



SCA Public Issues Committee MINUTES

May 10, 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. 24 cities had representation ([Attachment A](#)). Guests present included Lyman Howard, City of Sammamish staff; Diane Carlson, King County Executive's Office staff; Leo Flor, King County Department of Community and Human Services, Veterans and Human Services Renewal Manager; Councilmember John Holman, Auburn; Councilmember Michelle Hogg, Duvall; Councilmember Carol Simpson, Newcastle; 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 March 8, 2017 Minutes

Mayor Nancy Backus, Auburn, moved, seconded by Councilmember Toby Nixon, Kirkland, to approve the March 8, 2017 PIC minutes.

There was no discussion. The motion passed unanimously.

4. Chair's Report

Chair Marts reported on the rapid rate of growth in the region, the impacts on housing affordability and infrastructure needs, and ways elected officials are working to respond to these changes and the concerns of constituents. Marts referenced [census data](#) showing that the Seattle metropolitan area is [among the fastest growing metro areas](#). Marts noted that the challenges the region is facing will not be short term, but rather will continue longer term, and that policies are needed to help communities respond to growth.

5. Executive Director's Report

Deanna Dawson, SCA Executive Director, announced that SCA staff members Kristy Cole and Doreen Booth would be leaving SCA for new professional opportunities. She thanked them both for their service to the organization.

Dawson reported on ongoing SCA projects, including the Regional Transportation System Initiative (RTSI). The Regional Transportation System Initiative technical advisory team held its third meeting on May 5. The group came to consensus on a regional road network that will be

used to begin calculating long-term maintenance, operation, and capacity estimates in King County. This will be combined with data collected by the Puget Sound Regional Council on available funding to begin piecing together the scale of need for local arterials and roads that connect our cities. An elected officials meeting is being scheduled for June 13 during which city officials will have the opportunity to weigh in on their concerns with the regional network and what options the technical team should bring back for further discussion later in 2017.

Dawson also gave an update on recent events including SCA's May 3 networking event featuring King County Councilmembers, an Economic Development Summit co-sponsored by SCA, and an Eastside Transportation Forum convened by Councilmember Claudia Balducci.

Regarding the Economic Development Summit, SCA partnered with King, Pierce, and Snohomish Counties, the Snohomish County and Pierce County Cities and Towns Associations, and the Ports of Seattle and Tacoma to host a Regional Economic Development Summit for elected officials May 8 at the Microsoft Visitors Center. Key takeaways included:

- Our region tends to layer our approach to solving problems with many people working toward the same goals without enough coordination;
- The County Executives of King, Pierce, and Snohomish Counties all agreed that there should be a consistent, regional approach to marketing the region and benchmarking economic development goals;
- There needs to be more purposeful economic development planning that targets the kinds of jobs we want to see here; and
- Information was shared about local economic development success stories and gaps between access to workforce training and education when compared to projected job growth.

Regarding the Eastside Transportation Forum, King County Councilmember Balducci hosted the forum May 5 for elected officials to discuss the mobility challenges expected over the next five to seven years from a series of major transportation projects. The Washington State Department of Transportation, Sound Transit, and King County Metro presented on these upcoming projects and mobility issues. Feedback from elected officials included requests for:

- More information about the effects these projects will have on city streets, including increased cut-through traffic;
- Increased coordination between the agencies and with cities to schedule projects in the least disruptive way possible for residents;
- Robust communications from transportation agencies to help residents understand what is happening, how they can avoid the worst impacts, and what the long-term benefits will be; and
- Continued collaboration and coordination between jurisdictions and agencies.

Dawson gave an update on the rate increase adopted by the Puget Sound Clean Air Agency (PSCAA). SCA staff sent out an email in early April informing members that PSCAA was considering increasing the per capita assessment to cities by one cent (\$0.01). The PSCAA Board voted on April 27 to adopt the one cent increase.

Dawson gave an update on Sexual Assault Awareness Month (SAAM) in April. Under the leadership of SCA Board Member Renton Mayor Denis Law, SCA helped organize cities to declare April as SAAM—[30 cities participated](#). The King County Sexual Assault Resource Center (KSARC) was very enthusiastic about the participation and support from SCA and member cities to bring awareness to this important issue.

6. Regional Affordable Housing Task Force Appointments

Nominating Committee Chair Leanne Guier gave a report from the May 9, 2017 meeting of the PIC Nominating Committee.

Mayor Leanne Guier, Pacific, moved, seconded by Councilmember Amy Ockerlander, Duvall, to recommend the following appointments to the Regional Affordable Housing Task Force to the SCA Board of Directors:

- Renton Councilmember Ryan McIrvine, as a member from a city in the South
- Bellevue Mayor John Stokes, as a member from a city in the East
- Kenmore Mayor David Baker, as a member from a city in the North
- North Bend Mayor Ken Hearing, as a member from a city in a rural area

There was no further discussion. The motion passed unanimously.

Guier noted the strong qualifications of the applicant pool and expressed hope that all would stay involved as the Task Force develops a recommended Regional Affordable Housing Strategy with broader input from cities.

Deanna Dawson, SCA Executive Director, reported that the PIC's recommendation will be forwarded to the SCA Board of Directors for consideration at its May 17, 2017 meeting. If the Board lacks a quorum and is unable to take action this month, the recommendations of the PIC Nominating Committee and the PIC will be brought forward to the King County Executive without action by the Board in order to meet a May 30 deadline for the Executive to transmit the Task Force membership to the King County Council.

7. Regional Affordable Housing Strategy

Ellie Wilson-Jones, SCA Senior Policy Analyst, reported on a proposal pending before the King County Council to form a Regional Affordable Housing Task Force to develop a Regional Affordable Housing Strategy. In November 2016, the King County Council passed a motion announcing that the Council would be coordinating with the King County Executive to convene a regional planning effort with cities, nonprofits, and private partners to develop a plan for affordable housing. In response to that motion, the Executive has transmitted the current proposal before the Council to form the Regional Affordable Housing Task Force, which would include four SCA representatives. The Task Force objectives are generally to review the affordable housing landscape, identify additional tools at hand or that could be created through state legislation, and develop a dashboard to gauge regional progress toward affordable housing goals. This work is to culminate in the development of a proposed Regional Affordable Housing Strategy by December 2018. An additional Standing Advisory Body would also assist in these efforts.

Councilmember Claudia Balducci, who sponsored the original 2016 motion, has emphasized that the focus of this effort will be to develop affordable housing solutions that have a land use focus and that this process is not intended to duplicate other regional efforts related to the homelessness crisis response. Contemplating whether to pursue the 0.1 percent sales tax authority available under state law for housing will be part of the Task Force's work, but is not intended to be the focus.

The Task Force is expected to meet for the first time in June or July, and SCA staff have encouraged Executive and Council staff to ensure there is early and broad engagement of additional city elected leaders in this process. Wilson-Jones noted the importance of bringing forward a variety of perspectives from throughout the county given the varied needs of each community. For instance, while [the median home price in King County was \\$625,000 in April](#), housing is much more affordable in some communities and much less affordable in others, such as the eastside where the median home price reached \$880,000 in April. In addition to recognizing the distinct housing issues of each community, Wilson-Jones also noted that it will be important to build on existing efforts by cities, such as the recent work done by cities including Kenmore, Bellevue, Bothell, and Kirkland, among others, to develop affordable housing strategies.

Mayor Dave Hill, Algona, stated that the median home price in Algona is a fraction of the countywide figure and that the city's market rate housing is considered affordable. He advised that the Task Force and resultant strategy should not be just focused on those areas where housing prices have reached the highest levels and should also emphasize the need to maintain and improve the existing housing stock.

Chair Marts reported that SCA Board leadership discussed the issue of affordable housing with Executive Dow Constantine that morning. Marts suggested that four elements should be considered through this process: first, the regional landscape and regional options; second, where jobs are and the need for nearby workforce housing; third, incentives; and fourth, the regulatory and statutory environment. Marts expressed hope that this work would indeed consider regulatory and statutory efforts by cities

Deputy Mayor Catherine Stanford, noted that she was involved in the City of Seattle's process to develop the Housing Affordability and Livability Agenda (HALA), a strategy for addressing housing affordability in that city. Drawing on that work and her broader experience in the field, Stanford concurred with earlier comments that considering how to maintain existing affordable housing will be important and added that access to transit is also a key consideration.

8. Veterans and Human Services Levy

Ellie Wilson-Jones, SCA Senior Policy Analyst, reported on the forthcoming proposal to replace the expiring Veterans and Human Services Levy. The levy was first passed in 2005 and renewed in 2011 with an expiration date at the end of 2017. The current levy was passed at a rate of \$0.05 cents per \$1,000 in assessed valuation and is projected to generate \$18.6 million in 2017.

The Executive has not yet transmitted a proposed ballot measure ordinance to replace the expiring levy, but the forthcoming proposal is expected to be for a larger "Veterans, Seniors,

and Human Services Levy” to be placed on the November 7, 2017 general election ballot. It is expected that under this levy proposal there would be an added focus on seniors and housing as well as increased funding for veterans and other human services. The current Veterans and Human Services Levy is structured so that half of the funding goes to services for veterans, military services members, and their families; and half to other, more general, human services. If the levy is substantially increased and a new focus on seniors is added, it has been suggested that this split may be adjusted.

Deanna Dawson, SCA Executive Director, reported that the SCA Board leadership met with the Executive that morning and expressed concern about voter tax fatigue and the impact of a levy expansion on those it is proposed to help the most, including low income people and seniors. The Executive is working to balance these concerns and is considering available options to provide relief to low income individuals and seniors. Dawson noted that there has been pressure from human services providers to expand the levy as much as possible, but there is also significant voter concern about the impacts of recent tax measures. The Regional Policy Committee (RPC) was briefed on and discussed the Executive’s forthcoming Veterans, Seniors, and Human Services Levy proposal today and members shared strong concerns about the contemplated expansion.

Wilson-Jones summarized additional feedback provided by SCA RPC members. Members questioned what would happen if the levy got too big and did not pass and what services would be lost and how quickly. Additionally, echoing the discussion SCA members had with the Executive, RPC members expressed concern that a property tax increase could most impact some of those the levy is intended to assist. Dawson added that RPC members expressed concern about the impact on renters, who would not qualify for homeowner tax exemptions or deferrals. Renters would likely see property tax increases passed on as rising rents.

Deputy Mayor Catherine Stanford, Lake Forest Park, noted the importance of the Veterans and Human Services Levy and criticality of ensuring a renewal or replacement levy passes. Given voter tax fatigue, Stanford suggested seeking either an even renewal or just a slight increase.

Mayor Rich Crispo, Newcastle, spoke to the complexity of county funding for human services and the potential for inefficiencies. He questioned whether voters would understand and accept another levy proposal and how successful investments in addressing homelessness would be in solving the region’s challenges.

Wilson-Jones provided additional detail about homelessness-related investments under the current levy and the Executive’s anticipated proposal. About 40 percent of the current levy’s annual revenues are dedicated to preventing and reducing homelessness. Executive staff have suggested the forthcoming proposal would increase funding dedicated to housing stability and that the focus of these investments would be to address the housing needs of people served through other levy services to enhance their impact.

Mayor Nancy Backus, Auburn, spoke to the limitations of Washington’s tax system, but added that King County residents cannot wait for fixes to be made before renewing or replacing the Veterans and Human Services Levy. The need is great and, with baby boomers becoming

seniors and many seniors struggling to stay in their homes, this levy could provide a way to ensure they are valued by this community that they sacrificed to build. Backus cautioned that the timing, however, may not be right for too large of a levy increase.

Deputy Mayor Bob Keller, Sammamish, highlighted the importance of being transparent with voters about the impact of the levy proposal. The cost to homeowners varies significantly and is impacted by property values. With the median home price reaching \$880,000 on the Eastside, the impact of the property tax is much greater for some than is expressed by a countywide average.

Council President Bill Boyce, Kent, noted that as a veteran, he is supportive of the levy's intent, but agreed with prior comments that voters' fatigue over levies must be weighed. He said this is particularly important in the context of the August Cultural Access ballot measure.

Chair Marts, Issaquah, spoke to available revenue sources under state law. This property tax levy is one of the more progressive options available, and because it goes to voters, residents have a voice. As a relatively progressive tax, people who live in higher cost housing would indeed pay more. Consideration must be given, however, to ensuring money is spent effectively and Marts noted he does not support tripling the levy.

Deputy Mayor Sheree Wen, Medina, asked what kind of services are funded under the current Veterans and Human Services Levy. Wilson-Jones reported that the levy funds a broad array of services with investment in 42 different activities. (*Note: The [Veterans and Human Services Levy 2015 Annual Report](#) describes levy funded activities and Levy Investments are summarized in the [May 10 RPC meeting materials](#), page 15).*)

Mayor Bernie Talmas, Woodinville, serves on the RPC and reported that members support the renewal of the levy but that there is not consensus that it should be increased. He noted, however, that the overall size of the existing levy, or even a potentially doubled or tripled levy, is not enormous in the context of other regional levies. Talmas highlighted the importance of ensuring SCA members views are heard now as the Executive finalizes his proposal.

Mayor Dave Hill, Algona, serves on the RPC and noted that tax fatigue is also one of the largest concerns he has heard. Nonetheless, he feels this levy would have a good chance of passage.

Mayor Leanne Guier, Pacific, said she hears interest among PIC members in seeing the levy move forward but also shared concerns about voter fatigue, the cumulative impact of Sound Transit 3 taxes and other local levies, and worry about the potential failure of an important levy proposal, such as a fire levy coming up in her community. Guier noted that she supports renewing the Veterans and Human Services Levy at the current rate.

Council President Hank Margeson, Redmond, recounted prior PIC discussions about the Veterans and Human Services Levy. Former Auburn Mayor Pete Lewis was a strong proponent as were other member city leaders. Margeson requested more information about the demographics of those served by the levy currently, many of whom he suggested are likely seniors. Referencing earlier sentiments about voter tax fatigue, Margeson stated that

Washington's local taxing structure is such that voters have a chance to weigh in on taxes, and, if voters reject a levy proposal, it means it is not their priority. Margeson advised against adding seniors to the Veterans and Human Services Levy and against doubling or tripling the levy to prevent jeopardizing its passage. He suggested indexing the current levy to inflation instead and seeking voter approval separately, at a later date, for a levy to fund seniors to confirm voter interest. Margeson also noted that the forthcoming Veterans and Human Services Levy would not have support from Redmond unless an implementation plan is developed prior to placing the levy on the ballot.

Crispo spoke to the diffuseness of current Veterans and Human Services Levy spending across 42 different activities and noted the large numbers of service providers throughout the county. With the complexity of county funding and high number of agencies doing similar work, he expressed concern about potential duplication and overhead costs taking away from delivering services where needed. He noted the importance of increasing efficiency.

Marts said the issue at hand is sticker shock—residents are feeling the Sound Transit 3 taxes and, in some cases, are finding the impacts are greater than anticipated.

9. Cultural Access Sales Tax

Alena Marshak, SCA Policy Analyst, reported on the upcoming Cultural Access Sales Tax ballot measure. Just following the March PIC meeting, the King County Executive transmitted for King County Council consideration a proposed ballot measure ordinance to put a 0.1 percent sales tax on the August ballot to support arts, science, heritage, and cultural organizations by creating a program called Access for All. Initially, Council support for the measure appeared uncertain, however, on May 1, after extensive deliberation, the Council voted 7-2 to place a revised version on the August 1, 2017 ballot. Marshak distributed a King County Council staff summary of the ballot measure ([Attachment B](#)).

Marshak explained that, if passed, the ballot measure is projected to raise \$67.4 million in 2018 and would provide funding for three main programs. The first, the public school cultural access program, would provide students with both in-classroom cultural learning opportunities and opportunities to travel to cultural organizations. According to King County, 21 percent of revenues, or about \$14 million, would go to the public school cultural access program in 2018. The second program would provide funding for regional cultural organizations—the large cultural institutions that are most broadly attended by the public. The 34 organizations known to qualify as regional cultural organizations, 29 of which are based in Seattle, are listed on page 52 of the PIC Packet. According to King County, 37 percent of revenues, or about \$24.9 million, would go to regional cultural organizations. The third program would provide funding for community-based cultural organizations, which are smaller organizations that do not meet the attendance and revenue criteria for regional cultural organizations. According to King County, 38 percent of revenues, or about \$25.6 million, would go to community-based cultural organizations.

Marshak reported that the ballot measure got more complex as it went through the King County Council process and there is now significant crossover between the three programs. For example, regional cultural organizations would be required to use a portion of their award on

the public school access program and would also be required to partner with community-based organizations to deliver programming in communities outside of Seattle and to provide cultural programs to people with economic and geographic barriers to access. In total, about 50 percent of the funds received by regional cultural organizations would be restricted.

Several Councilmembers were initially concerned that the ballot measure, as proposed by the Executive, would not adequately distribute benefits outside Seattle. As passed by the King County Council, the ballot measure would provide more dollars around the County and in all Council districts, particularly districts without existing regional cultural organizations. As noted, regional cultural organizations would be required to provide cultural programs for people with economic and geographic barriers to access. There is also a new requirement for planning work to increase and expand opportunity, access, and equity around the county. This planning work would include four county subarea plans: north, suburban east, rural east, and south. In addition, the ballot measure includes funding to provide seed money for the creation of new cultural organizations. The ballot measure also increased King County Council oversight of the program and 4Culture, the entity responsible for administering the program, and requires Council approval for an implementation plan.

Marshak reported that some County Councilmembers expressed continued concerns about the ballot measure at SCA's May 3 networking event. Councilmember Dave Upthegrove stated that the ballot measure would not provide enough direct investment outside Seattle, and Councilmember Rod Dembowski, who voted to place the measure on the ballot, said he does not think it will pass in August and that he had significant concerns about prioritizing this over other countywide needs, such as housing. However, many cultural organizations throughout the county will be advocating for this ballot measure and are excited about the possibility of approximately \$470 million over the next seven years coming to arts, culture, heritage, and science organizations.

Deputy Mayor Sheree Wen, Medina, noted that most of the regional cultural organizations are in Seattle and that cultural organizations generate about \$2 billion in economic activity. Wen noted that funding for arts organizations is not guaranteed from other sources and that federal funding is vulnerable. Losing cultural organizations would lead to a loss in tourists and the economic gains brought by tourism to the region. If this industry grows and is sustained, it will spread to other cities and throughout the region.

Councilmember James McNeal, Bothell, expressed concern that most regional cultural organizations are located in Seattle, and added that he would like to see funding distributed to cities to value and to support each community's unique culture, heritage, and variety of arts services.

Councilmember Amy Ockerlander, Duvall, noted her appreciation that changes to the initial ballot measure proposal tried to address concerns but that Duvall and the Snoqualmie Valley are still not adequately included in the funding allocation. Duvall has so much interest in cultural programming that their performing arts spaces are already at capacity, and the city would like to support their local programs. Ockerlander expressed concern about the direction of funds to already sustainable and adequately funded regional cultural organizations in Seattle

while not enough is provided to support the local community-based organizations that need funding to grow and become sustainable.

Chair Marts noted that it was uncertain what benefits would flow to communities across the county under this complex ballot measure, and that it is difficult to determine what funding would be allocated for each program. Marts added that schools lack funding for arts programming and rely on volunteers because they cannot afford arts teachers. Marts also highlighted that the ballot measure, if passed, would create winners and losers—with Issaquah receiving nearly \$1 million for its regional cultural organization, Village Theatre, one of just five such organizations based outside of Seattle. The vast majority of communities outside Seattle, however, are not home to such an organization. Concurring with earlier statements, Marts echoed a desire to highlight and appreciate each community's local arts, heritage, and cultural characteristics.

Deputy Mayor Catherine Stanford, Lake Forest Park, noted that art for school-age kids is very important to her community. She would like to understand more fully how the implementation of the ballot measure would distribute funding. Stanford asked whether SCA would be taking a position on the ballot measure. Dawson responded that SCA would not be taking a position because the Council has already acted to place the measure on the ballot. While PIC members did not express earlier interest in adopting a position on the Cultural Access Sales Tax and the time has now passed, Dawson asked PIC members if they would like to take a position on the Veterans and Human Services Levy, and noted that the timeline to do so would be challenging because the King County Executive has not yet transmitted a levy replacement proposal. Members did not express interest in taking a position on the Veterans and Human Services Levy.

Council President Hank Margeson, Redmond, stated his appreciation that Regional Policy Committee (RPC) members were present to hear PIC members' feedback on this ballot measure. He noted Redmond could not support this ballot measure because there is not an implementation plan in place. Margeson stated that there is a lot of value in investing in each city's unique culture and arts programs but that the ballot measure would fund the wrong organizations. Instead of funding large, already well established regional cultural organizations, such as the Woodland Park Zoo, which already receives public funding, investments should be made in small and struggling organizations. Scaling back investments in larger organizations could allow for a smaller levy rather than the full 0.1 percent allowable under state law. Echoing earlier comments, Margeson highlighted the need for more arts education in schools and stated support for levy components to provide that.

Mayor Dave Hill, Algona, concurred with Council President Margeson's comments about the importance of early exposure to arts and culture in order to build a lifelong appreciation. Hill noted he grew up with access to such programs, but that funding has since been cut with significant losses for music and arts education in the 1990s. He expressed concern that significant funding from the ballot measure would flow through Seattle, with much smaller amounts being distributed to other communities.

McNeal noted that in Bothell they utilize public-private partnerships to help provide arts education in schools. Public-private partnerships are an important tool to consider because they can provide access to arts in the schools at a lower cost.

10. Regional Centers

Brian Parry, SCA Senior Policy Analyst, provided an overview of regional growth centers policies and changes under consideration by the Puget Sound Regional Council (PSRC) Growth Management Policy Board (GMPB). Members of the SCA GMPB caucus have requested feedback on the options being reviewed and assistance identifying questions important to SCA member cities that should be resolved before any final policy recommendations are made.

Parry noted that the region's long-range strategy for managing growth prioritizes transportation investments in areas of compact population and employment, or "centers." The criteria PSRC uses to define different classifications of centers is important because it influences eligibility to compete for federal funding managed through PSRC. There are three types of centers recognized in the region's growth strategy: regional growth centers, regional manufacturing/industrial centers, and subregional centers.

The GMPB will be reviewing recommendations produced by a stakeholder working group to update the criteria that define centers over the next several months. At its most recent meeting, the GMPB discussed the working group's recommendations to change the criteria that define regional growth centers and options to incorporate major military installations into the centers policy framework. In June, the GMPB is scheduled to review the criteria for designating regional manufacturing/industrial centers, and subregional centers.

Parry encouraged members to contact SCA staff if they have any questions, feedback for the SCA GMPB caucus, or concerns about how the proposals being considered could affect planning and funding eligibility for their city.

Deputy Mayor Bob Keller, Sammamish, expressed concerns that the proposal to separate regional growth centers into different tiers might have negative consequences for Issaquah's center.

Chair Marts said that PSRC staff recently provided a presentation on the proposed policy changes at an Issaquah City Council meeting. He said the changes appear to be the wrong solution at the wrong time and that PSRC should be working to help cities that are accommodating growth, not make the challenge more difficult.

Council President Hank Margeson, Redmond, said that he is a member of the GMPB and that he welcomed feedback from PIC members. He noted that the proposals the GMPB is currently reviewing did not originate with the Board, but rather were provided by the working group consisting of planners from across the four-county region. He said the GMPB just began discussing the proposals the previous week and that they will be carrying out a slow, deliberate process before making any decisions. He said the primary concern for everyone is how any changes will affect funding for transportation improvements and that he has asked PSRC staff for additional historical analysis of funding distributions to centers.

11. 2017 State Legislative Session

Ellie Wilson-Jones, SCA Senior Policy Analyst, reported that the Legislature adjourned the 105-day regular session April 23 having passed a transportation budget and two public records bills championed by cities. However, on April 24, the Governor called a 30-day special session—now in its 17th day—for lawmakers to work toward a K-12 education funding deal and continue negotiations on operating and capital budgets for the biennium that begins July 1.

SCA's legislative priorities also remain unresolved. Whether the Legislature will adjust the property tax cap, invest significantly in local public health services, and address housing affordability and homelessness are open questions, with key bills in each of these areas tied up in budget negotiations and yet to move forward.

Only key negotiators have been in Olympia, and AWC is encouraging city leaders to take time now to connect with your legislators while they back home (*Note: It was reported at the May 10 PIC meeting that legislators were expected to be back in Olympia the week of May 15 but, as of the drafting of these minutes, lawmakers were no longer scheduled to return to town that week and no new date had been set for them to do so.*) Wilson-Jones distributed a handout, [Attachment C](#), that AWC is mailing to cities. The handout includes key messages about shared revenues and policy priorities related to homelessness and local government revenues, among other issues.

Council President Hank Margeson, Redmond, asked whether the Legislature is still considering cutting state funding for LEOFF 2 pension obligations. Wilson-Jones noted that until a budget is passed this funding remains vulnerable. The AWC handout provides additional information about the potential impacts of a loss of state LEOFF 2 funding.

Deputy Mayor Sheree Wen, Medina, sought clarification about the status of budget priorities and bills described in the handout. Wilson-Jones reported that the handout summarizes unresolved budget issues and pending legislation.

12. 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 brian@soundcities.org.

Chair Marts took an item out of order to highlight this month's "Did You Know?" on the PIC agenda, which features the Southcenter Mall in the Tukwila. Next year, Southcenter Mall will celebrate its 50th anniversary. When Southcenter Mall opened its doors on July 30, 1968, it was the second largest indoor mall in the country (Honolulu had the largest at the time). Southcenter Mall was the third regional mall to open in Western Washington in the 1960s, with Northgate and Tacoma Malls preceding the opening of Southcenter. Southcenter Mall cost \$30 million to construct in 1968, which in today's dollars would cost \$215 million. Southcenter Mall was designed by John Graham, who also designed Northgate Mall and Tacoma Mall. Four original tenants, Nordstrom, Macy's (Bon Marche), JC Penney, and Zales Jeweler are still in their original tenant spaces.

Councilmember Kate Kruller, Tukwila, distributed handouts capturing memorabilia from the time: a pass for the 1968 “Champagne Preview Showing” at the then new “Southcenter Shopping City” and an advertisement from the era, [Attachment D](#).

Members wishing to volunteer to provide a “Did You Know?” feature for a future month’s PIC, are asked to contact ellie@soundcities.org.

13. 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. Members are asked to provide her with any updates to the list via email at deanna@soundcities.org.

14. Informational Items

Chair Marts reported that an informational item on the Metro Fares Work Program is contained in the PIC Packet, page 77.

15. Upcoming Events

Chair Marts reported that the next PIC meeting will be held June 14, 2017 from 7:00 PM to 9:00 PM at Renton City Hall with a pre-PIC workshop on the Veterans and Human Services Levy at 6:00 PM.

16. For the Good of the Order

Chair Marts asked if any member wished to offer further comments. There was no further discussion.

The meeting was adjourned at 8:50 PM.

**Public Issues Committee Meeting
May 10, 2017**

| 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 Doreen Booth Alena Marshak | | |

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

Metropolitan King County Council Access For All

The King County Council adopted Ordinance 18513 on May 1, 2017. The ordinance created a King County “Access For All” cultural access program¹ and sent a proposition to King County voters for a 0.1 percent sales tax to finance the program for seven years.

The Access for All program is projected to raise \$67.4 million in 2018. The program would be administered by 4Culture. Funds are proposed to be allocated:

- 21 percent to a Public School Cultural Access Program to provide public school students in-classroom and field cultural learning opportunities,
- 37 percent to a Regional Cultural Organization Program to fund large cultural organizations ,
- 38 percent² to communities and a Community-based Cultural Organization Program for programs offered by smaller cultural organizations, and
- 4 percent for administration costs.

The adopted legislation built on a proposal from the Executive, making several changes:

- **Regional cultural organizations requirements:** Includes requirements for regional cultural organizations to provide public benefits aimed at providing cultural programs for people with economic and geographic barriers to access. Regional cultural organizations would be required to expend at least 15% of their award annually on equity inclusion public benefits and at least 15% of those programs occurring in cities without regional cultural organizations. Regional cultural organizations would also have the option of meeting the geographic inclusion requirement by contributing funds to 4Culture for distribution to community-based cultural organizations.
- **\$1 million to community-based cultural organizations in each county council district:** Requires 4Culture to distribute a total of at least \$1 million each year to community-based cultural organizations in each county council district.
- **\$4.5 million in funding for community heritage organizations:** Defines “community heritage organization” to mean heritage organizations located in a council district in which no regional cultural organization has its principal location or whose primary purpose is the preservation of barns, outbuildings, and agriculture-related community spaces and has its principal location in King County. If any of the \$4.5 million in community heritage organization funds remain after distribution to eligible organizations, the remaining funds would be distributed to community-based cultural

¹ Authorized by Revised Code of Washington chapter 36.160

² Including funding that would be used to administer to program.

organizations in communities in council districts in which no regional cultural organization has its principal location.

- **Council approval of the implementation plan:** Requires approval by ordinance of the implementation plan, and allows for amendments to the implementation plan, which could be initiated by the Executive or Council, with approval by ordinance. Restricts proceeds of the tax, except start-up funding, from being spent until the implementation plan is approved by ordinance.
- **Subarea, equity, and start-up plans:** Requires 4Culture to develop five plans with input from the community and in consultation with County Councilmembers:
 - Cultural opportunity and access expansion plans for the north, south, suburban east, and rural east subareas of the county
 - A countywide cultural access equity plan for achieving equity and inclusion outcomes

Tell your legislators what cities need and ask for a commitment of support!

State-shared revenues

Uphold the state's partnership with *all 281 cities* and continue to fully fund \$225 million in critical shared revenues. This includes the following city-specific distributions:

- \$123.9 M** in liquor profits and taxes
- \$36.9 M** in municipal criminal justice support
- \$30 M** in marijuana mitigation funding (shared with counties)
- \$26.2 M** in streamlined sales tax mitigation
- \$13.6 M** in small city and county assistance
- \$9.4 M** in fire insurance premium tax that supports fire fighter pension costs

Public safety

Maintain commitment to public safety by fully funding the state's share for **LEOFF 2 pension obligations** at 50% employee, 30% city, and 20% state. Failure to maintain this commitment will shift \$70 M in costs to local governments.

Fund the necessary **Basic Law Enforcement Academy** classes in both the supplemental and biennial budgets so that officer trainings can continue. Without full class funding, public safety will be impacted and cities could pay more in overtime.

Infrastructure

Revitalize the **Public Works Trust Fund** in the House-passed version of **SB 5033**. Retain the loan repayments and remaining tax revenues to help rebuild infrastructure in partnership with the state.

Fund the **Centennial Clean Water Account** at \$35 M to help small cities upgrade wastewater systems.

Homelessness and human services

Provide additional funding to reduce homelessness: \$11 M for youth homelessness, temporary rental assistance, chronically homeless, and consolidated homeless grants.

Support **HB 1570** and **HB 1797** that would increase and permanently extend the document recording fee, which funds state and local homeless programs and create a suite of new local revenue options to address local-level affordable housing and homelessness.

Local government revenues

Support the following proposals that generate revenues for local government and the state, or provide new revenue options for cities.

Support provisions in **HB 2186** and **SB 5929** that require sales tax collections, or that internet retailers report customers for use taxes (a long-standing priority of AWC), and remove the bottled water sales tax exemption. The bills also establish a graduated rate for the state Real Estate Excise Tax (REET), resulting in a lower rate on certain residential units and a higher rate on others. Cities collect a local REET to help fund critical infrastructure and if this proposal advances, AWC seeks similar authorization as a local option.

Support **HB 1764**, which adjusts the 1% property tax cap to keep up with increased inflation and population growth, and allows this as a local option for elected city and county officials.

Support **HB 1113**, which gradually restores liquor revenues shared with cities and counties to help support public safety.

Curious about the state-shared revenues your city is estimated to receive in the FY 2017-19 budget? Visit the AWC Open Data Portal at awcnet.org/opendata to see what revenues are at stake in your city. View revenue sources specific to your city including city-county assistance, fire insurance premium tax, liquor profits, liquor taxes, municipal criminal justice, and SST mitigation.



open data PORTAL

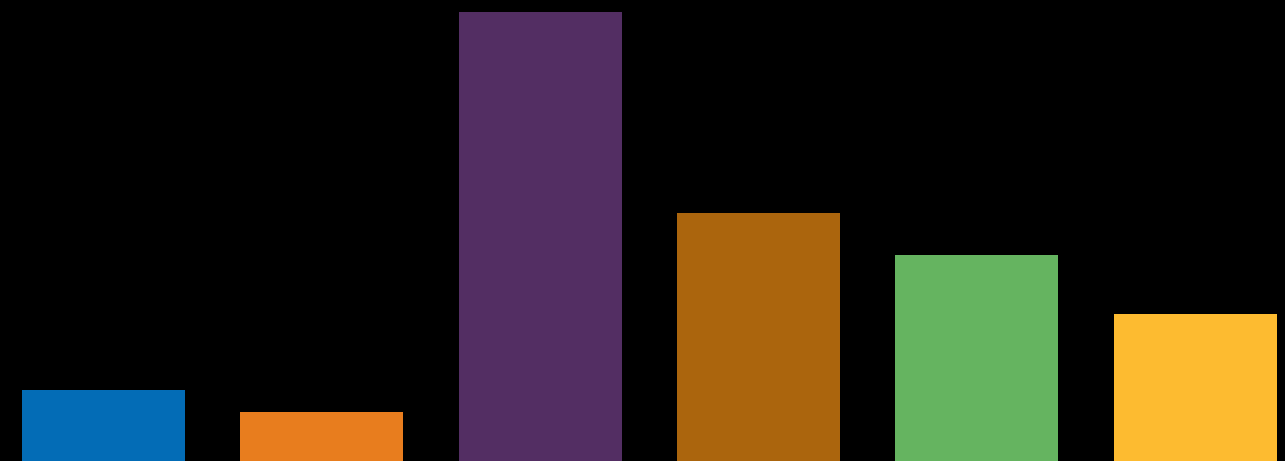
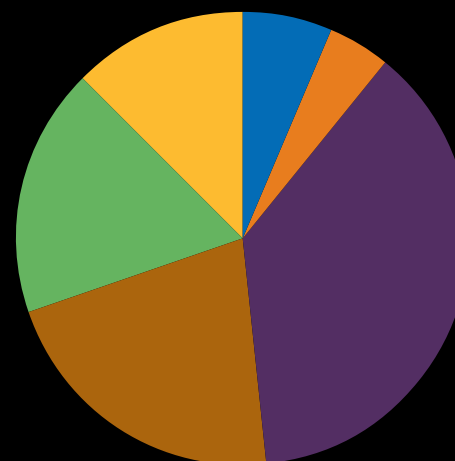
Visit awcnet.org/opendata to see your city's state-shared revenue estimates.

Shared revenue estimates (FY 2017-2019)

State revenues distributed to cities and towns are the result of decades of past decisions to deliver vital services to our citizens. Without those agreements, other options and authorities would have been explored.

Shared revenue source

-  City-county assistance
-  Fire insurance premium tax
-  Liquor profits
-  Liquor taxes
-  Municipal criminal justice
-  SST mitigation





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