regarding potential soil pollution and asked that the EIS analyze potential impacts to crops and foods grown in the region.

Commenters noted that the proposed facility will produce contaminated wastewater which may be handled by City of Tacoma employees while in the City of Tacoma wastewater system and raised concerns about worker safety.

Commenters request that the EIS review the chemicals employees could be exposed to through skin contact with the water or respiration, and in what quantities the chemicals would be present.

Commenters asked if any chemicals could escape at City of Tacoma pumping stations, treatment plants, or manholes that would be harmful to human health.

Commenters requested that new MSDS (Material Safety Data Sheets) be created for the chemicals found at the proposed facility and published for full disclosure of potential harm.

Commenters asked that the EIS study the potential negative impacts to vulnerable populations including:

- Children

- Elderly
- Those with compromised immune systems
- Those with compromised respiratory systems
- Detainees at the nearby Immigration and Customs Enforcement detention center

Commenters requested that the EIS analyze the bioaccumulation rates of the chemicals used at the proposed facility in the human body and natural environment.

Commenters asked that the EIS determine if persistent organic pollutants would be created at the proposed facility.

Property values

Commenters stated that home values would be negatively impacted if the proposed project is approved.

Commenters asked that the EIS provide an analysis of land and home values and how the values may be impacted if the proposed project is approved.

Commenters requested the EIS consider how lost property values could impact the economy and the cumulative financial impact from decreases in property value.

Commenters suggested insurance be acquired by NWIWT to cover potential property damage.

Recreation and tourism

Commenters pointed out that tax dollars have been invested in public recreation and tourism.

Commenters noted that recreation and tourism provide economic benefits and job creation that need to be included in the scope of the EIS.

Commenters stated that loss of recreation or tourism opportunities could cause businesses and individuals to move away from the area.

Mitigation

Commenters were concerned that there are no adequate mitigation measures to address potential impacts caused by the project.

Commenters expressed concerns regarding the costs of mitigation and asked who would be responsible for:

- Compensation for decreased property values
- Disaster preparedness and emergency response
- Health impacts of the building of the facility and pollution created on-site
- Payment of medical expenses due to increased exposure to harmful pollutants
- Property damage
- Reduction in tourism
- Replacement/repair/improvement of infrastructure
- Spill, fire, explosion, or disaster

Commenters stated that insurance should be obtained by NWIWT to cover worst case scenarios and costs of mitigation measures. Additionally commenters noted that there may be no amount of money that could cover the impacts from this project.

Tribal Governments and Native Americans

Commenters expressed concerns about the proximity of the Puyallup Tribe of Indian Members to the proposed project.

Noise and Vibration

Commenters noted the close proximity of neighborhoods and businesses to the proposed facility and expressed concerns about noise impacts coming from the plant and the increased shipping needs. Fog horns were specifically mentioned for additional study in the EIS.

Permitting

Commenters stated that the permits for the proposed project should be denied for several reasons, including:

- Risk to human life
- Impact on climate change
- Inability to mitigate impacts
- Risks to wildlife, including endangered species

Conversely, commenters expressed support for NWIWT's proposed project and their confidence in the required processes, permits, and regulations.

Commenters asked if the proposed methanol refinery is congruent with the City of Tacoma's Climate Action Plan and other City of Tacoma codes and plans in general.

Commenters asked that the EIS analyze whether or not proposed project is compatible with the City of Tacoma's vision for growth and with the Puget Sound Regional Council's Vision 2040.

Commenters asked that the EIS provide an analysis of the following statutes and regulations and their applicability to the proposed project:

- National Environmental Policy Act
- Toxic Substances Control Act
- Clean Air Act
- Resource Conservation and Recovery Act
- Clean Water Act
- Comprehensive Environmental Response Compensation and Liability Act
- The Rivers and Harbors Act
- State of Washington Growth Management Act
- Title 40 of the Code of Federal Regulations
- All EPA rules and regulations
- All applicable City of Tacoma plans, codes, and regulations

Commenters asked that proposed project be required to obtain the following permits and that the EIS include the processes and timing of such permits:

- Water quality certification from the Department of Ecology
- Hydraulic project approval from the Department of Fish and Wildlife
- Section 10 and 404 permits from the US Army Corps of Engineers

- Notice of Construction Air Containment Permit from the Puget Sound Clean Air Agency
- Review of waterway operations from the US Coast Guard
- Shoreline Substantial Development Permit from the City of Tacoma

Commenters request that all permitting agencies' names, addresses, and staff contacts are included in the EIS.

Commenters asked that the EIS analyze what flexibility the Port of Tacoma has to lease the land to NWIWT as well as how leasing the land to NWIWT relates to required permitting decisions.

Commenters want the scope of the EIS to include if it is possible for a permitting agency to approve a permit with conditions, how such conditions would be enforced, and who would make those decisions.

Commenters expressed concern with NWIWT's lack of track record and experience with quality control measures, environmental policy, and regulations.

Commenters stated that under the Comprehensive Environmental Response and Compensation and Liability Act, section (a)(42 USCA sect. 9607), the City of Tacoma is jointly and severally liable for the costs of any response action required at the facility.

Plants and animals

Wildlife

Commenters asked that the scope of the EIS analyze effects on the natural environment and specifically mentioned the following plants and animals:

- Fish
- Salmon
- Orca
- Plankton
- Birds

Commenters noted that plastics pollution in the oceans is known to kills sea birds and sea life.

Commenters requested that the EIS analyze the bioaccumulation rates of the chemicals used at the proposed facility.

Commenters asked that the EIS analyze how this project could affect natural variability and the predicted changes to variability due to climate change.

Project alternatives, design, and extraction methods

Alternatives

Commenters suggested permitting agencies consider supporting a no-action alternative due to lack of community support or if the proposed project could not mitigate impacts.

Commenters stated that there will ultimately be cost savings to the City if the methanol plant is not built due to a reduction in energy and water demands and infrastructure costs.

Design

Commenters requested that the EIS analyze the types of methanol storage tanks to be used at the proposed facility and the measures that would be taken to prevent spills.

Commenters want the EIS to analyze the life cycle of the proposed facility.

Commenters requested that the EIS review what methanol production facilities have been constructed worldwide since the 1960s and all methanol production facilities in the United States. Further, commenters asked what facilities are still in operation, what their conditions are, and what the employment counts are.

Commenters requested that the EIS provide details about NWIWT including if NWIWT operates other methanol plants anywhere else in the world, the capacity of those facilities, how long the plants have been online.

Commenters ask the EIS include maps of other facilities operated by NWIWT.

Extraction Methods

Commenters requested that the scope of the EIS include assessment the extraction of natural gas including direct, indirect, and cumulative impacts.

Commenters were concerned about the environmental impacts of hydraulic fracking used to extract natural gas.

Public involvement

Commenters expressed concerns that the City has not done enough outreach to community members regarding the proposed project and permitting processes.

Commenters stated their disappointment in the meeting venue chosen for the January 21 hearing stating that the venue was too small and there was limited opportunity to provide feedback and participate.

Commenters stated a desire to ensure that in the future the public process for this project will include adequate space, clear communication, government transparency, and basic technology in order to allow community members to observe and participate fully.

Commenters asked why every single resident in the City of Tacoma was not notified of the proposed project and stated that all citizens should be notified of future meetings and project news.

Commenters asked that City of Tacoma staff explain the sequence and timing of this project's required permits to the public and requested a schematic or flow chart to help illustrate said processes. Commenters also asked that the EIS include the same information.

Commenters asked that City of Tacoma staff and the EIS make it clear who the decision makers for each step of the permitting process is, for example, city staff, city council, hearing examiner, other permitting agencies, etc.

Commenters asked that public involvement process for the EIS is thorough and evaluative of all perspectives, as well as honest and transparent.

Commenters noted their appreciation for the public process to date, and alternately, others noted public process failure in that they did not receive adequate notice of public hearings and opportunities to comment.

Commenters made recommendations for improving the public EIS scoping process and request the following:

- Additional public meetings
- Additional publicity to ensure the public is aware of meetings
- Larger meeting venues
- Not asking oral commenters to sign up as “for” or “against” the project at future public meetings
- Future public meetings to be transit accessible

Commenters asked that all of the agencies involved with the public process provide updated project and meeting information on their respective websites.

Commenters asked that the results of any independently reviewed environmental research be made available to the public.

Commenters asked that the decision to approve or reject the project be put to a vote.

Commenters requested a moratorium on this project to delay the process in order to gather additional public input.

Commenters noted that the City of Tacoma did not ask the Sustainable Tacoma Commission to review the proposed facility prior to conducting public outreach on the project.

Commenters asked for public review of Hazardous Materials documents.

Safety

Commenters expressed outrage and concern with the safety of the proposed project and stated that the risks are unacceptable.

Commenters stated that the dangers of the proposed project are being forced upon the community with no benefit in return. Conversely, other commenters stated that while risks are present, they are acceptable and to be expected in a society that requires plastics and for a project that provides jobs for the community.

Comments included requests for the EIS to study all direct and indirect impacts of potential spills, explosions, leaks, fires, earthquakes, high tides, floods, lahars, tsunamis, sabotages, terrorist attacks, or other disasters at the proposed facility.

Commenters noted the highly-flammable nature of methanol and the danger it poses to human health and safety.

Commenters noted concerns about the safety of children and proximity of schools to the project site.

Commenters expressed their support for the proposed project as long as it is in compliance with industry-standard safety regulations and best practices.

Commenters noted that this facility will be brand new and state-of-the-art and that such facilities benefit from safety assistance provided by organizations such as the Chemical Safety Board.

Commenters expressed concern over NWIWT’s safety record and requested that the EIS consider NWIWT’s previous safety violations and experience operating facilities similar to the one proposed.

Commenters noted the proximity of the plant to urban populations and expressed concerns about community safety and the adequacy emergency response.

Commenters asked that the EIS study how long it would take to restore a variety of different ecosystems in the event of a disaster at the proposed facility, the methods and techniques that would be used, and the associated costs.

Commenters noted that local, state, and federal regulations should all be enforced, including clean air regulations and clean water regulations.

Commenters added that the existing regulations may not be strong enough and should be reevaluated prior to a project approval.

Commenters noted that the Tacoma City Council approved plans for Puget Sound Energy to build a liquefied natural gas facility blocks away from the proposed facility.

Commenters noted that that proposed methanol refinery would be within the blast zone of the liquid natural gas facility.

Transportation

Commenters stated that the scope of the EIS should include potential direct, indirect, and cumulative impacts of increased shipping traffic on Commencement Bay and the Puget Sound.

Commenters requested that the EIS identify the number of additional ships that will be associated with the proposed project as well as any secondary impacts that may occur through the increased risk of spills or dumping.

Commenters are concerned about the potential for terrorist attacks on the additional shipping traffic in the Puget Sound as a result of the proposed project and request that the EIS analyze those threats.

Commenters noted the Port of Tacoma has aging infrastructure and expressed concerns that first responders could be hindered by this fact and requested that the EIS analyze what infrastructure should be improved.

Commenters noted that the Port of Tacoma currently suffers from poor traffic circulation and expressed concerns that the construction of the proposed facility would add to the problem.

Commenters noted that the facility could be damaged by other nearby industries or vehicular and train operations.

Commenters noted that the plant has the potential to cause risks to other industries or transportation systems operating within the Port of Tacoma including the Tacoma Wastewater Treatment Plant, pump station, and distribution systems.

Commenters are concerned that the proposed facility and similar uses within the Port of Tacoma are relying on aging rail infrastructure and want the EIS to analyze what upgrades and improvements should be required.

Commenters stated that Tacoma Rail trains travel near the refinery and that Tacoma Rail would be negatively impacted by train accidents that could involve the refinery.

Water resources

Commenters expressed concerns and outrage about the total amount of water the proposed facility will require for its daily operations.

Commenters cited recent State and City directives for water use reduction due to recent drought conditions. Commenters requested justification for the proposed project's water consumption as well as assurance that the high levels of water consumption will not negatively impact or exasperate future water shortages and droughts.

Commenters requested a determination if the water consumption rates provided by NWIWT are valid.

Commenters requested that the EIS analyze the proposed facility's effect on Tacoma and the region's water supply in the short and near terms.

Commenters asked that the scope of the EIS include potential effects on water rates for commercial and residential consumers.

Commenters requested that the EIS analyze how future restrictions on water will be determined and if the proposed facility will be required to restrict water consumption during the times of low levels and droughts.

Commenters requested that any reduction/cessation of operation requirements for the proposed facility should be available for public review as part of the EIS process as should as enforcement mechanisms for such requirements.

Commenters stated that the population of Tacoma is expected to grow and expressed concerns about if there will be enough water to meet future demands.

Commenters asked that the water utility rate and price structure is included in the scope of the EIS especially if NWIWT uses potable water from City of Tacoma sources.

Commenters are concerned about impacts to the City's watersheds and local aquifers.

Commenters asked that the EIS analyze the impacts of the proposed facility's water consumption on neighboring communities' water supplies.

Commenters want the scope of the EIS to detail specifically where the water supplied to the proposed facility will come from and if wells and aquifers will be used to meet the proposed water demands.

Commenters request that the EIS study the impacts to the Green River watershed including impacts to its flow, recreational use, ecosystem, and salmon species. Impacts to business that rely on the Green River were also requested for inclusion in the scope of the EIS.

Commenters expressed concern about the health of the South Tacoma Aquifer should additional water resources be allocated to the proposed facility and ask that the EIS review impacts to the South Tacoma Aquifer over the course of the next 30 years.

Commenters requested that the EIS include a study of potential water vapor released from the plant citing concerns about toxins that may have unknown impacts on the natural environment and human health.

Commenters ask the EIS study the dispersion of the water vapor released at the proposed facility which would be subject to winds and weather patterns.

Commenters asked that the EIS analyze what the impact of the plastics manufactured in China will have on the area's waterways.

Commenters stated that Tacoma has spent the past two decades cleaning up Commencement Bay from pollutants and ask that the EIS explore what impacts the proposed facility will have on those efforts.

Commenters requested that the EIS compare the proposed methanol plant's water pollution levels with other existing industries located within the City of Tacoma.

Commenters asked that the EIS also evaluate:

- The specific amount and quality of water required for each reaction and stage of industrial process at the proposed facility
- The temperature requirements of the water at each stage of its use at the proposed facility
- The demonstrated technology for effectively recycling and cooling water at the facility
- The environmental implications of recycling and cooling water in this way
- Alternatives that require less water usage and the environmental impacts of those alternatives
- The proposed project's ability to scale back use during drought periods
- Specific processes at the facility that can be curtailed under defined drought conditions
- NWIWT's plans or processes for water conservation during drought
- The means that the City of Tacoma has to enforce water conservation during drought at the facility
- How tidal forces will affect the water consumption and wastewater discharge from the proposed facility and environment
- The ecological impacts of the proposed facility's water use on the aquatic and terrestrial life near those water sources
- How impacts from the proposed facility may affect water customers, wildlife, and minimum in-stream flows in different seasons during and during periods of drought.

Commenters noted that climate change coupled with more intense and frequent rain events may impact the risks of flooding and damaging high tides at the facility.

Wastewater

Comments received included questions and concerns about wastewater associated with the plant and requested that the scope of the EIS include:

- The chemical composition of the wastewater emitted from the plant
- The chemicals present in the wastewater
- Whether the project can effectively use water sourced from wastewater treatment plants for some or all stages of the industrial process

- A description of the pretreatment process that will be implemented for discharged water if it is determined that the proposed facility cannot reuse such water
- Temperature of wastewater and its direct and indirect impacts
- If there will be a requirement to reduce the temperature of the wastewater, to what degree, and how it will be done
- Impacts from the wastewater on ecosystems including the tideflats, Commencement Bay and the Puget Sound
- If the proposed facility can use wastewater from the Tacoma Wastewater treatment plant in its operations and if it would require additional treatment
- A cost analysis of the City of Tacoma's water and on-site treatment requirements and costs

Commenters requested the EIS to analyze the acidity of the project's discharged water and potential impacts.

Commenters expressed concern over the additional load placed upon the Tacoma wastewater treatment plant and associated infrastructure.

Commenters wanted to know how the wastewater produced at the facility would affect the City's production of Tagro.

Appendix A: Determination of Significance

Determination of Significance, Notice of Request for EIS Scoping Comments, and Notice of Public Scoping Meeting

Proponent: Northwest Innovation Works, Tacoma, LLC
Project Name: Tacoma Manufacturing and Marine Export Facility (TMMEF)
Location of Proposal: Blair-Hylebos Peninsula, Port of Tacoma: 3400 Taylor Way, Tacoma, tax parcels: 0321363034, 0321363037, 0321363033, 0321363013, 0321363033, 0321363036, and 0321354035; see attached map (also at www.cityoftacoma.org/planning, under 'Proposed Methanol Plant')
SEPA Lead Agency: City of Tacoma – File No. SEPA2015-40000260025

Project Description: Northwest Innovation Works, Tacoma, LLC (NWIWT) proposes to develop and operate a natural gas-to-methanol production plant and export facility on approximately 125 acres in the Port of Tacoma (Port). The project objective is the manufacture and shipment of methanol (a liquid) to global markets for use as a feedstock for manufacturing olefins used in the production of plastics and other materials. The characteristics of the proposed project are described below.

As proposed, the plant will include up to four methanol production lines, each with a production capacity of 5,000 metric tons per day, for a total of 20,000 metric tons per day. The plant will also include ancillary elements such as an administrative and lab building, employee parking, access roadways, fire suppression facilities, air separation units, air storage, water storage and treatment facilities, wastewater treatment facilities, cooling towers, a flare system for the disposal of flammable gases and vapors, substations and emergency generators. Plant components are proposed to be primarily located on approximately 110 acres of Port property situated at the southwest base of the Blair-Hylebos peninsula. Construction is expected to proceed in two phases, each including two production lines totaling production capacity of 10,000 metric tons per day.

The plant will utilize ultra-low emissions (ULE) reforming technology, which will emit substantially lower greenhouse gas and other air pollutants compared to conventional technologies for reforming natural gas to methanol.

Natural gas will be delivered to the methanol plant via a new lateral pipeline, which will transmit odorized gas. Northwest Pipeline GP will be responsible for obtaining permits and constructing this lateral pipeline. This lateral pipeline will connect the existing regional pipeline to the NWIWT project site over an approximately 10-mile corridor through unincorporated Pierce County, the Puyallup Tribe of Indians Reservation, and the cities of Sumner, Puyallup, Fife, Tacoma, and potentially others. Separately, Northwest Pipeline GP is pursuing expansion of its regional pipeline between Sumas and Longview, Washington which is being permitted through the Federal Energy Regulatory Commission. NWIWT anticipates using natural gas distribution capacity that will be provided by that portion of the Northwest Pipeline regional expansion project between Sumas and Tacoma.

The production process will require up to approximately 10.4 million gallons per day of water, which will be supplied by the City of Tacoma Domestic water and sanitary services for on-site personnel use will be obtained from the City of Tacoma. Treated process wastewater (up to approximately 1.44 million gallons per day) will be discharged to the City of Tacoma's wastewater treatment works.

A construction stormwater permit will be required. Stormwater management post-construction will be discharged through Port of Tacoma outfalls or through the City of Tacoma's stormwater system.

At full production, the project will require up to approximately 450 megawatts of electrical power, which will be transmitted through the existing transmission system with localized upgrades if necessary.

The anticipated yearly production at full capacity is approximately 7.2 million metric tons of methanol. Up to approximately 300,000 metric tons of methanol will be stored in storage tanks at atmospheric pressure and ambient temperature and surrounded by secondary containment. Storage tanks will be co-located with plant components, as well as on approximately 15 acres of land adjacent to or in close proximity to the main 110 acre plant site. Methanol product will be transferred by pipeline across Port property from the storage area to the Port's existing deep draft marine terminal (the "East Blair One [EB1] terminal) on the Blair Waterway. Roadway improvements to access the EB1 terminal may be necessary. NWIWT anticipates loading between four and seven ships per month depending on vessel size. The Port will be responsible for obtaining permits for modifications to the dock, as well as localized dredging, if necessary, in the vicinity of the berth.

The plant will be operated in compliance with applicable fire, health, and safety regulations and codes. Plant safety features will include fire suppression systems, fire safety equipment, and storage and containment systems designed to current industry standards and regulatory requirements. NWIWT will conduct process safety management assessments and develop emergency response plans in accordance with applicable local, state and federal regulations.

Determination of Significance: NWIWT acknowledges the issuance of a Determination of Significance as the SEPA Threshold Determination in order to initiate SEPA scoping for an Environmental Impact Statement ("EIS") for the TMMEF Project. The EIS is not a substitute for permit review. It is a process that develops information that is used to support permit review and development of recommended mitigation measures related to potential impacts associated with matters such as transportation, fire, health and safety. Key permits for this project include the City of Tacoma Shoreline Substantial Development Permit, Department of Ecology Water Quality Certification, the Department of Fish and Wildlife's Hydraulic Project Approval, the U.S. Army Corps of Engineers' Sections 10 and 404 permits, and a Notice of Construction air contaminant permit from Puget Sound Clean Air Agency. The federal permits will likely involve a thorough review of waterway operations by the US Coast Guard.

Scoping: Consistent with TMC Chapter 13.12, the City of Tacoma, as SEPA lead agency, is initiating a 60-day scoping process beginning December 15, 2015 and ending on February 17, 2016 to narrow the scope of the EIS. The NWIWT Project EIS will discuss the probable significant adverse impacts of the proposed action, the no-action alternative, and alternatives that are capable of attaining the proposal's objectives stated above. The Blair-Hylebos Terminal Redevelopment Project FEIS (Feb. 2009) and the Tacoma LNG FEIS (Nov. 2015) are proposed for incorporation, to the extent relevant, by reference under WAC 197-11-600(4)(b) to provide additional information and analysis in preparation of the project-specific TMMEF EIS. The City has determined that Environmental Health and Safety ("EH&S") will be areas of emphasis in the EIS.

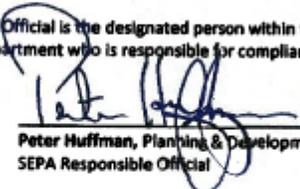
In addition to the foregoing topics, agencies, affected tribes, and members of the public are invited and encouraged to comment on the scope of this EIS. You may comment on alternatives, proposed mitigation measures, probable significant adverse impacts, permits, licenses and/or other approvals that may be required. The City will use the scoping comments to help define the topics to be examined closely in the project-specific EIS. Methods for presenting your comments are described below. All comments are due no later than 5 p.m. on February 17, 2016.

- **EIS Public Scoping Meetings (2)** – The first EIS Public Scoping Meeting is scheduled to begin at 6:30 p.m. on Thursday January 21, 2016 at the City Convention Center, 1500 Broadway; NWWT will have representatives and materials available in the foyer to share currently available information beginning at 5 p.m. The second EIS Public Scoping Meeting is proposed for February 16 in NE Tacoma (taking further public comment and comments on the draft scope developed by City staff and posted on City website February 9); time and location will be posted on the City web page as these are determined.
- The purpose of the public scoping meeting is to provide information about the proposed project and to provide an opportunity to make oral comment on the scope of the EIS. Additionally, written comments will be accepted at this meeting (comment forms will be available) which will be entered in the proposal's environmental review record as scoping comments. Additional information may be found at www.cityoftacoma.org/planning.
- **Submittal of written comments** - Written comments may be submitted via mail, e-mail or fax to the City's Project Manager, as follows

Project Manager:	Ian Munce, AICP, Principal Planner
Address:	City of Tacoma Planning & Development Services Department 747 Market Street, Suite 345 Tacoma, WA 98402
E-mail:	tacoma.methanol.sepa@cityoftacoma.org
Phone#:	(253) 573-2478
Fax#:	(253) 591-5433

Responsible Official: The Responsible Official is the designated person within the City of Tacoma's Planning & Development Services Department who is responsible for compliance with the SEPA lead agency procedural responsibilities.

Issuance Date: December 15, 2015



Peter Huffman, Planning & Development Services Director
SEPA Responsible Official

Tacoma Daily Index Publication: December 15, 2015 and December 22, 2015

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PROJECT AREA MAP

Proponent: Northwest Innovation Works, Tacoma, LLC
Project Name: Tacoma Manufacturing and Marine Export Facility (TMMMF)
SEPA Lead Agency: City of Tacoma
Agency File No.: SEPA2015-40000260025



Proposed Tacoma Methanol Manufacturing and Export Facility
□ Project Location*
* Approximately 15 acres of land adjacent to or in close proximity to the location shown above will be needed for storage tanks.



Contact: Ian Munce
Building and Land Use Services
City of Tacoma
747 Market Street, Room 345, Tacoma, WA 98402
(253) 573-2478 | imunce@cityoftacoma.org

Appendix B: Revised Determination of Significance

Determination of Significance, Notice of Request for EIS Scoping Comments, and Notice of Public Scoping Meeting: Updated January 27, 2016

Proponent: Northwest Innovation Works, Tacoma, LLC
Project Name: Tacoma Manufacturing and Marine Export Facility (TMMEF)
Location of Proposal: Blair-Hylebos Peninsula, Port of Tacoma: 3400 Taylor Way, Tacoma, tax parcels: 0321363034, 0321363037, 0321363033, 0321363013, 0321363033, 0321363036, and 0321354035; see attached map (also at www.cityoftacoma.org/planning, under "Proposed Methanol Plant")
SEPA Lead Agency: City of Tacoma – File No. SEPA2015-4000260025

Project Description: Northwest Innovation Works, Tacoma, LLC (NWIWT) proposes to develop and operate a natural gas-to-methanol production plant and export facility on approximately 125 acres in the Port of Tacoma (Port). The project objective is the manufacture and shipment of methanol (a liquid) to global markets for use as a feedstock for manufacturing olefins used in the production of plastics and other materials. The characteristics of the proposed project are described below.

As proposed, the plant will include up to four methanol production lines, each with a production capacity of 5,000 metric tons per day, for a total of 20,000 metric tons per day. The plant will also include ancillary elements such as an administrative and lab building, employee parking, access roadways, fire suppression facilities, air separation units, air storage, water storage and treatment facilities, wastewater treatment facilities, cooling towers, a flare system for the disposal of flammable gases and vapors, substations and emergency generators. Plant components are proposed to be primarily located on approximately 110 acres of Port property situated at the southwest base of the Blair-Hylebos peninsula. Construction is expected to proceed in two phases, each including two production lines totaling production capacity of 10,000 metric tons per day.

The plant will utilize ultra-low emissions (ULE) reforming technology, which will emit substantially lower greenhouse gas and other air pollutants compared to conventional technologies for reforming natural gas to methanol.

Natural gas will be delivered to the methanol plant via a new lateral pipeline, which will transmit odorized gas. Northwest Pipeline GP will be responsible for obtaining permits and constructing this lateral pipeline. This lateral pipeline will connect the existing regional pipeline to the NWIWT project site over an approximately 10-mile corridor through unincorporated Pierce County, the Puyallup Tribe of Indians Reservation, and the cities of Sumner, Puyallup, Fife, Tacoma, and potentially others. Separately, Northwest Pipeline GP is pursuing expansion of its regional pipeline between Sumas and Longview, Washington which is being permitted through the Federal Energy Regulatory Commission. NWIWT anticipates using natural gas distribution capacity that will be provided by that portion of the Northwest Pipeline regional expansion project between Sumas and Tacoma.

The production process will require up to approximately 10.4 million gallons per day of water, which will be supplied by the City of Tacoma Domestic water and sanitary services for on-site personnel use will be obtained from the City of Tacoma. Treated process wastewater (up to approximately 1.44 million gallons per day) will be discharged to the City of Tacoma's wastewater treatment works.

A construction stormwater permit will be required. Stormwater management post-construction will be discharged through Port of Tacoma outfalls or through the City of Tacoma's stormwater system.

At full production, the project will require up to approximately 450 megawatts of electrical power, which will be transmitted through the existing transmission system with localized upgrades if necessary.

The anticipated yearly production at full capacity is approximately 7.2 million metric tons of methanol. Up to approximately 300,000 metric tons of methanol will be stored in storage tanks at atmospheric

pressure and ambient temperature and surrounded by secondary containment. Storage tanks will be co-located with plant components, as well as on approximately 15 acres of land adjacent to or in close proximity to the main 110 acre plant site. Methanol product will be transferred by pipeline across Port property from the storage area to the Port's existing deep draft marine terminal (the "East Blair One [EB1] terminal) on the Blair Waterway. Roadway improvements to access the EB1 terminal may be necessary. NWIWT anticipates loading between four and seven ships per month depending on vessel size. The Port will be responsible for obtaining permits for modifications to the dock, as well as localized dredging, if necessary, in the vicinity of the berth.

The plant will be operated in compliance with applicable fire, health, and safety regulations and codes. Plant safety features will include fire suppression systems, fire safety equipment, and storage and containment systems designed to current industry standards and regulatory requirements. NWIWT will conduct process safety management assessments and develop emergency response plans in accordance with applicable local, state and federal regulations.

Determination of Significance: NWIWT acknowledges the issuance of a Determination of Significance as the SEPA Threshold Determination in order to initiate SEPA scoping for an Environmental Impact Statement ("EIS") for the TMMEF Project. The EIS is not a substitute for permit review. It is a process that develops information that is used to support permit review and development of recommended mitigation measures related to potential impacts associated with matters such as transportation, fire, health and safety. Key permits for this project include the City of Tacoma Shoreline Substantial Development Permit, Department of Ecology Water Quality Certification, the Department of Fish and Wildlife's Hydraulic Project Approval, the U.S. Army Corps of Engineers' Sections 10 and 404 permits, and a Notice of Construction air contaminant permit from Puget Sound Clean Air Agency. The federal permits will likely involve a thorough review of waterway operations by the US Coast Guard.

Scoping: Consistent with TMC Chapter 13.12, the City of Tacoma, as SEPA lead agency, is initiating a 60-day scoping process beginning December 15, 2015 and ending on February 17, 2016 to narrow the scope of the EIS. The NWIWT Project EIS will discuss the probable significant adverse impacts of the proposed action, the no-action alternative, and alternatives that are capable of attaining the proposal's objectives stated above. The Blair-Hylebos Terminal Redevelopment Project FEIS (Feb. 2009) and the Tacoma LNG FEIS (Nov. 2015) are proposed for incorporation, to the extent relevant, by reference under WAC 197-11-600(4)(b) to provide additional information and analysis in preparation of the project-specific TMMEF EIS. The City has determined that Environmental Health and Safety ("EH&S") will be areas of emphasis in the EIS.

In addition to the foregoing topics, agencies, affected tribes, and members of the public are invited and encouraged to comment on the scope of this EIS. You may comment on alternatives, proposed mitigation measures, probable significant adverse impacts, permits, licenses and/or other approvals that may be required. The City will use the scoping comments to help define the topics to be examined closely in the project-specific EIS. Methods for presenting your comments are described below. All comments are due no later than 5 p.m. on February 17, 2016 [March 4, 2016](#).

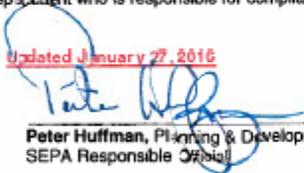
- **EIS Public Scoping Meetings (2-3)** – The first EIS Public Scoping Meeting is scheduled to begin at 6:30 p.m. on Thursday January 21, 2016 at the City Convention Center, 1500 Broadway. NWIWT will have representatives and materials available in the foyer to share currently available information beginning at 5 p.m. [The second EIS Public Scoping Meeting is scheduled to begin at 6:30 p.m. on Wednesday, February 10, 2016, in the 5th Floor Exhibit Hall at the City Convention Center, 1500 Broadway \(doors will open at 5:00 p.m. for speaker sign-up; speakers will be called upon in order of sign-up\).](#) [The third EIS Public Scoping Meeting is scheduled for February 16 at Maeker Middle School in NE Tacoma. Doors will open at 5:00 p.m. for speaker sign-up; the meeting will begin at 6:30 p.m. We are locating the third meeting to make it easier for NE Tacoma residents to attend.](#)

- City staff plan to have a draft Scope of Work available and posted on the project web page no later than February 5, 2016. As much as possible, the second and third hearings should focus on the details of the Scope of Work.
- The purpose of the public scoping meeting is to provide information about the proposed project and to provide an opportunity to make oral comment on the scope of the EIS. Additionally, written comments will be accepted at this meeting (comment forms will be available) which will be entered in the proposal's environmental review record as scoping comments. Additional information may be found at www.cityoftacoma.org/planning.
- **Submittal of written comments** - Written comments may be submitted via mail, e-mail or fax to the City's Project Manager, as follows:

Project Manager: Ian Munce, AICP, Principal Planner
Address: City of Tacoma: Planning & Development Services Department
747 Market Street, Suite 345, Tacoma, WA 98402
E-mail: tacoma.methanol.sepa@cityoftacoma.org
Phone#|Fax #: (253) 573-2478 | (253) 591-5433

Responsible Official: The Responsible Official is the designated person within the City of Tacoma's Planning & Development Services Department who is responsible for compliance with the SEPA lead agency procedural responsibilities.

Issuance Date: December 15, 2015, Updated January 27, 2016

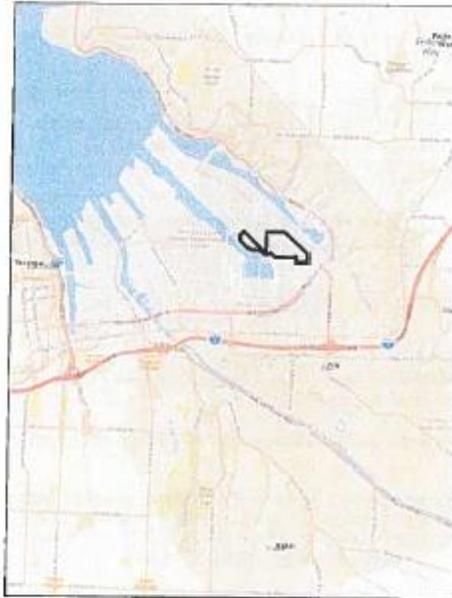

Peter Huffman, Planning & Development Services Director
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Proposed Tacoma Methanol Manufacturing and Export Facility
Project Location*

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Contact: Ian Munce
Building and Land Use Services
City of Tacoma
747 Market Street, Room 345, Tacoma, WA 98402
(253) 573-2478 | Tacoma.methanol.sepa@cityoftacoma.org

RESOLUTION NO. 16-701

A RESOLUTION of the City Council of the City of Federal Way, Washington, opposing the development and operation of a natural gas-to-methanol production plant in the City of Tacoma.

WHEREAS, Northwest Innovation Works Tacoma, LLC (“NWIW”), a business venture formed with funding from the Chinese government and British Petroleum, has proposed to develop and operate a natural gas-to-methanol production plant in the City of Tacoma on approximately 125 acres leased from the Port of Tacoma; and

WHEREAS, the development and operation of the proposed project has created concern for the health and safety of citizens and the impact on resources; and

WHEREAS, the potential air pollution, water pollution, and exposure to methanol produced by this project could be related to various diseases, cause serious negative health impacts, and have unknown impacts on the natural environment and human health; and

WHEREAS, the development and operation of this project has the potential for increased risks of exposure to pollutants and toxic chemicals due to spills, leaks, fires, explosions, and natural or other disasters; and

WHEREAS, the project has generated concerns about the methods and costs to address mitigation measures such as accident and disaster preparedness, health impacts, decreased property values, and medical expenses due to increased exposure; and

WHEREAS, the project has generated concerns about the methods and costs of restoring damaged ecosystems such as waterways, plants, and animals; and

WHEREAS, the development and operation of this project will require an estimated water consumption of between 10 to 14 million gallons per day and, at full production, require up to 450 megawatts of electrical power; and

WHEREAS, the City of Federal Way shares both a border and a shoreline with the City of Tacoma and is within two miles of the project site at the Port of Tacoma; and

WHEREAS, despite the City of Federal Way's close proximity to this proposed project, neither the City of Tacoma nor the Port of Tacoma has reached out to the City of Federal Way or its residents regarding the potential impacts of this proposed plant; and

WHEREAS, the lack of transparency regarding the public process and input surrounding the project is of great concern to the City of Federal Way and its residents; and

WHEREAS, it is unclear what the exact environmental impacts to the City of Federal Way and its residents will be; and

WHEREAS, environmental impacts such as air quality and the safety of residents will not stop at the King-Pierce County line; and

WHEREAS, the February 5, 2016 City of Tacoma EIS Draft Scope of Work for the NWIW Methanol Plant does not clearly state that the off-site impacts to Federal Way residents will be taken into consideration;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF FEDERAL WAY, RESOLVES AS FOLLOWS:

Section 1. Opposition to Proposed Project. Due to a lack of information and the apparent absence of an adequate and transparent process surrounding this proposed project, the Federal Way City Council is opposed to Northwest Innovation Work's methanol plant proposal at this time.

Section 2. Scoping Comments. The Federal Way City Council submits the following issues for inclusion into the EIS Scope of Work by the City of Tacoma:

1. Consideration of off-site impacts that extend into the City of Federal Way.
2. Environmental impacts, safety records and mitigation measures for other methanol facilities, on an international basis for the methanol industry and the principals involved with the Tacoma project.
3. Public health risks of exposure to methanol pollutants, including air quality, water quality and usage, soil leeching, and industrial accidents.
4. Workplace safety risks for employees of the methanol plant and neighboring industrial users of the Port of Tacoma.
5. Risk analysis for industrial accidents and impact of man-made or natural disasters, both during construction and operation.
6. Pipeline safety, during construction and operation.
7. Short and long term impacts on natural resources during construction and operation, including:
 - a) Impacts of dredging;
 - b) Air and soil plume formation and migration;
 - c) Water temperatures, both in Puget Sound and the Hylebos Watershed;
 - d) Water supply impacts, including drought-year planning; and
 - e) Impacts to wildlife and marine species.
8. Cost-benefit analysis during construction and operation, including:
 - a) Net job gain or loss to regional and U.S. economies as a result of the project, and contribution to the U.S. trade deficit with China;
 - b) Impacts to other U.S. industries;
 - c) Consideration of other geographic or technical alternatives to the project location; and
 - d) Economic volatility of the benefitting industry.
9. Environmental justice issues related to economically distressed communities, minority communities, and efforts to address language and cultural barriers to participation of these communities in the process.

This list is not intended to be all inclusive of the potential impacts to be considered, but rather, a beginning point from which to expand as the impacts are more fully examined.

Section 3. Severability. If any section, sentence, clause or phrase of this resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this resolution.

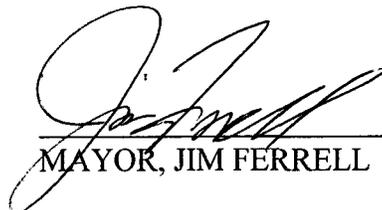
Section 4. Corrections. The City Clerk and the codifiers of this resolution are authorized to make necessary corrections to this resolution including, but not limited to, the correction of scrivener/clerical errors, references, resolution numbering, section/subsection numbers and any references thereto.

Section 5. Ratification. Any act consistent with the authority and prior to the effective date of this resolution is hereby ratified and affirmed.

Section 6. Effective Date. This resolution shall be effective immediately upon passage by the Federal Way City Council.

RESOLVED BY THE CITY COUNCIL OF THE CITY OF FEDERAL WAY,
WASHINGTON this 11th day of February 2016.

CITY OF FEDERAL WAY


MAYOR, JIM FERRELL

ATTEST:


CITY CLERK, STEPHANIE COURTNEY, CMC

APPROVED AS TO FORM:



CITY ATTORNEY, AMY JO PEARSALL

FILED WITH THE CITY CLERK: 02/11/2016
PASSED BY THE CITY COUNCIL: 02/11/2016
RESOLUTION NO.: 16-701



March 9, 2016
SCA PIC Meeting

Item 8:
2016 Legislative Session Update
UPDATE

SCA Staff Contact

Katie Kuciemba, Senior Policy Analyst, katie@soundcities.org, 206-433-7169

Update

SCA staff will provide an update on issues currently before the 2016 Legislature, focusing on issues of commonality identified by a majority of cities in the legislative agendas submitted to SCA. Those issues include: raising the property tax cap; strengthening the Public Records Act; responding to the homelessness crisis, passing affordable housing and mental health legislation; and ensuring reliable funding for infrastructure. The 2016 legislative session convened on January 11, 2016, and is scheduled to adjourn March 10, 2016.

Background

The Washington State Legislature convened for the first day of session on January 11, 2016. In an odd-numbered year, for example, 2015, the regular session is 105 days; in an even-numbered year, for example, 2016, it is 60 days.

2016 Session Cutoff Calendar

January 11, 2016	First Day of Session
February 5, 2016	Last day to read in committee reports in house of origin, except House fiscal committees and Senate Ways & Means and Transportation committees.
February 9, 2016	Last day to read in committee reports from House fiscal committees and Senate Ways & Means and Transportation committees in house of origin.
February 17, 2016	Last day to consider bills in house of origin (5 p.m.).
February 26, 2016	Last day to read in committee reports from opposite house, except House fiscal committees and Senate Ways & Means and Transportation committees.
February 29, 2016	Last day to read in opposite house committee reports from House fiscal committees and Senate Ways & Means and Transportation committees.
March 4, 2016	Last day to consider opposite house bills (5 p.m.) (except initiatives and alternatives to initiatives, budgets and matters necessary to implement budgets, differences between the houses, and matters incident to the interim and closing of the session).
March 10, 2016	Last day allowed for regular session under state constitution.

Supplemental Budget Proposals

The House Democrats released their supplemental budget proposal on Monday, February 22 and then passed it on a party-line vote on Thursday, February 25. The budget relies on the state's Rainy Day Account to help cover the cost of last year's wildfires, homelessness programs and to build more public school classrooms. The budget also would collect and spend \$119 million from changes to existing tax preferences which have yet to pass (including nonresident sales tax exemption, the bottled water sales tax exemption, and the REET exemption on foreclosure sales), used for teacher recruitment and retention.

The proposal does not include additional diversions of revenues shared with cities. However, it takes the remaining \$10 million in revenue from the Public Works Trust Fund as previously decided in the 2015-17 operating budget. The proposal includes an additional \$49 million for mental health programs and services and \$60 million for homelessness, including homelessness assistance, temporary beds for homeless youth, and two new grant programs for homeless students.

On Wednesday, February 24, the Senate Republicans released their proposal and passed it on a party-line vote on Friday, February 26. It adds about \$49 million in spending to the current budget, largely focused on mental health and wildfires. It also provides \$6.6 million for charter schools to stay open in Washington.

A number of items in the Senate budget would negatively impact cities. Specifically, the Senate's proposal:

- Eliminates funding for the Municipal Research & Services Center beginning July 1, 2016.
- Eliminates the Fire Insurance Premium Tax.
- This fund helps 44 cities across the state meet their obligations under LEOFF 1. Per AWC, this proposal would "sweep" the funds away from cities. This is of particular concern to the ten cities in King County currently receiving these funds. The breakdown by city on the fiscal impact of this can be found [here](#).
- Merges the LEOFF 1 retirement system with the Washington Teachers' Retirement System Plan 1 (TRS 1).
 - AWC is concerned that this could result in an unfunded mandate to cities, and about redirection of retirement contributions made by cities.
- Substantially raises the direct cost to many cities for sending officers to the Basic Law Enforcement Academy.

Cities are encouraged to contact their Senators to share their concerns on these issues.

While both budgets fund mental health and wildfires, they remain apart by more than \$400 million in overall spending. Now the House and Senate budget negotiators will need to reach agreement on what to include in the final supplemental budget.

(Note: Per AWC, there are last minute rumors that there may not actually be a need to pass a supplemental budget in 2016 – stay tuned for more information on this in the closing days of the session.)

Model Toxics Control Account (MTCA)

Many SCA members expressed concern in their Legislative Agendas about the significant decline in Model Toxics Control Account (MTCA) revenue, upwards of a \$100 million revenue shortfall. (This shortfall is caused by a drop in the price of oil.) The House proposal was silent on how to address the MTCA revenue shortfall, meaning Ecology could manage this downfall in revenues, first by delaying cleanup projects, and then by delaying other capital projects.

The Senate proposes specific cuts to various appropriations and programs including:

- \$39.1 million in stormwater project grants;
- \$2.9 million in stormwater capacity grants;
- \$17.5 million for toxic cleanups (primarily Puget Sound and Eastern WA Clean Sites programs); and
- \$0.9 million in Shoreline Management grants.

The House and Senate negotiators will need to find a approach that works for both chambers in order to pass a supplemental budget.

2016 Legislative Session Priorities for the Sound Cities Association (SCA)

Raising the 1% Property Tax Cap

In partnership with the Washington State Association of Counties (WSAC), Kenmore Mayor David Baker spoke with legislators in Olympia on February 18, 2016 in support of raising the 1% property tax cap. By way of background, SCA has a policy position supporting legislation to raise the 1% property tax revenue limit adopted in December 2014.

Significant work will take place during the interim to develop a recommended solution for the 2017 legislative session. It is anticipated that WSAC and AWC will be convening a stakeholder group after the 2016 session concludes.

Public Records

Representative Joan McBride was the prime sponsor of [HB 2576](#), intended to revise the public records act with regard to requests to local agencies. HB 2576 was not voted by the House and is no longer moving forward. Representative McBride successfully added funding to the House budget for the Ruckelshaus Center to study issues around public records. AWC and SCA will continue to work on this issue and engage stakeholders over the interim in preparation for the 2017 session.

Affordable Housing

[SB 6239](#), sponsored by Senator Joe Fain, authorizes a local option property tax exemption program for multi-family properties that provide a percentage of affordable housing. While this bill was initially proposed by Seattle, it was brought forward with significant outreach to and feedback from SCA member cities.

SB 6239 was passed by the Senate by a vote of 36 – 13 on February 16. In the House, an amendment was introduced that limits tax exemption eligibility to properties owned by

nonprofit organizations. The City of Seattle and other stakeholders are concerned about the effect of limiting the tax exemption. The bill has been referred to the House Rules Committee.

Infrastructure Financing

A bill sponsored by Senator Karen Keiser last year, [SB 5624](#), aims to improve access to low-cost market financing for local infrastructure projects through credit enhancements and pooling. This bill would pledge the state's full faith, credit and taxing power for bonds issued to finance approved local infrastructure projects and would authorize the State Treasurer to issue bonds in a pool to support multiple projects. Extending the state's backing to bonds for local projects requires an amendment to the Washington State Constitution.

While not an adequate replacement of the Public Works Assistance Account, Centennial Clean Water Fund, and other infrastructure programs, SB 5624 acknowledges the need for cities' to keep up with local infrastructure demands and financing.

SB 5624 passed in the Senate by a vote of 47 – 2 on February 10, with a hearing in the House Committee on Capital Budget on February 26. The bill is currently awaiting action by the Capital Budget Committee.

Other Areas of Interest

Additional issues that were identified by multiple cities were: clarification of recreational immunity, solar energy incentives, expanding the product stewardship program, local control of fireworks regulations and bans, streamlined sales tax, body cameras, Model Toxics Control Act funding protection, restoration of the Liquor Revolving Account distributions, and marijuana regulation.

Fireworks Ban

[HB 2348](#) would have removed the one year waiting period for local governments to adopt fireworks ordinances. After several amendments and considerable opposition from the fireworks industry and some tribes, HB 2348 failed to advance out of the House and is considered dead for the session.

Police Body Cameras

[HB 2362](#), sponsored by Representative Drew Hansen, sets rules on what body-camera footage is presumed to be private under the Public Records Act; sets up a task force to examine best practices for their use; and requires police agencies that use the cameras to adopt policies, including that the cameras must be turned off in homes unless a crime is being committed or appears imminent. The measure passed 61-36 on February 22 in the House of Representatives. After HB 2362 passed with amendments in the Senate Law & Justice Committee on February 26, it currently resides in the Senate Rule Committee for second reading.

The amendments passed by the Senate Law & Justice Committee prohibit introduction of body-worn camera footage as evidence in a criminal proceeding unless there is probable cause to believe that the footage is evidence of criminal activity constituting a felony

offense, or driving while impaired, or where the footage is obtained in the course of executing a valid warrant or obtained under exigent circumstances. Disclosure of a body camera recording is presumed to be highly offensive where the recording depicts a patient at a medical center for treatment, or protected health information. Finally, policies are not required to have an officer deactivate a body-worn camera when entering a residence.

King County Roads

King County's legislation concerning county road administration and maintenance, [SB 6314](#), sponsored by Senator Fain was passed by the Senate with a unanimous vote (47 – 0, 2 excused). A hearing occurred in the House Committee on Local Government on February 24 and was voted out of committee by party line and now resides in the House Rules Committee. Stakeholders agreed to an amendment to avoid changing the scope of appraisers' work in valuation of vacated roads. Appraisers have a standard of practice which prevents determining valuation on a public benefit; that portion of the bill was removed.

Liquor Revenue

[HB 2438](#), sponsored by Representative Terry Nealey, and [SB 6425](#), sponsored by Senator Mike Hewitt, gradually restores city and county liquor profits by increasing the local share by \$2.5 million per year beginning in state fiscal year 2018 until the historic profit sharing formula is restored in state fiscal year 2024. The proposal has no impact on the state's 2015-17 budget and a modest (\$7.5 million) impact on the state's 2017-19 budget.

Although the bill was not brought for a vote on the House floor by the February 17 deadline, Representative Tana Senn attempted to have this be a discussion in the supplemental operating budget. It is not anticipated that the legislation or appropriations request were moved forward in the 2016 legislative session.

Paint Stewardship

[HB 1571](#), sponsored by Representative Strom Peterson, would create a paint recycling program under the Department of Ecology. In 2015, the SCA Board of Directors sent a letter expressing support for a product stewardship program that will allow residents to return unused paint for reuse, recycling, or proper disposal. HB 1571 was passed by the Senate on February 10 with a vote of 51 – 46. A hearing for HB 1571 was held in the Senate Committee on Energy and Environment & Telecommunications on February 23.

Local Government Modernization

[HB 2427](#), sponsored by Representative Larry Springer, was originally drafted by King County as legislation to modernize the way local governments do business, including use of electronic signatures. The legislation passed the House of Representatives on February 16 and had a public hearing in the Senate Government Operations & Security Committee, where it was subsequently voted out with amendments on February 26. Currently, the bill is in the Senate Rules Committee.

The amendment passed by the Senate Government Operations & Security Committee states that cities must advise county governing bodies of city intent to be included in or excluded from a public transportation benefit area by ordinance. This amendment is known to only affect jurisdictions with public transit districts (Pierce Transit and Community Transit).

According to AWC, there are differing opinions over whether HB 2427 allows authority for cities to use an electronic signature whenever the use of a written signature is authorized or required.

Next Steps

Additional and up-to-date information, including opportunities for testimony on pertinent bills, will be provided at the March 9, 2016 PIC meeting. SCA staff will continue to work with Association of Washington Cities, PSRC, King County and SCA member cities in tracking commonly identified issues.



March 9, 2016
SCA PIC Meeting

Item 9:

SCA and All Home Convening of Cities on Homelessness

UPDATE

SCA Staff Contact

Ellie Wilson-Jones, SCA Policy Analyst, ellie@soundcities.org, 206-433-7167

SCA All Home Coordinating Board Members

SCA President and Auburn Mayor Nancy Backus; Kirkland Councilmember Doreen Marchione

Update

As SCA cities have observed and the January 29, 2016 One Night Count confirmed, homelessness is increasing across King County. In response, SCA is partnering with All Home to convene King County cities on March 11, 2016 to study, discuss, and develop best and promising practices for responding to homelessness. An invitation to the half-day event at Tukwila Community Center has been distributed to cities in King County. Each city is invited to send a team made up of a city elected official, a city manager/administrator, one human services staff, and one first responder. Additionally, because communities across the state are also experiencing an increase in homelessness, the Association of Washington Cities has dedicated its most recent issue of Cityvision Magazine to the efforts of communities to provide housing and services. Members may wish to explore this resource in addition to the information that will be shared at the March 11 Convening.

Background

At the February 10, 2016 Public Issues Committee (PIC) meeting, members received an update about SCA's work with All Home to convene cities to discuss issues related to homelessness. The PIC was also presented with a summary of the January 29, 2016 One Night Count results for King County at that time. The February 2016 PIC staff report, which includes a summary of the One Night Count results, is available [here](#) (see page 31). As explained in that staff report, the SCA and All Home Convening of Cities is being held pursuant to the [All Home Strategic Plan](#), which was adopted in 2015 and endorsed by SCA. One action step identified in the All Home Strategic Plan is to hold a convening of cities to discuss best practices for responding to homelessness, with a particular focus on fostering collaboration between first responders, service providers, and local communities to increase housing stability.

March 11, 2016 SCA and All Home Convening of Cities

Pursuant to the All Home Strategic Plan, teams from each King County city have been invited to attend an 8 a.m. to 12:30 p.m. event at Tukwila Community Center to delve into the challenges communities are facing with homelessness and offer insights from other jurisdictions. The invitation, which has been distributed by email to SCA member cities, is included as [Attachment A](#). As of February 29, 19 King County cities had confirmed their participation in the Convening:

- Auburn
- Bellevue
- Bothell
- Burien
- Covington
- Federal Way
- Issaquah
- Kenmore
- Kent
- Kirkland
- Lake Forest Park
- Normandy Park
- Redmond
- Renton
- Sammamish
- SeaTac
- Seattle
- Shoreline
- Tukwila

Each city has been asked to include an elected official, city manager or administrator, first responder, and human services staff on their team. The registration deadline is March 7. Cities may register their teams [here](#). For more information about registration, or to inquire about the availability of late registration, contact SCA Policy Analyst Ellie Wilson-Jones at ellie@soundcities.org.

Additional Resources for Cities Working to Address the Issue of Homelessness

The January/February 2016 issue of Cityvision Magazine, a publication of the Association of Washington Cities (AWC), details the efforts of communities to provide the housing and services necessary to assist homeless individuals with becoming housed. The full issue is posted on the AWC website [here](#).

The issue highlights a number of initiatives that will also be addressed at the March 11 Convening, including work undergone in the City of Bellingham (see “Home Rule”, page 11, for a Q&A with Bellingham Mayor Kelli Linville and hear Greg Winter with the Opportunity Council of Whatcom County speak at the March 11 Convening) and efforts to establish community task forces to address the underlying causes of and community concerns about homelessness (see “The Last Shall Be First”, page 15, detailing Everett’s effort in the and hear about Redmond and Auburn’s task forces at the March 11 Convening).

Next Steps

The SCA and All Home Convening of Cities will be held March 11, 2016. PIC members are encouraged to assist their cities in gathering a team to attend the Convening if their city is not already registered.

Attachment

- A. [SCA and All Home Convening of Cities Invitation](#)



CONVENING OF CITIES

All Home and the Sound Cities Association are partnering to convene King County cities to strengthen relationships within and across communities to respond to the growing crisis of homelessness.

In the recent 2016 One Night Count, 4,505 people surviving without shelter were identified—a 19 percent increase from last year and the third double digit spike in a row. Because there is no one cause or solution for homelessness and no single actor can solve it, the Convening of Cities will highlight cross-sector efforts that bring city governments and residents together to respond to local needs. And because the challenges of homelessness do not stop or start at city borders, the Convening will engage cities in regional collaboration.

- **Who:** Each King County city is invited to send a team of up to four people. When identifying your team, please include one representative for city administration (mayor, manager, or administrator), a city elected official, one human services staff, and one first responder (police or fire).
- **When:** March 11, 2016, 8:00 a.m. to 12:30 p.m.
- **Where:** Tukwila Community Center, 12424 42nd Avenue South, Tukwila, WA 98168
- **Why:** All Home's new [Strategic Plan](#) sets out to make homelessness rare, brief, and one-time and to build a community to address the current homelessness crisis. Toward that end, the Plan calls for King County cities to come together to foster collaboration between first responders, human services staff, and other city staff and officials to strengthen the response to homelessness within and across communities.

REGISTRATION

To register, visit the [Registration Website](#) and sign up your city's team by March 7, 2015. Due to space constraints, registration will be limited and may be closed earlier if capacity is reached. Registration questions can be directed to ellie@soundcities.org.

Thank you to the City of Tukwila for hosting this event at the Tukwila Community Center.



March 9, 2016
PIC Meeting

Item 10:

Best Starts for Kids Levy - Youth and Family Homelessness Prevention Initiative
Implementation Plan

UPDATE

SCA Staff Contact

Deanna Dawson, SCA Executive Director, Deanna@soundcities.org, 206-433-7170

Children and Youth Advisory Board Members

Mayor Nancy Backus, Auburn; Councilmember Hilda Thompson, Lake Forest Park

Update

The Best Starts for Kids Levy sets aside \$19 million of the first year's levy proceeds for youth and family homelessness prevention. The levy ordinance directs the Executive to submit to the King County Council for review and approval an implementation plan relating to the youth and family homelessness prevention initiative by March 1, 2016. The services outlined in the implementation plan will provide services to youth and families at imminent risk of homelessness through client-centered, outcomes-focused case management, and flexible financial assistance.

The King County Executive transmitted the Youth and Family Homelessness Prevention Implementation Plan to the County Council on March 1, 2016, [Attachment C](#). This plan was developed by county staff, with input from a group of stakeholders convened by the Executive, and from the Children and Youth Advisory Board.

The Initiative is modeled on a pilot program implemented by the Washington State Coalition Against Domestic Violence and funded by the Bill & Melinda Gates Foundation and the Medina Foundation. A study of this pilot project found successful outcomes relating to participants' ability to get and keep safe and stable housing. Nearly all program participants, including those with very low incomes, maintained permanent housing for a prolonged period of time after receiving assistance. More information about that pilot project can be found in the attached Plan, and at <http://wscadv.org/projects/domestic-violence-housing-first>. The pilot program also focused on ensuring that services were culturally appropriate and delivered by a case manager/advocate who was from the same culture and spoke the same language as the survivors.

While the pilot project on which the Plan was based focused on addressing domestic violence as a cause of homelessness, research shows that other factors are predictive of a youth becoming homeless, e.g., LGBTQ, juvenile justice system involvement, school suspensions, and involvement with the foster care system.

Additionally, the Plan addresses disproportionality among those experiencing homelessness. For example, Native Americans are seven times more likely to become homeless. African Americans are five times more likely to become homeless and Native Hawaiians/Asian Pacific Islanders three times more likely. Of the youth who are homeless, at least 20 percent of young people accessing services identify as LGBTQ, compared to 4 percent of the general population.

The Plan uses a “progressive engagement” model of case management. That is, it focuses on “right sizing” services to the individual needs of those being served. The pilot project on which the Plan is based found that about one-third of the families needed minimal health supports, one-third needed a medium level of intervention and services, and one-third needed more intensive case management.

The Plan targets youth and family at imminent risk of homelessness. The funds are intended to be highly flexible. The County will then evaluate whether certain types of expenditures are more or less successful in preventing a family or youth from becoming homeless.

All participating agencies will be required to enter client data into the Homeless Management Information System (HMIS). This will allow for study of the efficacy of the Plan, and a determination of whether program participants actually avoided homelessness. Success of the Plan will be based on whether 1) the individuals served do not access homeless services, as demonstrated by not showing up in the HMIS; and 2) there is a reduction in the number of youth and families who are newly homeless.

Next Steps

The County Council will review the Plan. The Regional Policy Committee (RPC) will also review the Plan, and is expected to vote on approval at either the March or April meeting.

A broader implementation plan for the remainder of the Best Starts for Kids Levy is due to be transmitted to Council on June 1, 2016.

Attachments

- A. [BSK Homelessness Prevention Transmittal Letter](#)
- B. [BSK Homelessness Prevention Initiative Ordinance](#)
- C. [BSK Youth and Family Homelessness Prevention Initiative Implementation Plan](#)
- D. [BSK Homelessness Prevention Initiative Plan Biennial Fiscal Note 2016](#)

March 1, 2016

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

Dear Councilmember McDermott:

This letter transmits two ordinances relating to the Best Starts for Kids (BSK) initiative that will enable King County to fund and carry out prevention and early intervention strategies to improve the health and well-being of children, youth and their communities.

The first ordinance establishes the implementation plan relating to the BSK Youth and Family Homelessness Prevention Initiative, as required by Ordinance 18088. The plan outlines how King County will prevent and divert children, youth and their families from becoming homeless. In accordance with Ordinance 18088, the enclosed Youth and Family Homelessness Prevention Implementation Plan (Attachment A), was developed in collaboration with the children and youth advisory board.

As you are aware, the growing homelessness crisis in our region shows a great need for investment in prevention strategies. The data shows that over fifty-percent of people who become homeless are homeless for the first time; yet, many existing resources are available only after one becomes homeless. The Youth and Family Homelessness Prevention Initiative Implementation Plan is intended to avoid this crisis for youth and families because we know that homelessness can have long lasting negative consequences on children and youth.

The homelessness crisis disproportionately affects people of color and youth who identify as lesbian, gay, bisexual, transgendered and queer (LGBTQ). The Youth and Family Homelessness Prevention Initiative Implementation Plan seeks to target resources to address this disparity. The plan outlines the strategy to prevent families and youth from entering homelessness while addressing the disproportionality in race and LGBTQ orientation in people who are newly homeless. The implementation plan focuses on client-centered, outcomes-focused case management and flexible financial assistance so that community agencies can easily identify individuals and families who are about to become homeless and prevent them from entering homelessness.

The Honorable Joe McDermott

March 1, 2016

Page 2

The second ordinance makes a supplemental appropriation for the 2016 portion of the BSK Youth and Family Homelessness Prevention Initiative, making a supplemental appropriation to the Department of Community and Human Services of \$3,166,667 to the BSK fund and \$3,166,667 to the housing opportunity fund; and amends the 2015/2016 Biennial Budget Ordinance, Ordinance 18207, Section 1 as amended, and Ordinance 17941, Section 103, as amended.

King County's efforts to improve the health and well-being of youth and the community, especially in relation to housing and the homelessness crisis, furthers the County's priority of equity and social justice. The strategies and services outlined in the implementation plan in the first ordinance to prevent homeless youth and families, and the supplemental appropriations for the BSK fund and housing opportunity fund, reflect the goals of the King County Equity and Social Justice Initiative and align with the Strategic Plan's "fair and just" principle, as it supports actions and partnerships that provide equitable opportunities for all people and communities.

It is estimated that this report required 60 staff hours to produce, costing \$6,306.

Thank you for your consideration of these two ordinances as we continue to address the health and well-being of our community, including the growing crisis of homelessness. This legislation will help King County fund and carry out vital prevention and early intervention strategies to achieve healthier communities and to prevent and reduce the number of youth and families who are homeless.

If you have any questions, please feel free to contact Adrienne Quinn, Department of Community and Human Services Director, at 206-263-9100.

Sincerely,

Dow Constantine
King County Executive

Enclosures

cc: King County Councilmembers
ATTN: Carolyn Busch, Chief of Staff
Anne Noris, Clerk of the Council
Carrie S. Cihak, Chief of Policy Development, King County Executive Office
Dwight Dively, Director, Office of Performance, Strategy and Budget
Adrienne Quinn, Director, Department of Community and Human Services

Date Created:	February 8, 2016
Drafted by:	Adrienne Quinn
Sponsors:	
Attachments:	A Best Starts for Kids Youth and Family Homelessness Prevention Initiative Implementation Plan

1 ..Title

2 AN ORDINANCE relating to the best starts for kids youth
3 and family homelessness prevention initiative
4 implementation plan.

5 ..Body

6 STATEMENT OF FACTS:

7 A. In July 2015, Ordinance 18088 submitted to the voters of King County
8 a proposition known as the "best starts for kids levy," authorizing a regular
9 property tax levy in excess of the levy limitation for six consecutive years,
10 commencing in 2016, at a rate not to exceed fourteen cents per one
11 thousand dollars of assessed value in the first year and with an increase of
12 up to three percent in the five succeeding years, for the purpose of funding
13 prevention and early intervention strategies to improve the health and
14 well-being of children, youth and their communities.

15 B. The six-year levy commencing in 2016, has been approved by the
16 voters for the express purpose of paying costs as outlined in Ordinance
17 18088, Section 5, including: nineteen million dollars that shall be used to
18 plan, provide and administer a youth and family homelessness prevention
19 initiative.

20 C. Ordinance 18088 also directs the executive to submit to the
21 metropolitan King County council for review and approval an

22 implementation plan relating to the youth and family homelessness
23 prevention initiative by March 1, 2016, which, to the maximum extent
24 possible, shall be developed in collaboration with the oversight and
25 advisory board.

26 D. The oversight and advisory board, referred to in this statement of facts
27 as the children and youth advisory board, under the guidance of the
28 department of community and human services, provided input on the
29 development of the implementation plan, which is Attachment A to this
30 ordinance. Before that input, the executive convened a planning group of
31 citizens and stakeholders, several of whom are members of the children
32 and youth advisory board to help shape the plan.

33 E. The growing homelessness crisis shows the great need for this youth
34 and family homeless prevention strategy. During the 2016 annual One
35 Night Count of people who are homeless held on January 29, 2016, four
36 thousand five hundred five people were unsheltered. The numbers for
37 people who are in shelter and transitional housing are not yet available,
38 nor are the breakdown for the number of homeless youth and families.

39 F. Executive Constantine declared a state of emergency for homelessness
40 on November 2, 2015.

41 G. The Homeless Management Information System, the database of all
42 people accessing homeless services and housing, shows that fifty percent
43 of all people accessing homeless services are homeless for the first time.
44 For the year in which the most recent data is available breaking out the

45 data by homeless families and youth, 2014, the data show forty-six percent
46 of families who were homeless were homeless for the first time. Sixty-
47 four percent of homeless youth were homeless for the first time.

48 H. The data in the Homeless Management Information System also show
49 that people of color and lesbian, gay, bisexual, transgendered and queer
50 ("LGBTQ") youth are also disproportionately represented in the homeless
51 youth population. Young people of color make up fifty to sixty percent of
52 the homeless youth population while only twenty-nine percent of King
53 County's population are people of color. At least twenty percent of the
54 youth accessing homeless services identify as LGBTQ, while only four
55 percent of Washington's general population identify as LGBTQ.

56 I. The Homeless Management Information System data showed that for
57 newly homeless families, of those who report their race, thirty-one percent
58 report that they are white and forty-seven percent report that they are black
59 or African American. The remaining twenty-two percent report another
60 race or multiple races, with the largest group reporting multiple races.

61 J. The services outlined in the implementation plan will provide services
62 to youth and families before they become homeless through client-
63 centered, outcomes-focused case management and flexible financial
64 assistance.

65 K. The services identified in the implementation plan will address the
66 disproportionality in race and LGBTQ orientation in people who are
67 newly homeless by focusing on organizations and agencies that will easily

68 be able to identify families and individuals who are at imminent risk of
69 homelessness.

70 L. In 2010, the county enacted Ordinance 16948, transforming its work
71 on equity and social justice from an initiative to an integrated effort that
72 intentionally applies the King County Strategic Plan's "fair and just"
73 principle in all the county does in order to achieve equitable opportunities
74 for all people and communities. The services identified in the
75 implementation plan are intended to meet the goals of King County's
76 Equity and Social Justice Plan.

77 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

78 SECTION 1. For the purposes of this ordinance, "youth and family homelessness
79 prevention initiative" means an initiative intended to prevent and divert children and
80 youth and their families from becoming homeless.

81 SECTION 2. The family and youth homeless prevention implementation plan,
82 Attachment A to this ordinance, is hereby approved.

83 SECTION 3. One year from the effective date of this ordinance, the executive
84 shall submit to metropolitan King County council a report describing the people served
85 and outcomes of the youth and family homeless prevention initiative. Thereafter, the
86 executive shall include reporting for the youth and family homelessness prevention
87 initiative in any annual report for the entire best starts for kids levy ordinance. Any report
88 required by this section shall be filed in the form of a paper original and an electronic
89 copy with the clerk of the council, who shall retain the original and provide an electronic
90 copy to all councilmembers.



King County

Best Starts for Kids Youth and Family Homelessness Prevention Initiative Implementation Plan

Response to Ordinance 18088

Department of Community and Human Services
March 1, 2016

The Best Starts for Kids (BSK) Levy includes \$19 million for a Youth and Family Homelessness Prevention Initiative that is intended to “prevent and divert children and youth and their families from becoming homeless.” The BSK ordinance approved by the voters of King County, Ordinance 18088, directs the King County Executive to submit to Metropolitan King County Council for review and approval, an implementation plan relating to the Youth and Family Homelessness Prevention Initiative by March 1, 2016, which to the maximum extent possible, shall be developed in collaboration with the oversight and advisory board, referred to in this report as the Children and Youth Advisory Board.

The Youth and Family Homelessness Prevention Initiative is based on a highly successful pilot program implemented by the Washington State Coalition Against Domestic Violence and funded by the Bill & Melinda Gates Foundation and the Medina Foundation.

This implementation plan provides: (I) the background showing the need for a homelessness prevention program in King County, (II) a description of the successful Washington State Coalition Against Domestic Violence Housing First Initiative, (III) the proposed BSK Youth and Family Homelessness Prevention Model and (IV) the community process for developing the plan.

I. Youth and Family Homelessness in King County

During the 2016 annual One Night Count of people who are homeless in King County held on January 29, 2016, 4,505 people were found to be unsheltered, that is, living in places unfit for human habitation such as the streets, cars or Metro buses. Although the detailed demographic data from the 2016 One Night Count is not yet available, the 2015 detailed data is available through the Homeless Management Information System (HMIS). The HMIS is the county-wide database that collects data on individuals and families receiving homeless services (e.g., shelter, case management and housing).

The 2015 One Night Count data reported that over 2,000 of the 9,776 people who access shelter or other homeless services were under age 17. Twenty-eight percent of the homeless population is families with children (approximately 2,800 people). Count Us In 2015, the survey of homeless youth and young adults, counted 134 unsheltered homeless young people and 824 that are unstably housed. These numbers represent young people who are in places unfit for human habitation, shelters or transitional housing.

The federal government uses a broader definition for counting homeless youth in the schools. In addition to defining homelessness as living in a place unfit for human habitation, shelter or transitional housing, under the McKinney-Vento Homeless Education Assistance Act, homelessness is defined as lacking a fixed, adequate place to sleep. This broader definition would include families or youth who are doubled up or “couch surfing.” Under this definition, over 6,000 students in King County public schools are homeless. Approximately 15 percent of these are not accompanied by an adult. Homelessness can have lasting effects on children.

According to the 2013 Annual Homeless Assessment Report to Congress:

- 83 percent of homeless children have witnessed a serious violent event
- 47 percent have anxiety, depression or withdrawal
- 43 percent have to repeat a grade
- Homeless children are far more likely to have significant health issues.

The HMIS also showed that half of all people who become homeless were homeless for the first time, which is the case for 46 percent of all homeless families. An even higher number of unaccompanied youth were homeless for the first time, 64 percent. Accordingly, if homelessness can be prevented, the number of people who are homeless would decline substantially.

Demographic data from the HMIS demonstrates that there are several issues that must be addressed in developing a youth and family homelessness prevention program – the disproportionate numbers of Native American/Alaskan Native, Native Hawaiian/Asian Pacific

Islanders and African Americans who become homeless and the disproportionate number of homeless youth who identify as lesbian, gay, bisexual, transgendered and queer (LGBTQ). Native Americans are seven times more likely to become homeless. African Americans are five times more likely to become homeless and Native Hawaiians/Asian Pacific Islanders three times more likely. Of the youth who are homeless, at least 20 percent of young people accessing services identify as LGBTQ, compared to 4 percent of the general population.



As discussed in more detail in the program model section, the Youth and Family Homelessness Prevention Initiative must address the disproportionality in race and LGBTQ identification of people who become homeless.

II. Washington State Coalition Against Domestic Violence Housing First Initiative

As King County explored approaches to prevent youth and family homelessness, a local model – the Washington State Coalition Against Domestic Violence Housing First Initiative – was reviewed. This model, funded by the Bill & Melinda Gates Foundation, has been rigorously evaluated and found to have successfully prevented family homelessness. More information about the model can be found at <http://wscadv.org/projects/domestic-violence-housing-first>.

The Medina Foundation added additional funding to several agencies participating in the pilot and expanded the model to additional agencies that were not part of the original Gates cohorts.

This model was attractive to local funders because domestic violence is a leading cause of homelessness for families.

The Domestic Violence Housing First Initiative is a homelessness prevention program for survivors of domestic violence and their children, including survivors actively fleeing a domestic violence situation, and those who are on the brink of homelessness. At program entry, many were facing unemployment and a lack of income due to the domestic violence situation they were experiencing. The Domestic Violence Housing First Initiative was piloted from September 2011 through September 2014 in Washington state with two cohorts. One cohort was in King County and the other was the balance of state. In King County, LifeWire and InterImCDA participated in the pilot.

Flexibility of financial assistance and advocate/case management services are a key component of the program. Financial assistance could be used for a range of needs such as clothing for a job, cost of an employment-related license, a variety of housing and/or moving costs, cost to repair a car, urgently needed groceries and other expenses that may be impacting the safety and security of a family. Case management support could be very narrow and temporary or somewhat longer term to meet the true needs of program participants, using a progressive engagement approach. With very little financial assistance per household (average cost of \$1,250 per household) the safety, stability and well-being of victims and their families were increased through the pilot program.

A study of the Domestic Violence Housing First Initiative programs found successful outcomes related to survivors' ability to get and keep safe and stable housing. Nearly all program participants, including those with very low incomes, maintained permanent housing for a prolonged period of time:

- 96 percent were still stably housed 18 months after entering the program, allowing survivors to become self-sufficient quickly and without need for ongoing intensive services

- 84 percent reported an increase in safety for their family
- 76 percent of survivors requested minimal services from the domestic violence program at final follow-up
- Participants also expressed that housing stability had a profoundly positive effect on their children, improved the health and well-being for themselves and their children, and restored their dignity and self-worth.

The pilot program also focused on ensuring that services were culturally appropriate and delivered by a case manager/advocate who was from the same culture and spoke the same language as the survivors. According to the evaluation, survivors reported that working with an advocate who culturally and linguistically understood them was critical to getting the support they needed to become stable and enabling the survivors to feel understood, accepted and comfortable telling their stories.

While some of the survivors who participated in the Domestic Violence Housing First Initiative programs were youth, the program was focused primarily on adults fleeing domestic violence. There is less research on successful programs preventing youth from becoming homeless. Nonetheless, the All Home Youth and Young Adult Plan Refresh (May 2015) recommends prevention as a strategy to make youth homelessness rare, brief and one time. One of the strategies is “*flexible funding* to help YYAs live at home or with natural supports.”

III. Proposed Youth and Family Homelessness Prevention Model

The Best Starts for Kids Ordinance 18088 provides the following guidance for the Youth and Family Homelessness Prevention Initiative:

"Youth and family homelessness prevention initiative" means an initiative intended to prevent and divert children and youth and their families from becoming homeless.

It is the intent of the council and the executive that funding for the youth and family homelessness prevention initiative will allow the initiative to be flexible, client-centered and outcomes-focused and will

provide financial support for community agencies to assist clients.

Out of the first year's levy proceeds:

1. Nineteen million dollars shall be used to plan, provide and administer a youth and family homelessness prevention initiative.

Based on this guidance, stakeholder input and research on successful prevention models, King County Department of Community and Human Services (DCHS) staff worked with a Youth and Family Homelessness Prevention Model Planning Committee (Planning Committee) and the Children and Youth Advisory Board (CYAB) to develop the framework for the King County Youth and Family Homelessness Prevention Initiative. This section discusses both the overall program model, as well as specific implementation details that were recommended by the Planning Committee and CYAB.

The proposed Youth and Family Homelessness Prevention Initiative has a strong client-centered focus, including mobile case management coupled with flexible financial assistance that is intended to address the immediate issue that is placing the family or youth at imminent risk of homelessness and build trust with the client. The model is based on the Washington State Coalition Against Domestic Violence Housing First Initiative, a successful model to preventing family homelessness in King County.

Key components to the Youth and Family Homelessness Prevention Model include:

- Client-centered intervention
- Progressive engagement approach to case management
- Flexible funding to prevent homelessness
- Targeting approach to address the root causes of homelessness among youth and families.

The agencies that demonstrated successful outcomes in the Washington State Coalition Against Domestic Violence study understood the importance of the case management support of the client, and successfully made the shift to having a client-centered focus. That is, the family or youth must be asked, “What do you need so that you do not become homeless?”

This is a significant cultural shift for the agencies administering the program because many government assistance and programs are based on a distrust of clients. For most programs, clients must prove that they meet a raft of program criteria and then are told what specific assistance they are eligible to receive even if they know something else will help them more. Because successful implementation of the model will entail changing organizational culture, training and learning circles will be part of the Youth and Family Homelessness Prevention Initiative.

In addition, the Domestic Violence Housing First Initiative programs study found that about one-third of the families needed minimal health supports, one-third needed a medium “touch,” and one-third needed more intensive case management, highlighting the need for a progressive engagement approach to case management.

Progressive Engagement is a nationally recognized best practice that provides customized levels of assistance to participants – providing the services needed, but not more than is needed to achieve housing stability. Progressive Engagement preserves the most expensive interventions for households with the most severe barriers to housing success. Progressive Engagement is a strategy to enable service delivery systems to effectively target resources. The case manager/advocates will work with the family/youth on the underlying issues that caused them to be at imminent risk of homelessness.

Case manager/advocates will be mobile, meeting the clients at locations of their choice. This approach is different than other models where the case manager/advocate tends to be place-based.

In order to ensure that agencies administering the program are equipped with the resources they need to be successful, sufficient funds will be provided to assure that experienced case manager/advocates are hired and are focused on this homelessness prevention program and not spread thinly over many programs. The Best Starts for Kids ordinance specifically states, “It is the intent of the council and the executive that funding for the youth and family homeless prevention initiative ... will provide financial support for community agencies to assist clients.”

Need for Adaptation and Flexibility for Preventing Youth Homelessness

While the Washington State Coalition Against Domestic Violence Housing First Program was successful with youth who were parenting and who were at risk of homelessness due to domestic violence, the research shows that other factors are more predictive of a youth becoming homeless, e.g., LGBTQ, juvenile justice system involvement, school suspensions, and involvement with the foster care system. As a result, the CYAB and the Planning Committee recommended targeting the program to address the predictive factors of homelessness, collaborating with schools, organizations that work with LGBTQ youth and organizations working with youth involved in the juvenile justice system.

While these are the target areas for identifying youth at imminent risk of homelessness, this does not mean that the Youth and Family Homelessness Prevention Model would be administered by schools or the juvenile justice system. Rather, it is likely that nonprofits, community agencies or faith organizations would provide assistance and administer the funds, because they could provide services any time of day or night and be able to leverage additional supports. Any organization receiving the funds would have to show strong partnerships with the schools and/or the juvenile justice system.

In addition to providing feedback on the overarching program model, the Planning Committee and the CYAB both provided feedback on the specific program implementation details outlined below.

Who is Eligible?

The program is intended for youth and families who are at *imminent* risk of homelessness. It is not intended for youth or families who are already homeless, nor is it intended for youth or families who are at risk for homelessness, but not facing *imminent* risk. Examples of imminent risk of homelessness are a young person or family who has been staying on friends' or families' couches, but may have exhausted all welcomes and will be on the street next week. Another example might be a youth who the school counselor knows will be thrown out of his parent's house if he comes out, or a youth exiting the justice system whose family refuses to take her

back home. The case manager/advocate will have to utilize judgment and experience in making the determination.

The outcomes measurements will be critically important in determining if the targeting was done appropriately. If people who are at imminent risk of homelessness are prevented from becoming homeless, we will see a decrease in the number of people who are newly homeless.

Should the Money Be Divided Between Youth and Families?

The Planning Committee and CYAB advised that the money should not be divided between population groups. Many youth are parenting, and it is these young families who are often at imminent risk of homelessness. Because this program is intended to step away from rigid requirements, dividing the money and creating definitions and funding formulas for youth and families did not seem prudent.

What are the Eligible Uses of Funding? Should Anything be Excluded as Eligible from the Flexible Funds?

Any expenditure that will prevent someone from becoming homeless should be an eligible use of funds. As noted in both the ordinance and discussion above, case management is an essential element of the Youth and Families Homelessness Prevention Model. Agencies will employ rigorous financial oversight to track where the funds are applied. The County will evaluate whether certain types of expenditures are more or less successful in preventing a family or youth from becoming homeless.

How Much Money Should Be Awarded in 2016?

The CYAB recommended that approximately \$3.1 million be spent in the first year of the levy, with a ramp up during the second and third years to significantly reduce the numbers of families and youth who are becoming homeless. The CYAB was cognizant that the money would likely run out prior to the end of the levy. However, they recommended that more money was needed to firmly demonstrate that the model was effective.

Building organizational capacity and creating the organizational culture change will take time. As a result, the Planning Committee and CYAB recommended that the funding awards be three-year contingent commitments to agencies, meaning the agency will receive the money for all three years provided that the agency is achieving outcomes, participating in the learning circles and implementing the evaluation. It is hard for agencies to staff up and plan with annual commitments, and a three-year commitment will enable better staff recruitment and continuity for the agency and individuals seeking assistance. Finally, by making the three-year commitment contingent on achieving outcomes, the County will be able to reallocate the money if necessary.

Extensive training, ongoing learning circles and a rigorous evaluation will be part of the program design assuring agency and program success. Therefore, it is anticipated that reducing the commitment will be a rare occurrence.

In the initial stages of the program, it is likely that the domestic violence organizations that have been operating this program successfully for several years with the Gates and Medina Foundation money will be able to be up and running before organizations for which this initiative is new. Rather than awarding those agencies more money, the Planning Committee recommended that not all of the money be awarded at once in the first year, since the initiative will begin midyear anyway. Some of the funds from the first year will be reserved to grant additional funds to agencies that run out of the flexible funds before the next year's allocation.

The CYAB provided extensive feedback on how to assure that funds will truly address racial and LGBTQ disproportionality in homelessness. Their advice included:

- For many communities, including Native Americans and Asian Pacific Islanders, County staff making personal contacts and going to community leadership will be important.
- Meet with faith community leaders in the African American community.
- Ask that culturally-specific communities include funding/grant/RFP announcements in their newsletters.

- Send information to leadership tables for targeted populations such as the Minority Executive Directors or Pride Foundation and ask that they disseminate information.
- Use social media.
- The frequency of the ask is as important as where and to whom the ask is made.
- Use the CYAB to disseminate information.

Should All Recipients Have Data Entered into the Homeless Management Information System?

All agencies receiving money will be required to enter client data into HMIS. It is only by entering client data into the HMIS system that we will know if a youth or family who receives services from the Youth and Family Homeless Prevention Model successfully avoided homelessness. Some agencies will need to be trained on HMIS and the County may need to provide additional funding for computers or other information technology support.

Should a Common Client Intake and Assessment Form Be Utilized?

By utilizing HMIS, it assures that a common intake form will be utilized for program participants so that there is consistent information collected for evaluation purposes. In addition, it is likely that the common assessment form used for Coordinated Entry for All (a new approach adopted by the All Home Coordinating Board) to access homeless housing will also be utilized.

How Will Initiative Success Be Measured?

The two key components for measuring success are 1) the individuals served do not show up in HMIS for homeless services; and 2) there is a reduction in the number of youth and families who are newly homeless. It is essential that both outcomes are measured because if the program measures only whether individuals show up in HMIS for homeless services or not, there is no way of knowing whether those individuals ever would have become homeless. However, if there is also a reduction in the number of newly homeless youth and families, it is clear that agencies are targeting the right individuals and families.

In addition, the CYAB and the Planning Committee recommended that the County evaluate at least one other factor besides “not becoming homeless.” Some of the suggestions included additional outcomes for youth such as no further engagement with criminal justice system or increased educational attainment. For families, additional factors suggested include safety and self-determination. The Department of Community and Human Services evaluation team will analyze which factors are measurable and work with other BSK evaluation teams to have consistent measures of success. Additionally, several CYAB members recommended training so that all fund recipients understood LGBTQ issues.

How Will Providers Be Trained?

Training will be provided to agencies receiving money under this initiative. The experience of the Washington State Coalition Against Domestic Violence program was that developing a client-centered and outcomes-focused agency culture took extensive training and intentional organization effort and buy-in. For that reason, learning circles for agencies administering the funding will also be part of the program.

What Type of Agencies/Organizations Should Be Targeted for the RFP?

Since the goal of the Youth and Family Homeless Prevention Model is to identify and intervene with youth or families who are at imminent risk of homelessness, the agencies receiving funding should be those most likely to already be working with families or youth most at risk of homelessness. When directly asked, the CYAB provided significant advice regarding the best way of assuring that the model funds were placed in agencies, organizations and geographic areas that would be able to identify families and youth *before* they became homeless and address the racial disproportionality in family homelessness, and the racial and sexual orientation disproportionality in youth homelessness.

Both the Planning Committee and the CYAB recommended targeting the issues and systems that lead to homelessness, e.g., domestic violence, juvenile justice and the populations most likely to become homeless, e.g., Native Americans, African Americans, Asian Pacific Islanders and LGBTQ youth. It will be imperative for any agency receiving the funds to be able to

demonstrate how the organization will administer the funds in a way that will address the extreme racial disproportionality of people of color who enter homelessness at a rate significantly greater than the general population. Similarly, organizations will have to show how they will address the disproportionality of LGBTQ youth who are at imminent risk of homelessness.

The Children and Youth Advisory Board also emphasized that small cultural or ethnic organizations should be targeted for the initiative. Suggestions ranged from partnering large and smaller organizations during the Request for Proposal (RFP) process, assuring application support. The Department of Community and Human Services has already been working toward implementing some of the suggestions to reduce barriers for small organizations. For example, staff have been partnering with the county's Risk Management Division to reduce insurance barriers for small agencies.

Examples of types of agencies that the CYAB suggested would be appropriate fund recipients or partner entities included:

- Domestic violence agencies
- Agencies serving youth, including youth homeless agencies
- Schools (particularly school counselors and those addressing absenteeism, expulsions and suspensions)
- Public utilities agencies, since delinquent utility payments can be a predictor of housing loss
- Culturally-competent/focused organizations
- Organizations serving LGBTQ youth
- Public Health and other health facilities and clinics
- King County education and employment programs
- Faith-based organizations
- Youth clubs and recreation centers
- Agencies serving families, particularly new moms
- Agencies serving youth who are involved in the juvenile justice system

- Food banks
- Regional Access Points for accessing housing/homelessness services
- “Natural helpers” in community, e.g., libraries, first responders as referral sources.

In addition to targeting specific types of organizations, the CYAB also discussed the need to recognize the difference between delivery of services in rural versus urban contexts. In order to make funds available to all areas of the County, County staff are considering releasing separate regional RFPs so that the initiative will be available county-wide and to account for the differences in how services may be delivered in an urban versus a rural area.

Administration, Fiscal Management, Monitoring and Evaluation

The Department of Community and Human Services will administer, monitor and evaluate the Youth and Family Homelessness Prevention Initiative. Monitoring will consist of both financial and programmatic audits.

With respect to data and evaluation, the data that will be collected will mirror what is being collected for other programs or strategies in the community so that this initiative will not introduce a new data set being collected in the community.

IV. Collaboration with the Children and Youth Advisory Board and Homelessness Prevention Model Planning Committee

Ordinance 18088 directs the County Executive, to the maximum extent possible, to develop the Youth and Family Homelessness Prevention Initiative in collaboration with the Children and Youth Advisory Board (CYAB). The Children and Youth Advisory Board members were approved by King County Council and became official on January 25, 2016. The Executive convened the CYAB on February 9, 2016, for an orientation, at which time the CYAB reviewed the Youth and Family Homelessness Prevention Initiative in an unofficial capacity. The Children and Youth Advisory Board reviewed the initiative again at its first official meeting on February 23, 2016, at which time they made formal recommendations about the Youth and Family Homelessness Prevention Initiative.

Because of the short time between approval of the CYAB and the March 1, 2016, deadline to submit the Youth and Family Homelessness Prevention Implementation Plan, executive staff also convened a Youth and Family Homeless Prevention Model Planning Committee (Planning Committee) to advise on the design for the plan. The Planning Committee met three times in January and February 2016 to help guide the implementation plan. Members of the committee (an * indicates that the individual is also a member of the Children and Youth Advisory Board) include:

Alison Eisinger	Seattle King County Coalition on Homelessness
Edith Elion	Atlantic Street Center
Melinda Giovengo	YouthCare
Terry Pottmeyer*	Friends of Youth
Kira Zylstra	All Home
	King County Department of Community and Human
	Services
Hedda McLendon	City of Redmond
Colleen Kelly	City of Seattle
Jason Johnson	Washington State Coalition Against Domestic Violence
Linda Olsen	Raikes Foundation
Katie Hong*	Public Health
TJ Cosgrove	LifeWire
Maria Williams	LifeWire
Barbara Langdon*	Kent School District
Calvin Watts*	City of Seattle
Isabel Munoz	City of Seattle
Leilani Della Cruz	King County Coalition Against Domestic Violence
Merrill Cousins	Medina Foundation
Aana Lauckhart	

2015/2016 FISCAL NOTE

Ordinance/Motion:	
Title:	Best Starts For Kids Youth and Family Homelessness Prevention Initiative Implementation Plan
Affected Agency and/or Agencies:	Department of Community and Human Services
Note Prepared By:	DCHS Staff
Date Prepared:	2/24/2016
Note Reviewed By:	Steve Andryszewski
Date Reviewed:	2/24/2016

Description of request:

This ordinance submits the implementation plan for the Best Starts for Kids Youth and Family Homelessness Prevention Initiative, as required by Ordinance 18088. This legislation has no fiscal impact.

Revenue to:

Agency	Fund Code	Revenue Source	2015/2016	2017/2018	2019/2020
TOTAL			0	0	0

Expenditures to:

Agency	Fund Code	Department	2015/2016	2017/2018	2019/2020
TOTAL			0	0	0

Expenditures by Categories

	Fund Code	Department	2015/2016	2017/2018	2019/2020
TOTAL			0	0	0



March 9, 2016
SCA PIC Meeting

Item 11:
Future Levies and Ballot Measures in King County
UPDATE

SCA Staff Contact

Katie Kuciemba, SCA Senior Policy Analyst, Katie@soundcities.org, 206-433-7169

Update

Members will have an opportunity to update the PIC in regards to upcoming future ballot measures.

Background

The purpose of this item is to provide information for SCA member cities on upcoming ballot measures. This item will be an ongoing, monthly item on the PIC agenda.

Potential Future Ballot Measures – SCA Cities

Year	Month	Jurisdiction	Measure
2016	April	Maple Valley	General Obligation Bonds Park and Recreation Facility Improvements - \$22.5M
2016	August	Normandy Park	Property Tax Levy for Basic Services
2016	November	Duvall	Ballfields, police & technology Levy
2016	November	Duvall	Fireworks Referendum
2016	November	Shoreline	Property Tax Levy (renewal)
~2016		Kenmore	Imagine Kenmore
2016		Bothell	Fireworks Ballot Measure

Potential Future Ballot Measures – Other Cities

Year	Month	Jurisdiction	Measure
2016	November	Seattle	Low-income Housing Levy (renewal)
2018		Seattle	Families and Education Levy (renewal)

Potential Future Ballot Measures – Countywide

Year	Month	Jurisdiction	Measure
2016	November	Sound Transit	Sound Transit 3 (ST3)
2017		King County	Veterans and Human Services Levy (renewal)
~2017		King County	Cultural Access/Affordable Housing/Mental Health
2018		King County	AFIS Levy (renewal)
2019		King County	Medic One
2019		King County	Regional Parks

Potential Future Ballot Measures – Special Purpose District

Year	Month	Measure
2016	April	Issaquah School District – School Construction and Maintenance Bond - \$533.5M
2016	April	Lake Washington School District – Bonds to Reduce Overcrowding and Enhance Student Learning Environments - \$398M
2016	April	Kent School District – Capital Improvement and School Construction General Obligation Bonds - \$252M
2016	April	Kent Fire Department Regional Fire Authority – Continuation of Benefit Charge
2016	April	Proposed Renton Regional Fire Authority – Creation of a Regional Fire Authority
2016	April	Proposed Eastside Regional Fire Authority – Creation of a Regional Fire Authority
2016	April	King County Fire District No. 28 – Property Tax Levy
2016	April	King County Fire District No. 45 – Levy of General Tax for Maintenance and Operations
2016	April	Tukwila Regional Fire Authority
2016	November	Highline School District Bond
2018		Shoreline School District Operations Levy
2018		Shoreline School District Capital Levy

Next Steps

SCA staff will update this document on a regular basis. Please share this information with your city, and provide information on upcoming elections in your city to Katie Kuciemba, SCA Senior Policy Analyst, at Katie@soundcities.org.



March 9, 2016
SCA PIC Meeting

Item 12:
Potential Upcoming SCA Issues
UPDATE

SCA Staff Contact

Deanna Dawson, SCA Executive Director, deanna@soundcities.org, (206) 433-7170

Update

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

Potential Issues

- Metro Long Range Plan
 - SCA staff is monitoring and serves as a member of the Technical Advisory Committee (TAC)
 - Outreach anticipated in April 2016 for the Draft Long Range Plan, coinciding with ST3 Draft System Plan
 - Staff will keep members apprised as the Long Range Plan is finalized in late-2016
- PSRC Economic Development District Board (EDDB)
 - The EDDB will be updating the Regional Economic Strategy in 2016
- City Human Services Funding
 - SCA staff will be collecting data from cities in and will then bring back to PIC for discussion
- Regional response to increase in property crime rates
 - Identified at November 2015 PIC meeting and December 17, 2015 North and Snoqualmie Valley Caucus meeting
 - The Regional Law Safety and Justice Committee is scheduled to discuss residential property crime and community crime reduction efforts on May 26, 2016

If you or your city have additional items to be added to this list, please contact Deanna Dawson, deanna@soundcities.org.

Item 13:

Mental Illness and Drug Dependency Annual Report

Informational Item

SCA Staff Contact

Ellie Wilson-Jones, SCA Policy Analyst, ellie@soundcities.org, 206-433-7167

Doreen Booth, SCA Policy Analyst, doreen@soundcities.org, 206-495-3525

MIDD Members

Councilmember Dave Asher, Kirkland; Councilmember Brenda Fincher, Kent (alternate)

Informational Item

The Mental Illness and Drug Dependency (MIDD) Annual Report details MIDD activities and funding for the time period of October 1, 2014 through September 30, 2015. In accordance with MIDD legislation, the annual report addresses five key components of MIDD's services and programs: a summary of semi-annual report data; updated performance measure targets; recommendations on programs and/or process changes to funded programs based on the measurement and evaluation data; recommended revisions to the evaluation plan and processes; and recommended performance measures and targets for each strategy. SCA staff will continue to update members in 2016 on the ongoing MIDD review and renewal activities.

The [Mental Illness and Drug Dependency Eighth Annual Report](#) provides a one-year evaluation of MIDD-funded services, covering the period of October 1, 2014-September 30, 2015. The report, which was prepared by MIDD staff and accepted by the MIDD Oversight Committee on February 25, 2016, is to be transmitted by the King County Executive to the King County Council by April 1, 2016.

MIDD's 33 active strategies, which are addressed in the Eighth Annual MIDD Report, fall into three categories:

- Community-Based Mental Health and Substance Use Disorder Intervention Strategies – 14 strategies
- Strategies with Programs to Help Youth – 8 strategies
- Jail and Hospital Diversion Strategies – 11 strategies

For each active strategy, the report provides a brief description, followed by data relating to annual targets and performance measures and key findings summarizing the effectiveness of the strategy in meeting policy goals, such as the reducing jail or emergency room use.

Demographic and financial data related to the MIDD sales tax can be found beginning on page 46.

MIDD's 2015 revenues were \$56,457,862 and were exceeded by expenditures, which totaled \$57,859,540. This resulted in the planned use of \$1,401,678 of MIDD's unreserved fund balance, which reached nearly \$9.2 million at the close of 2015.

For the first time since the October 2010-September 2011 reporting period, clients accessing MIDD services came from South King County in greater numbers than Seattle clients. Of the 35,902 clients who received at least one MIDD-funded service and who could be confirmed as unduplicated in MIDD data during the period covered by the Annual Report, 35% (12,507 people) were from South King County; 33% (11,776 people) from Seattle; 17% (6,244 people) from East King County; and 6% (2,106 people) from north King County. An additional 9% (3,266 people) came from other zip codes in the state.

While the report includes proposed revisions to performance targets for four strategies, broader recommendations about shifts in MIDD-funded strategies are not included in the Eighth Annual Report. However, as discussed at the February 9 Public Issues Committee meeting, the MIDD Oversight Committee is currently reviewing the strategies funded by the first MIDD sales tax, soliciting information from communities and stakeholders about current service needs, and developing a proposal for a second MIDD sales tax.

Next Steps

A separate and more comprehensive report, the Retrospective Review and Assessment of MIDD 1, is due to the King County Council by June 30, 2016.

At the February 9, 2016 Public Issues Committee meeting, SCA staff provided an update about the Mental Illness and Drug Dependency (MIDD) sales tax and ongoing work by the MIDD Oversight Committee to develop a proposal for a second MIDD sales tax. That staff report can be found [here](#).

SCA staff will continue to work with SCA's MIDD member and alternate on the second MIDD sales tax proposal and will bring additional information back to the PIC and to the Regional Policy Committee over the coming months.