

SCA Public Issues Committee MINUTES

June 14, 2017 – 7:00 PM Renton City Hall 1055 S Grady Way, Renton WA 98057

1. Welcome and Roll Call

PIC Chair Councilmember Tola Marts, Issaquah, called the meeting to order at 7:05 PM. 23 cities had representation (<u>Attachment A</u>). Guests present included Deputy Mayor Bob Keller, Sammamish; Joyce Nichols, City of Bellevue staff; Alison Bennett, City of Bellevue staff; Councilmember John Holman, Auburn; Diane Carlson, King County Executive's Office staff; Leo Flor, King County Department of Community and Human Services, Veterans and Human Services Renewal Manager; Adam Schmid, King County Department of Community and Human Services staff; Michael Huddleston, King County Council staff.

2. Public Comment

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

3. Approval of the May 10, 2017 Minutes

Council President Hank Margeson, Redmond, moved, seconded by Councilmember Janie Edelman, Black Diamond, to approve the May 10, 2017 PIC minutes.

There was no discussion. The motion passed unanimously.

4. Chair's Report

Chair Marts spoke to the benefits of connecting with fellow PIC members outside of formal meetings to build friendships. In addition to networking across cities and in informal settings, Chair Marts encouraged members to engage their PIC alternates. Alternates are encouraged to review the PIC packet each month and attend often to ensure robust representation from each city at the PIC, cover absences by the PIC member, and assist in bringing back information to one's city. Even with busy schedules, making time to engage in outside conversations with members from other cities is important as it can improve the work one does within their city.

5. Executive Director's Report

Deanna Dawson, SCA Executive Director, introduced new SCA Administrative Services Manager Caitlin Magee and Policy Analyst Ella Williams. Dawson noted that SCA is in the process of hiring for a full-time policy analyst. Dawson reported that members have been appointed to the Regional Affordable Housing Task Force, and will begin meeting on July 14, 2017. SCA will be represented by Kenmore Mayor David Baker (North), Bellevue Mayor John Stokes (East), Renton Councilmember Ryan McIrvin (South), and North Bend Mayor Ken Hearing (Rural). SCA will be working with King County staff to seek feedback from each subregion to help inform the work of the Task Force members.

Dawson reported that discussions are ongoing regarding how to better work together as a region on economic development. At the June 14, 2017 Economic Development Council meeting, former Governor Chris Gregoire, now CEO of Challenge Seattle, discussed a small working group, who will meet over the next six to eight weeks to talk about how King, Pierce and Snohomish Counties can work together. The group will be chaired by Gregoire, and Dawson will represent King County cities other than Seattle.

Dawson concluded by reporting on upcoming SCA events. The next SCA networking event will be July 19, 2017. This will be a joint meeting with the National League of Cities (NLC) First Tier Suburbs Council. Bellevue Councilmember Conrad Lee and Auburn Councilmember John Holman are vice chairs of the NLC First Tier Suburbs Council. The PIC meets next July 12, 2017, and there will not be a pre-PIC workshop. The August PIC meeting will likely be canceled, with a cancellation decision to be made at the July PIC meeting. The next pre-PIC workshop will be September 13, 2017 and will focus on the heroin and opiate crisis and impacts on property crime.

6. Veterans, Seniors and Human Services Levy

Chair Marts noted that the timeline for passage of an ordinance placing the proposed Veterans, Seniors and Human Services Levy on the November ballot precludes the normal process for adopting a formal SCA policy position. More informal feedback is sought, however, from SCA member cities to be carried forward to the SCA Board of Directors and SCA Regional Policy Committee members in order to help shape the levy ordinance. Marts proposed that a round robin format be used for discussion on this item to provide each PIC member with an opportunity to offer initial input from their city. Additional feedback may be provided prior to the June 28, 2017 SCA Board of Directors meeting to SCA Senior Policy Analyst Ellie Wilson-Jones at <u>ellie@soundcities.org</u> or 206-495-5238.

Ellie Wilson-Jones, SCA Senior Policy Analyst, reported on King County Executive Dow Constantine's proposal to place a Veterans, Seniors and Human Services Levy (VSHSL) on the ballot this November to replace the existing Veterans and Human Services Levy, which expires at the end of 2017. A summary of the VSHSL levy proposal is provided beginning on page 24 of the PIC Packet, and the ordinance, as transmitted by the Executive in May, begins on page 28. As proposed by the Executive, this property tax would be levied at a rate of \$0.12 per \$1,000 in assessed valuation generating about \$60.7 million in levy revenues in 2018. One third of levy proceeds would go to each of three service categories: veterans, military service members, and their families; seniors; and vulnerable populations. At least half of all first-year levy proceeds from each category would be dedicated to housing stability, including capital investments, and at least one-quarter would be devoted to housing stability in future years. Earlier in the evening, Levy Renewal Manager Leo Flor gave a presentation to PIC members on this VSHSL proposal. The proposed VSHSL ordinance was first referred to the Regional Policy Committee (RPC), which met earlier in the day. RPC voted to advance the legislation without recommendation to expedite consideration by the King County Council's Budget and Fiscal Management Committee. SCA Caucus Chair and Kent Mayor Suzette offered an amendment, which was approved earlier in the day at RPC, to reduce the levy rate to \$0.10 per \$1,000 in assessed valuation—down from the Executive's proposed expansion to \$0.12 but up from the current levy, which was passed at a rate of \$0.05. Mayor Cooke spoke to concerns about the cumulative impact of recent tax measures and potential for sticker shock with a \$0.12 rate. At the lower rate of \$0.10 per \$1,000 in assessed valuation, the levy would generate an estimated \$50.6 million in 2018—about \$10 million less than under the Executive's original proposal. Substantial public comment in favor of the levy was received at the RPC meeting. Many of these advocates spoke to going beyond what the Executive had proposed and increasing the rate to \$0.15 per \$1,000 in assessed valuation.

PIC members have previously spoken to concerns about the cumulative burden of recent tax measures. PIC members have also expressed worries about jeopardizing the levy's success with voters by seeking too great an increase. Outside polling conducted by levy supporters has shown strong support among those polled for an expanded Veterans, Seniors and Human Services Levy. Additional questions were also asked related to the degree of support for a variety of service areas, with funding services for veterans and for seniors polling the most strongly.

While the RPC has advanced the levy ordinance without recommendation, further RPC action is anticipated. Under the King County Charter, the legislation returns to RPC should the County Council make any amendment. The ordinance has remaining technical issues, and the Council Chair has assured SCA RPC Members that it will necessarily be returned to RPC. Feedback was sought from PIC members at the meeting to be carried forward to the SCA Board of Directors and SCA RPC members. Additionally, members were invited to provide follow up comments after the meeting. All input received from SCA members will be provided to the SCA Board to review and synthesize at its June 28 meeting. This feedback from the PIC and the Board will inform the work of SCA representatives of the RPC. Action by the RPC is anticipated on the afternoon of July 12, prior to the next PIC meeting.

Mayor Nancy Backus, Auburn, spoke to her city's historical support for the Veterans and Human Services Levy. Former Auburn Mayor Pete Lewis, as well as former Enumclaw Mayor John Wise, were champions of the original levy. Backus noted that she supports the proposed Veterans, Seniors and Human Services Levy and the addition of services for seniors. She highlighted the importance of communicating clearly, concisely, and transparently about the levy proposal with the public.

Councilmember Lydia Assefa-Dawson, Federal Way, spoke to her support for the levy proposal and planned investments in services for seniors, those facing homelessness, and vulnerable populations, but stated that she would seek further input from her full City Council. Councilmember David Storaasli, Pacific, stated his support for the levy and said it was crucial that added investments be made in serving seniors.

Councilmember Austin Bell, Burien, noted that the need for human services is the number one issue raised by his constituents. While the City of Burien does not have the tax base itself to address unmet needs, Bell spoke to the role of this levy in investing in necessary services. He recommended putting the levy forward at a rate of at least \$0.12 per \$1,000 in assessed valuation and urged strong consideration of a higher \$0.15 rate.

Councilmember Benson Wong, Mercer Island, spoke to his personal support for the levy, and stated that a more in depth discussion will be necessary with his City Council to gather broader input. Wong asked how the effectiveness of the levy would be measured and what the role of SCA would be in providing input as to how levy proceeds are used. Wilson-Jones answered that the proposed levy ordinance would require the Executive to transmit two subsequent plans for review and approval by the Regional Policy Committee and King County Council. The first, a transition plan, would cover the expenditure of the first year's levy proceeds. The second, an implementation plan, would cover the rest of the levy expenditures. SCA RPC members would be involved in shaping these final plans and feedback would be sought from the PIC. Under the levy ordinance, annual reporting to the Council on the fiscal and performance management of the levy would also be required. Dawson underscored that because of the timing for action on the proposed VSHSL ordinance, SCA will not have a chance to adopt a formal policy position. RPC is anticipated to act on the ordinance the same day as the July 12 PIC meeting, so prompt feedback from PIC members is requested.

Deputy Mayor Catherine Stanford, Lake Forest Park, stated that she is concerned about voter fatigue after recent tax measures and after her city's struggle to pass a key levy during the recession, but the outside polling indicating support for the VSHSL proposal is comforting. Stanford will provide further feedback after her Council discusses the levy June 22. She said it will be important for the city to understand what its residents are putting into the levy and what they get out of it. The city partners with the North Urban Human Services Alliance and will also want to hear their input.

Mayor Chris Roberts, Shoreline, noted his Council's historical support for the Veterans and Human Services Levy. Roberts requested more information about where levy-funded services will be delivered, noting the importance to Shoreline of equitable geographic distribution, and expressed hope that the levy would not be used to replace county general fund investments in services for seniors. Wilson-Jones answered that under state law, a levy lid lift such as the proposed VSHSL may be used to invest in existing programs but must be used to supplement, and not supplant, existing funds.

Councilmember Carol Simpson, Newcastle, noted that as a small city Newcastle relies on King County to provide services and requested clarification on whether anticipated 2018 levy proceeds were based on 2017 or 2018 assessed valuations. She noted that, overall, the assessed valuation for property in Newcastle has gone up by 15 percent, but the growth has been unequal with higher valued properties increasing by 11 percent and more the more affordable housing, some of which is occupied by seniors, increasing by 16 percent. WilsonJones noted that the 2018 VSHSL levy projections are based on projections for 2018 assessed valuations.

Councilmember Barre Seibert, Clyde Hill, stated that the Clyde Hill City Council will not meet prior to the June 28 SCA Board meeting. Seibert noted that he personally would echo Backus' support for the levy proposal.

Councilmember Toby Nixon, Kirkland, stated that his city shares Shoreline's concerns about equitable geographic distribution of levy benefits, as expressed previously by Roberts. While there is a perception that homelessness is not a problem on the Eastside, the need is significant. The City of Kirkland requested, unsuccessfully, that one penny of the rate for the Best Starts for Kids Levy be devoted to local affordable housing investment. Nixon also noted the pattern of implementation plans for county human services levies being developed after levy passage and urged earlier development of such plans.

Councilmember Ed Prince, Renton, stated that he anticipated the Renton City Council would be supportive of the VSHSL proposal, but that he had not yet received Council feedback.

Chair Marts, Issaquah, underscored the importance of robust human services and highlighted the Veterans and Human Services Levy-funded program Passage Point, which provides supportive housing for parents leaving incarceration and working toward reuniting with their children and reintegrating with the community. Marts stated that Washington's tax structure is regressive, but a property tax based on assessed valuation is one of the least regressive options. Marts noted he anticipates that his City Council will be supportive of the levy proposal.

Council President Hank Margeson, Redmond, stated that Redmond is concerned that voters would be asked to vote on the VSHSL before they are provided specificity as to how the money would be spent. He also expressed concern about the unequal distribution of levy-funded services, and noted that about 33 percent of funds for the current Veterans and Human Services Levy come from taxpayers on the Eastside but that Eastside residents receive only about 15 percent of levy services. The needs of people on the Eastside are not being met, so Redmond may not be supportive of the VSHSL proposal. Margeson stated that more treatment for behavioral health, including substance use disorders, is needed. Going forward, it will also be crucial to ensure that the county's human services levies—the Mental Illness and Drug Dependency (MIDD) sales tax, Best Starts for Kids property tax levy, and the proposed VSHSL—are coordinated and that levy services not overlap.

Councilmember James McNeal, Bothell, highlighted work in his community to provide veterans and seniors with services and voiced personal support for the VSHSL proposal but noted he would seek further feedback from his Council and echoed Redmond's feedback regarding geographic equity. He noted that with voters fatigued from recent tax measures, there needs to be clear messaging about the benefits of the proposed VSHSL. Dawson clarified for members that SCA member feedback need not be a simple statement of support or opposition, but rather input is sought as to specific changes and requested improvements to the proposed levy ordinance. Councilmember Kate Kruller, Tukwila, requested the VSHSL PIC staff report be sent to her for distribution to her Council, from whom she anticipates support. She also noted the high rate of homelessness in Tukwila and community support for regional efforts to address such needs. Kruller stated that the distribution of levy-funded services should be based on need, with services focused in communities where it is the greatest. Given voter fatigue, Kruller emphasized that messaging about the proposed levy will make a difference.

Councilmember Janie Edelman, Black Diamond, underscored that the VSHSL proposal is for a replacement to an expiring levy, not a new property tax levy, and the significance of this fact for voters. She noted that, in Black Diamond, the community center plays a significant role in delivering services—through meals for seniors, assistance for people experiencing homelessness, and a food bank. Edelman requested more information about whether non-profits would be eligible to receive funding under the proposed VSHSL.

Councilmember Christie Malchow, Sammamish, noted that the Sammamish City Council has not yet discussed the levy proposal, and echoed concerns from the City of Redmond. Malchow noted that, as described during the pre-PIC workshop, the number of homeless veterans is increasing despite investments from the current Veterans and Human Services Levy, and such information may be concerning to voters.

Councilmember Fran Hollums, Covington, stated her support for the intent of the levy and inclusion of seniors. She cautioned that the messaging about the levy needs to be improved for it to win voter support. She noted that the geographic distribution of levy benefits is important as is ensuring services are offered efficiently and without duplication.

Councilmember Jan Molinaro, Enumclaw, noted that the Enumclaw City Council will discuss the VSHSL proposal on June 26 and echoed the need for equitable distribution of levy benefits.

Mayor Bernie Talmas, Woodinville, stated that the Woodinville City Council has not yet discussed the levy proposal in detail but that he anticipates there would be general support, though voter fatigue over tax measures is a concern. Talmas, who is a member of the RPC, stated that the RPC acted earlier in the day to move forward the legislation in response to a request from Council Chair Joe McDermott, which came with a commitment to engaging SCA throughout the legislative process. Talmas recounted feedback received during the May PIC meeting that members wished to see the levy pass and were concerned about the impact of the increased rate on voters. Talmas noted that SCA RPC members did discuss in caucus this concern as well as the issue raised related to the development of an implementation plan following the passage of the levy ordinance.

Councilmember Ross Loudenback, North Bend, noted support for the expiring Veterans and Human Services Levy and concerns about adding to it through a replacement levy. He spoke to ensuring levy-funded services reach his community while also keeping the levy as compact as possible in recognition of the many levies coming forward to voters.

Councilmember Amy Ockerlander, Duvall, echoed concerns from the City of Redmond and stated that the Duvall City Council has not yet discussed the levy proposal.

Mayor Dave Hill, Algona, who serves on the RPC, stated that he shares the comments from Backus regarding the need for clear communications about the levy proposal. Hill noted that he has yet to discuss the proposal with the Algona City Council, but that he personally would support the levy at a rate of as much as \$0.15 cents per \$1,000 in assessed valuation. He spoke to the role of the current levy in plugging funding gaps in a variety of service areas and the importance of new investments in housing to help people reconstruct their lives. Though not a tax proponent generally, Hill said this is a levy that does a lot of good and that there was substantial public testimony in support of the levy at the RPC meeting.

Roberts requested clarification about the next steps following the collection of PIC member feedback and, noting he had heard general consensus from PIC members in support of the levy, asked whether a letter echoing the feedback would be sent to the county. Dawson stated that SCA staff plans to share the PIC's and any additional SCA member feedback with the SCA Board of Directors at its June 28 meeting and that the Board will review this input, potentially add to it, and share with the SCA RPC members to consider as they negotiate the specifics of the VSHSL ordinance. It is not the intention to send a formal letter to King County as there would not be a formally adopted policy position and there appears to be diverging views on some issues, such as how to equitably distribute levy funded services. This more nuanced feedback will be provided to RPC members, and the detailed minutes of the PIC meeting will also be available for King County Councilmembers and their staff to review. Chair Marts requested confirmation that members did not wish to take emergency action to adopt a formal policy position. Members did not express interest in taking emergency action.

Hollums noted that she had not yet discussed the VSHSL proposal with her Council but would do so and provide further feedback.

Stanford asked whether the King County Executive was still proposing that a sales tax to fund housing be placed on the ballot next year. Wilson-Jones answered that King County Budget Director Dwight Dively told the RPC that afternoon that the Executive has expressed interest in developing a proposal for placing an up to 0.01 percent sales tax for housing and services on the ballot sometime in 2018. Dawson added that the newly created Regional Affordable Task Force will also be weighing ways to address housing affordability, including the need for such a sales tax, but will be looking at the issue much more broadly with strong consideration given to not just funding options but also potential regulatory solutions.

7. Regional Centers

Brian Parry, SCA Senior Policy Analyst, provided an overview of regional centers policies and changes under consideration by the Puget Sound Regional Council (PSRC) Growth Management Policy Board (GMPB). Members of the GMPB caucus have requested feedback on the options being reviewed. Regional centers are currently divided into two categories: Regional Growth Centers and Regional Manufacturing/Industrial Centers (MICs). In June, the GMPB discussion focused on potential changes to the criteria for designating MICs. These policies play an important role in how federal funds are allocated through PSRC's competitive processes.

Parry noted that MICs are designated regionally and prioritized for transportation funding to support existing employment and preserve limited regional industrial lands. These land areas require unique infrastructure and do not typically mix well with other uses like housing. The GMPB is reviewing potential changes to the designation criteria produced in a staff stakeholder working group released in February. The review of MIC designation criteria provides an opportunity to analyze how well existing policies are achieving regional goals for protecting and supporting industrial lands, and to create consistent criteria for all MICs designated by the region since 2002.

Parry provided an overview of the three options for changing the MIC designation criteria produced by the stakeholder working group. These alternatives are referred to as Alternative A, Alternative B1, and Alternative B2. A detailed description of these options is provided beginning on Page 45 of the PIC Packet. The working group alternatives generally recognize the existing planning criteria for designation of MICs in place since 2011 with key changes related to the thresholds for existing and planned levels of employment and the establishment of different "tiers" or classifications of MICs. The GMPB is scheduled to continue reviewing the stakeholder working group alternatives in July and September, after which the GMPB is expected to release options for public comment. Parry said the PIC will be briefed at future meetings and that a formal position on the policies under consideration could be developed and approved at the September and October PIC meetings if determined to be warranted by PIC members.

Mayor Chris Roberts, Shoreline, said the GMPB should consider a consistent structure for designating Regional Growth Centers and MICs. For instance, if tiers are considered for one category, it could make sense to include tiers in all categories of centers to provide for consistent and understandable regional standards. He asked for clarification as to what would happen if a designated MIC falls below the minimum total job criteria in the future and whether de-designation would require approval by the PSRC Executive Board. Parry responded that the proposed alternatives contemplate reviewing existing MICs for consistency with any changes in criteria and that any action to change designation of MICs would require action by the PSRC boards. It is not proposed that there be an automatic de-designation if a center falls below a certain number of jobs. Rather, the working group report recommends PSRC boards use discretion in evaluating centers that are close to the "existing conditions criteria" to account for economic recessions, local investments, regional importance of a particular industrial area or infrastructure, and other factors.

Council President Hank Margeson, Redmond, noted that he is an SCA representative on the GMPB. He stated that the GMPB is looking at tiers or other strategies to differentiate MICs based on scale, and that any change in criteria should include time to allow jurisdictions to adapt to the new criteria.

Roberts asked for clarification about the criteria relating to the size of MICs. Margeson noted that Regional Growth Centers are required to be compact for walkability but that the same standard does not apply to MICs because of their industrial focus. Parry said that he would provide additional information to Roberts about criteria related to size for MICs, but that the current criteria do not include any limitations on size and instead focus on whether the area is contiguous and primarily industrial in nature.

Chair Marts stated that the discussion of centers criteria appears to be a solution in search of a problem. He noted that many cities have taken actions to accommodate growth with the understanding they would receive funding support at the regional level and that any threat to that support was detrimental.

Councilmember James McNeal, Bothell, said that his city is concerned about its Regional Growth Center at Canyon Park. He noted that Bothell's center is home to a significant cluster of biotech jobs, and that it is important to the city that the area remain designated as a center at the regional level.

Margeson reiterated that the focus of the night's discussion is MICs rather than Regional Growth Centers, but that future meetings of the GMPB would look more closely at Regional Growth Center criteria. He said that any policy changes would not be implemented immediately and that no 2018 funding allocated through PSRC was at risk. He said the reason for the policy review is that all but the most recently approved MIC (Sumner-Pacific) were approved without criteria and are very different, but are treated the same in competition for regional funding. He said that MICs in King County appear to do well under any of the scenarios under consideration and that the focus in King County should be to ensure investments are directed to areas with high levels of existing jobs. He added that another reason the MIC criteria are being reviewed was a request from Arlington and Marysville to consider designating areas as MICs to protect industrial lands that do not yet have a high concentration of jobs. He said the goal of preserving industrial lands for future growth should be weighed-against the infrastructure investments needed to support the region's existing job base.

Deputy Mayor Catherine Stanford, Lake Forest Park, said that it is important to review policies periodically, and that doing so in this case ensures that regional funding is directed to the right areas to meet our region's goals.

Roberts said the centers policies are important because they impact where funds allocated through PSRC are focused. He said that adding more centers could possibly reduce the share of regional funding that any one center could receive. Margeson noted that the total number of projects each county can put forward to compete for regional funding is currently capped, and that this could limit the impact of adding new centers in other counties on those located in King County.

Marts said that he is concerned that Issaquah's Regional Growth Center will no longer compete for funding at the same level if the policies are changed to include tiers of centers. He said Issaquah is on pace to hit its target for 2035 growth in 2018 and that regional support for infrastructure to support that growth is critical.

8. Regional Transportation System Initiative

Brian Parry, SCA Senior Policy Analyst, reported that a meeting of the Regional Transportation System Initiative (RTSI) was held on June 13 and attended by representatives from more than 30 cities, King County, WSDOT, PSRC, and others. A technical team has been meeting over the last several months and produced criteria to define the network of state, county, and city roads that carry regional traffic. The purpose of the June 13 meeting was to review the work done to date by the technical committee, develop a better understanding of regional transportation needs and priorities in each community, and gauge the level of support for a coordinated approach to potential solutions to these challenges.

SCA members identified numerous regional transportation concerns that they would like the RTSI to focus on, including: congestion on the regional system; cut-through traffic on city streets due to congestion on the regional and interstate system; and, reduced local funding for transportation as a result of cuts by the state legislature. Despite unique challenges in some cities and subregions in the county, there were several common themes to guide the RTSI as it develops potential solutions, including: the need for more transit and multi-modal options; the need for sustainable funding to support maintenance and operation of the system; the importance of reducing vehicle trips through Transportation Demand Management techniques or telecommuting; engaging other counties in any proposed solutions; and, the need to address the impacts of the housing affordability crisis on the road network. In addition, members expressed concerns about the willingness of voters to support any tax increases to support transportation improvements and the need to seek creative solutions.

Parry said the meeting was a good first conversation, but that much more work would be done in the coming months by the technical committee to quantify needs on the identified network and incorporate the feedback from the June 13 meeting. Another meeting of local leaders is being planned for later in 2017.

Mayor Nancy Backus, Auburn, noted that she co-chaired the June 13 RTSI meeting on behalf of SCA along with King County Executive Dow Constantine. She said the meeting was successful and thanked Parry for his work on behalf of SCA to help organize the June 13 meeting.

Mayor Chris Roberts, Shoreline, thanked SCA for helping to convene the RTSI. He said it was helpful to hear the perspectives of so many cities. He said he would like to see more information about the extent to which funding options authorized by state law are already being implemented in King County, and that this information would be important for any future discussions with the state legislature. He said it would be necessary to establish a clear, common definition of the problem that needs to be solved to move forward.

Councilmember Christie Malchow, Sammamish, said that she had received feedback from Mayor Don Gerend, Sammamish, who attended the meeting. She said key takeaways were the need to address falling gas tax revenues and optimizing the existing system through improvements to technology, transit, and other means.

Council President Hank Margeson, Redmond, said he agreed with Roberts that no single solution would work for all communities. Margeson said one of the outcomes from the RTSI that he is interested in seeing is an analysis of the gap for King County between future road needs and available funding.

9. 2017 State Legislative Session

Ellie Wilson-Jones, SCA Senior Policy Analyst, reported that a second 30-day special session is now underway and will conclude June 21. The Governor has been coaxing legislators to reach an agreement on school funding and a two-year operating budget within the current special session, but a third special session is now considered highly likely. The state government would partially shut down on July 1 if a new budget or temporary budget extension isn't in place, and state agencies have begun contingency planning. Governor Inslee has said he wants a final agreement on a full two-year budget, not a temporary extension. The state has never, however, had a partial government shutdown despite taking budget negotiations to the brink in 2013 and 2015. Lawmakers will receive an updated revenue forecast June 20, but while revenues are anticipated to be forecasted as higher than previously projected, there's not expected to be enough of a jump to close the sizeable budget gap before legislators.

Wilson-Jones noted that the Senate was in Olympia June 13 for floor activity. Senate Republicans again passed out a bill, SB 5893, strongly opposed by Democrats that would cut the motor vehicle excise tax rate voters approved last year for Sound Transit 3 and would replace the method used to value vehicles for purposes of calculating the tax. House Democrats previously approved legislation that would have changed the applicable valuation formula and required credits to vehicle owners, but would not adjust the tax rate.

Also this week, the King County Council appointed Democrat Javier Valdez as a state representative, filling the 46th Legislative District seat vacated by Jessyn Farrell, who stepped down to focus on her run for Seattle Mayor.

To conclude, Wilson-Jones noted that the Association of Washington Cities is again urging city leaders to remind lawmakers that they must protect critical shared revenues and that they have work to do to address city policy priorities. The SCA 2017 legislative priorities also remain unresolved in the current session.

Deanna Dawson, SCA Executive Director, reported that there were discussions at the most recent North End Mayors and City Managers meetings about developing a sign-on letter opposing contemplated cuts to the state's share of LEOFF 2 pension obligations. The Senate Republicans have proposed eliminating the contribution costing cities \$70 million in the next biennium. Mayor John Marchione, Redmond, is working on a response, which may be circulated by SCA. (*Note: On June 20, Dawson distributed information to member city mayors about an op-ed developed by Mayor Marchione addressing the proposal to eliminate the state contribution to LEOFF 2 and cut state shared revenues.*)

10. Future Levies and Ballot Measures in King County

Brian Parry, SCA Senior Policy Analyst, reported on the list of potential levies and ballot measures in the PIC Packet. If members have updates to the list, they can be provided to SCA at <u>brian@soundcities.org</u>.

Councilmember Christie Malchow, Sammamish, said the Lake Washington School District is expected to be running a bond measure in early 2018, and Issaquah School District may have a levy on the ballot in February 2018.

Councilmember Ed Prince, Renton, said Renton was considering running a parks measure in August or November 2018.

Councilmember Janie Edelman, Black Diamond, provided an update on a recall effort that may be on a future ballot in Black Diamond that is under review by the Washington State Supreme Court.

11. Potential Upcoming SCA Issues

Deanna Dawson, SCA Executive Director, reported that this is a recurring monthly agenda item providing a list of potential issues that SCA will track and may bring back at a later time. Dawson noted that a pre-PIC workshop on the law enforcement response to the heroin and opioid epidemic will be held September 13. Members are asked to provide her with any updates to the list via email at <u>deanna@soundcities.org</u>.

12. Informational Items

Chair Marts reported that two informational items are contained in the PIC Packet. The first is on Count Us In, the annual point-in-time count of people experiencing homelessness in King County, on page 67, and the second is on the Washington State Attorney General's Office Guidance Concerning Immigration Enforcement, on page 83.

13. Upcoming Events

Chair Marts reported that the next PIC meeting will be held July 12, 2017 from 7:00 PM to 9:00 PM at Renton City Hall. There will not be a pre-PIC workshop in July, and Vice Chair Ed Prince will run the meeting. SCA is also jointly hosting a networking event with the National League of Cities First Tier Suburbs Council on July 19 at 5:30 PM at the Renton Pavilion Events Center.

14. For the Good of the Order

Chair Marts highlighted the month's "Did You Know" on the PIC agenda, which features the City of Covington as it marks its 20th year of cityhood. Chair Marts requested a volunteer for the July "Did You Know." Councilmember Christie Malchow, Sammamish, volunteered. Chair Marts asked if any member wished to offer further comments.

Councilmember James McNeal, Bothell, noted that a letter is being circulated for signatures that voices opposition to proposed federal cuts that would impact Sound Transit 2 projects.

Councilmember Jan Molinaro, Enumclaw, reported that the King County Fair, now in its 155th year, will be held next month in Enumclaw.

Chair Marts noted that he would be absent from the July meeting. Because the PIC is planning to not have an August meeting, and SCA Executive Director Dawson will be on parental leave starting in August, Marts noted that this may be their last meeting together with Marts serving as Chair. Chair Marts also noted that he will be rotating off PIC at the end of the year after seven years of service, with a new Councilmember serving for Issaquah in 2018. He thanked Director Deanna Dawson for her leadership.

The meeting was adjourned at 8:46 PM.

City	Representative	Alternate
Algona	Dave Hill	Bill Thomas
Auburn	Nancy Backus	John Holman
Beaux Arts Village	Tom Stowe	Richard Leider
Bellevue	John Stokes	Kevin Wallace
Black Diamond	Janie Edelman	Tamie Deady
Bothell	James McNeal	Tris Samberg
Burien	Austin Bell	Nancy Tosta
Carnation	Dustin Green	Jim Berger
Clyde Hill	Barre Seibert	George Martin
Covington	Fran Hollums	Joseph Cimaomo, Jr.
Des Moines	Robert Back	Melissa Musser
Duvall	Amy Ockerlander	Will Ibershof
Enumclaw	Jan Molinaro	Mike Sando
Federal Way	Lydia Assefa-Dawson	Dini Duclos
Hunts Point	Joseph Sabey	
Issaquah	Tola Marts	Mariah Bettise
Kenmore	David Baker	Nigel Herbig
Kent	Bill Boyce	Dana Ralph
Kirkland	Toby Nixon	
Lake Forest Park	Catherine Stanford	Tom French
Maple Valley	Erin Weaver	Bill Allison
Medina	Sheree Wen	
Mercer Island	Benson Wong	Wendy Weiker
Milton	Susan Johnson	Debra Perry
Newcastle	Rich Crispo	Carol Simpson
Normandy Park	Michelle Sipes-Marvin	Jonathan Chicquette
North Bend	Ross Loudenback	Ken Hearing
Pacific	Leanne Guier	David Storaasli
Redmond	Hank Margeson	John Stilin
Renton	Ed Prince	Armondo Pavone
Sammamish	Christie Malchow	Bob Keller
SeaTac	Erin Sitterley	Pam Fernald
Shoreline	Chris Roberts	Keith Scully
Skykomish	Henry Sladek	
Snoqualmie	Brad Toft	Matt Larson
Tukwila	Kate Kruller	Thomas McLeod
Woodinville	Bernie Talmas	Susan Boundy-Sanders
SCA		
Deanna Dawson		
Brian Parry		
Ellie Wilson-Jones		
Ella Williams		
Caitlin Magee		os represented are bolded

Public Issues Committee Meeting June 14, 2017

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