



SCA Public Issues Committee MINUTES

January 14, 2015 – 7:00 PM
Renton City Hall
1055 S Grady Way, Renton WA 98057

1. Welcome and Roll Call

PIC Chair Mayor Bernie Talmas, Woodinville, called the meeting to order at 7:03 PM. 27 cities had representation ([Attachment A](#)). Guests present included Matt Larson, Snoqualmie Mayor; Bill Peloza, Auburn Council; Lydia Assefa-Dawson, Federal Way Council; Don Gerend, Sammamish Council; Michael Hursh, City of Auburn; Rachel Bianchi, City of Tukwila; Kelly Rider, Housing Development Consortium.

2. Public Comment

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

3. Approval of the December 10, 2014 Minutes

Council President Hank Margeson, Redmond, moved, seconded by Councilmember Bill Boyce, Kent, to approve the December 10, 2014 meeting minutes.

There was no discussion. The motion passed unanimously.

4. Chair's Report

Chair Talmas reported that SCA leadership met with the Executive and discussed the Youth and Children services levy. Chair Talmas stated that the Puget Sound Emergency Radio Network (PSERN) ordinance has been introduced and is before the King County Council Budget Committee. The total project cost is \$273 million and would be a \$0.07 per \$1,000 assessed property value. Chair Talmas noted that the Executive would like for the PSERN ordinance to be on the April ballot but it looks like August is more realistic. The Youth and Children Service levy would be on the November ballot.

Chair Talmas reported that the Executive had previously announced a plan to reduce the average daily population at the county jail as a cost saving measure. The average daily population is not projected to affect cities since it will only impact county inmates. The next couple of months will determine how this cap will be enforced. Mayor Nancy Backus, Auburn, clarified that the jail population cap would not impact misdemeanor cases for contracting cities but would impact felony cases. The City of Auburn has prepared a memo expressing concerns with this proposal, which was shared with the Executive. Dawson noted that the Executive has postponed implementation of the proposal based on concerns raised by cities and others, and has asked for city assistance in working with elected officials to find other efficiencies. Cities

agreed that the proposed “catch and release” program was a major concern for cities. They asked that a policy position on this matter be brought back to a future PIC meeting.

5. Executive Director’s Report

Deanna Dawson, SCA Executive Director, elaborated on the PSERN project.

Dawson reported that the King County lobbyist, Rachel Smith, joined in SCA’s meeting with the Executive earlier that day. Rachel reported that the Association of Washington Cities (AWC) and Washington Association of Counties (WSAC) are working hard on the 1% property tax cap issue as supported by SCA last month. She advised that a position on raising the 1% property tax should be broad, like the one adopted by SCA. Cities and counties in eastern Washington are now increasingly supportive of raising the 1% property tax cap.

Dawson reported that Senator Fain has expressed public support for a gas tax increase to fund transportation. Dawson mentioned that Representative Clibborn asked representatives to submit the transportation priorities for their regions and Representative Gregerson submitted the report from the October 31, 2014 SCA meeting on transportation priorities.

Dawson reported on the early learning forum, which was co-sponsored by SCA. Mayor Matt Larson, Snoqualmie, attended on behalf of SCA and spoke eloquently about his personal experiences. Mayor Larson noted that there is compelling information about the importance of brain development among newborns that is linked to high school dropout rates, criminal issues and social services. He mentioned that the symposium was beneficial but that there was much work to be done on clarifying the scope of and source of funding for a children’s levy. Councilmember Janie Edelman, Black Diamond, noted that a representative from the White House was present at the early learning forum and the luncheon following the forum was beneficial.

Dawson noted the new appointee orientation taking place on January 28, 2015 and that this would be a topic covered on the agenda. She noted other attendees who would be presenting. Dawson reported that the caucus chair orientation would take place on February 4, 2015.

Dawson reported that the new policy analyst position has been posted.

6. Welcome New PIC Members and Introduction to PIC

Chair Talmas welcomed recurring and new PIC members and asked members to introduce themselves.

Deanna Dawson, SCA Executive Director, asked members to note any issues they would like PIC to tackle in 2015.

Mayor Nancy Backus, Auburn, noted the jail management plan. Members agreed this should come back to PIC next month.

Chair Talmas noted the youth action levy by the Executive. Dawson mentioned a possible pre-PIC workshop on this issue could be arranged, and members agreed.

Councilmember Nancy Tosta, Burien, mentioned the Regional Food Policy Council at PSRC. Tosta noted that SCA does not appoint to this committee but she represents the City of Burien and other cities and towns. The food policy council is working on their action plan, economic viability of food programs, and access to healthy foods and welcomes any input from cities on these issues. Dawson noted that Nancy Tosta serves on the King Conservation District which has a great nexus to the work on the food policy council.

Dawson stated that several Senators have sponsored a bill to bring ST3 forward. She noted this was an issue that has been raised by many cities and inquired as to whether members would like to see this come back to PIC. Councilmember Dini Duclos, Federal Way, noted Federal Way has many issues and concerns with Sound Transit. Dawson mentioned that the lack of representation on the Sound Transit board has been an issue of concern for many cities in the north and south.

Councilmember Bill Boyce, Kent, noted homelessness issues. Dawson noted Doreen Marchione wanted members to take a position on the four-year plan to end homelessness and the issue would possibly come back to PIC next month.

Mayor Matt Larson, Snoqualmie, noted the early learning symposium and children's levy.

Mayor David Baker, Kenmore, noted that the Board of Health will be reviewing marijuana edibles since poison control has received many calls related to children ingesting edibles. Most of the edibles are coming from medical shops and not recreational shops. The county is looking at the issue and will act if the legislature fails to act.

Mayor Dave Hill, Algona, asked whether committees could present what they are doing so PIC gains a better idea of the issues.

7. 2015 PIC Meeting Schedule

Deanna Dawson, SCA Executive Director, stated that this item is on the agenda in order to ensure that all members and the public are aware of SCA's meeting schedule, and to be as transparent as possible. Dawson passed out the 2015 Public Issues Committee Schedule and asked PIC members to respond to questions about meeting location and preferences.

Dawson asked about attendance on March 11, 2015 as it is the same date as the NLC Conference in Washington and attendance on November 11, 2015 as it is the same date as Veteran's Day. The November 11, 2015 PIC meeting could be moved to November 4 or November 12.

Councilmember Kate Kruller, Tukwila, moved, seconded by Mayor David Baker, Kenmore, to move the November 11, 2015 PIC meeting to November 12, 2015.

Discussion ensued: Deputy Mayor Nancy Tosta, Burien, noted that WRIA9 meets that day. Councilmember Janie Edelman, Black Diamond, noted that the Black Diamond council meets that day. Councilmember Kruller mentioned she would be sending an alternate to the March

11, 2015 meeting and others could possibly do the same for potential November conflicts as no date would be perfect for everyone.

The motion to change the date of the November meeting to November 12 passed.

Council President Hank Margeson, Redmond, moved, seconded by Councilmember Ross Loudenback, North Bend, to adopt resolution 2015-1 Public Issues Committee Schedule as amended.

The motion passed unanimously.

Members next discussed whether to rotate the location of meetings in 2015. Chair Talmas mentioned that PIC would be held in Renton unless members picked an alternate location. Dawson noted that some cities in the south end had requested that a meeting be held further south, rather than just having one meeting in the north, as had occurred in past years.

Councilmember Dini Duclos, Federal Way, noted that many PIC members may not be able to attend if the meeting location is rotated. She suggested that perhaps PIC should simply hold all its meetings in Renton, which is a central location.

Councilmember Toby Nixon, Kirkland, mentioned that Kirkland City hall will be under construction due to remodeling but the PIC meeting could be hosted at the Kirkland Justice Center if there was a desire to hold a meeting in an alternate location.

The PIC agreed to hold meetings in Renton for 2015, unless amended by a motion at a subsequent meeting.

8. EMAC and KCD Advisory Committee Appointments

Redmond Council President Hank Margeson, PIC Nominating Committee Chair, reported that the PIC Nominating Committee met prior to the PIC meeting to review and discuss the nominees for vacancies on the Emergency Management Advisory Committee (EMAC) and the King Conservation District (KCD) Advisory Committee. Chair Margeson continued that an appointee to each committee has stepped down.

Council President Hank Margeson, Redmond, moved, seconded by Mayor Dave Hill, Algona, to appoint Councilmember Marianne Klaas, Clyde Hill, to the Emergency Management Advisory Committee, and to move Deputy Mayor Nancy Tosta, Burien, from alternate to member, and appoint Councilmember Erika Morgan, Black Diamond, as alternate to the King Conservation District Advisory Committee.

Chair Margeson mentioned that the number of outstanding applicants made it a hard decision and thanked Deanna Dawson, SCA Executive Director, and SCA staff for reaching out to members. He also thanked members for being interested in serving on committees. Deanna Dawson reiterated that there were a number of good candidates for the open seats and stated that Clyde Hill had its first member appointed to a committee. She noted that in terms of the

King Conservation District Advisory Committee, the appointment of Councilmember Morgan would result in representation from each of the 4 SCA caucuses.

The motion passed unanimously.

Chair Talmas thanked the PIC Nominating Committee for their work on these appointments.

9. Support for Flexibility in Investment of Hotel/Motel Taxes for Affordable Housing

Chair Talmas reported that this item is being brought before the PIC for the first reading and it may be brought back to the next meeting of the PIC for action.

Lyset Cadena, SCA Senior Policy Analyst, reported that in 2011, the legislature set aside 37.5% of King County's lodging tax to be used for affordable workforce housing near transit once the debt on Seahawks stadium has been paid off in 2021. Future monies can only be used for affordable workforce housing and an additional 37.5% is set aside for arts and heritage and the remaining 25% is set aside for tourism. The proposal would extend King County's authority to allow the County to bond against a portion of future revenues set aside for affordable housing that will be received beginning in 2021. This would allow \$45 million in future revenues to be used beginning in 2015 to fund affordable housing. Zero coupon bonds would be issued to finance affordable housing. This would not impact future tourism or arts funding even if revenues were less than projected as the legislation limits use of the monies to 50% of projected revenues. Representative Springer is sponsoring legislation in the House – HB 1223 and Senator Miloscia is sponsoring legislation in the Senate – SB 5208. This was recommended by JRC and CEH members.

Mayor David Baker, Kenmore, stated that there is a shortage of affordable workforce housing in King County and there is a tremendous need for housing. Baker asked for the definition of transit. Staff responded that transit was defined very broadly and could include a variety of forms of transit.

Chair Talmas asked what would happen if revenues did not come in as anticipated. Kelly Rider, Housing Development Consortium staff, responded that only 50% of projected revenues would be bonded against.

Mayor Dave Hill, Algona, stated that Washington State has a tendency to bond against revenue sources and is concerned that in 20 years the revenue will not be available. He mentioned that this policy would allow spending of future money today without any guarantee that the money will be there in the future.

Councilmember Kate Kruller, Tukwila, questioned the notation in the staff memo that Tukwila was supportive of the policy. She was not aware of her city taking a position.

Deputy Mayor Dan Grausz, Mercer Island, noted Mercer Island has not reviewed the policy position and agreed with Mayor Dave Hill. He stated that this is very similar to the current issues with transportation not being able to fund new projects. This option cannot be the only

option to pay for affordable housing; local governments should be given additional revenue tools to pay for affordable housing.

Councilmember Dini Duclos, Federal Way, noted Federal Way has not reviewed the policy position and may have some concerns.

Councilmember Kingston Wall, Snoqualmie, on behalf of Mayor Matt Larson, Snoqualmie, asked whether this is the same as LTAC funds.

Councilmember Tola Marts, Issaquah, asked whether the Joint Recommendation Committee (JRC) had taken a position on this issue. Dawson answered that the Joint Recommendation Committee and the Committee to End Homelessness have included this issue as part of their legislative agenda. Councilmember Marts mentioned he would take this issue to the Issaquah council.

Dawson asked Rider if she could answer some of the questions.

Rider stated that King County is pursuing additional revenue streams for affordable housing. Housing prices in King County are increasing and affordable housing that can be built today will last 50 years. Rider noted that building now would result in savings since the cost of land near transit will only increase over time. The cost of bonding now is outweighed by the savings over the next 7 years. Homeless families cannot wait.

Dawson stated further information would be provided to PIC members.

Councilmember Toby Nixon, Kirkland, mentioned that he serves as chair of the lodging tax advisory committee. He stated that lodging tax funds are divided between cities and the county and the policy position will only impact the county portion of lodging taxes while leaving the cities portion intact.

Councilmember Barry Ladenburg, SeaTac, mentioned this issue would be going before the SeaTac council.

Councilmember Ross Loudonback, North Bend, asked how much would be available to rural communities. Rider answered that JRC has a process for how money is divided and this would follow the current process.

Chair Talmas asked whether money would be allocated to unincorporated areas of King County or cities. Rider answered that JRC allocates money to all areas of the county but it would still have to follow the current process at JRC. Baker also noted the competitive process for affordable housing revenue.

Council President Hank Margeson, Redmond, stated that the money is currently being collected and will continue to be collected even after the stadium is paid off. The county is asking to bond against 50% of projected revenue over the next six-years. Margeson mentioned the pre-PIC workshop and the issue of homelessness. No new taxes will be authorized by the legislature.

Hill asked how long it would take to pay off the debt and clarification on the 8-10M/year in 2021.

Councilmember Henry Sladek, Skykomish, noted that this position would allow for borrowing from future revenue to pay for capital costs and is not similar to the transportation situation. Sladek stated either we pay to build it now or later.

Councilmember Nixon mentioned that the nexus to hotel/motels and tourism development is that the workers in those industries would be the ones benefitting from affordable housing.

Councilmember Toby Nixon, Kirkland, moved, seconded by Councilmember Kingston Wall, Snoqualmie, to bring the following potential policy position back to the next meeting of the PIC:

The Sound Cities Association supports legislation to allow King County to bond against future hotel/motel tax revenue reserved for housing beginning in 2021. To accomplish this, RCW 67.28.180 (3)(i) will need to be amended with a technical fix that specifically authorizes bonding for affordable housing. Such legislation would allow King County to bond against future revenue and allow up to \$45 million in new housing funds to be released over the next six years to create and preserve affordable workforce housing in coordination with transit investments.

There was no further discussion. The motion passed unanimously.

10. Sub-Regional Transportation Funding Draft Principles

Lyset Cadena, SCA Senior Policy Analyst, stated that the Puget Sound Regional Council (PSRC) adopts recommendations to the Legislature. In October and November 2014 the PSRC Transportation Policy Board (TPB) reviewed the 2014 recommendations and provided guidance to PSRC on drafting a set of recommendations for the 2015 legislature. Cadena mentioned that during these discussions TPB members discussed the possibility of a sub-regional alternative. A sub-regional work group was created and Councilmember Don Gerend, Sammamish, was selected to chair the group. Cadena mentioned that the work group sought advice from an attorney on whether the region could proceed with a sub-regional transportation package, the revenue resources available, and if there were limitations to a sub-regional approach. The attorney from the Cascadia law group stated in a memo that yes the region could proceed with a sub-state funding package but only if the region had authority from the legislature. The working group drafted principles and they would like feedback from PIC in regards to whether the working group should continue down this path or let the legislature act first.

Councilmember Don Gerend, Sammamish, stated that for the last 2 years the legislature has not acted on a statewide package and the region has been frustrated with the inaction from the Legislature. The working group met one time and discussed whether the region could raise taxes and next steps. Last year the House passed a statewide package and Representative Clibborn worked on reaching agreement with Senator King. Gerend mentioned the caucuses in the legislature could not reach agreement on reforms and taxes and came to an impasse. He reviewed Elway poll results stating that more citizens support raising taxes for transportation compared to 2013. PIC members were encouraged to look at the PSRC TPB November packet to

review the transportation proposals from Senator Hobbs and the Senate Majority Coalition Caucus (MCC). The Governor released a transportation package totaling \$12 billion and the legislature is now beginning to talk about increasing the gas tax by \$0.11 or \$0.12. Gerend mentioned that the time to act on a transportation package is now since the price of gas had been decreasing.

Chair Talmas asked whether it was worth reviewing the draft principles if the Legislature has stated a sub-regional package has no support. Gerend answered that yes, it is beneficial to review and provide feedback since the TPB has not reviewed the principles but the PSRC Executive Board will.

Dawson noted that that PSRC is seeking feedback on whether they are headed in the right direction and now is the time to weigh-in.

Councilmember Marlla Mhoon, Covington, mentioned that at the South King County Chamber of Commerce breakfast, Senator Fain stated his support for a gas tax increase but not for a sub-regional approach.

Mayor Nancy Backus, Auburn, reiterated that anything other than a statewide package is not supported.

Councilmember Bob Keller, Sammamish, mentioned that he noticed some conflict in the principles such as “no increase in bureaucracy”. Keller asked whether the draft principles were measured against peer metro regions that have been successful in funding transportation.

Gerend answered that the draft principles were 10 years old and need revision.

Councilmember Kate Krueller, Tukwila, also attended the South King County Chamber of Commerce and heard that if a state package is to move forward, it needs to include projects from eastern Washington. Krueller referenced pages 52 and 53 of the PIC packet and asked whether a sub-regional transportation package would impact local revenues sources such as a Transportation Benefit District. Gerend answered that it depends on what the legislature authorizes.

Council President Hank Margeson, Redmond, stated that PSRC needs to keep pressure on the Legislature and having the sub-regional funding as option B holds merit; the region should not place all their eggs in one basket. He mentioned that the draft principles need to be refined to make them more robust.

Dawson reiterated that a sub-regional funding package would require legislative authorization.

Margeson stated that PSRC should apply pressure on the legislature and if the legislature does not act, the region should ask for options to allow the region to tax itself.

Mayor Backus agreed with Margeson and mentioned that Senator Fain has publicly come out against a regional transportation package. If the Legislature does not act, the region should ask

to shift the burden from the Legislature to cities. This option may look more attractive as session continues.

Councilmember Barry Ladenburg, SeaTac, asked whether a sub-regional approach was a good idea and whether it let the State off the hook on transportation projects such as I-405 and SR 167. Ladenburg asked whether the constituents of the sub-region would be responsible for cost overruns or other liabilities and asked if the region wanted to tackle such issues.

Chair Talmas thanked the members for a great discussion.

11. Property Tax Cap Update

Lyset Cadena, SCA Senior Policy Analyst, stated that this item was a follow-up to the discussion at the December 10, 2014 PIC meeting. Several councils had not had time to meet and discuss the position to support raising the 1% property tax cap. Additionally, there was some discussion as to whether SCA should adopt a more specific policy position.

Councilmember Tom French, Lake Forest Park, mentioned that Lake Forest Park has not taken a position on this issue. The citizens of Lake Forest Park do not support increasing the property tax and the city council would face backlash if they did support increasing the property tax.

Councilmember Kate Kruller, Tukwila, stated that Tukwila has not reviewed the policy position.

Councilmember Dini Duclos, Federal Way, stated that Federal Way does not have an issue with supporting the policy position since it is up to individual cities to increase property taxes.

Councilmember Barry Ladenburg, SeaTac, mentioned that SeaTac supports raising the 1% property tax cap and asked whether raising the property tax would involve a percentage increase or if the tax would be pegged to inflation or population growth.

Chair Talmas reiterated that SCA has received feedback recommending that SCA keep the policy position broad and letting the legislature decide the mechanism.

Staff will continue to update members on this item.

12. Informational Items

Chair Talmas reported that there are two information items in the packet. The first item is on the future levies and ballot measures. Talmas asked PIC members to review the item and compare to their cities' ballot initiatives.

Chair Talmas noted that the second informational item is an update on Regional Policy Committee activities from 2014. Council President Hank Margeson, Redmond, stated that the item qualifies as the Regional Policy Committee's report for the year. Dawson mentioned that Chair Talmas was elected as chair of the SCA RPC caucus and vice-chair of the Regional Policy Committee and Councilmember Bill Peloza, Auburn, was elected SCA RPC caucus vice-chair.

13. Upcoming Events

The 2015 SCA Appointee Orientation will be held on Wednesday, January 28, 2015 at 6:00 PM at SeaTac City Hall.

The SCA Caucus Chair Training will be held on Wednesday, February 4, 2015 at Renton City Hall

The next Public Issues Committee Meeting will be held on Wednesday, February 11, 2015, at 7:00 PM at Renton City Hall.

AWC City Action Days will be held on February 18 – 19, 2015 in Olympia.

The upcoming SCA Networking Dinner will be held on Wednesday, February 25, 2015 at 5:30 PM at the Renton Pavilion Event Center. The keynote speaker will be King County Executive Dow Constantine.

The next SCA Networking Dinner will be held on Wednesday, April 1, 2015 at 5:30 PM at Renton Pavilion Event Center. The guest speaker will be Maud Daudon from the Seattle Chamber, which is a new Partner of SCA.

14. For the Good of the Order

Chair Talmas asked if any member had comments for the good of the order and encourage members to fill out the SCA 2014 membership survey.

Mayor David Baker, Kenmore, mentioned that February 9, 2015 is the 5th Anniversary of Let's Move and encouraged cities to commemorate the event within their cities.

Councilmember Barry Ladenburg, SeaTac, noted the Highline School District bond and levy as a possible upcoming ballot measure.

Councilmember Kate Kruller, Tukwila, mentioned attending Dr. Michael Eric Dyson's forum at Foster High School on how to overcome personal and institutional barriers to help children and community members succeed.

15. Adjourn

The meeting was adjourned at 8:37 PM.

**2014 Roll Call – Public Issues Committee Meeting
December 10, 2014**

City	Representative	Alternate	Other	Staff
Algona	Dave Hill	Dawn Dofelmire		
Auburn	Nancy Backus	Bill Peloza		Michael Hursh
Beaux Arts	Tom Stowe	Richard Leider		
Black Diamond	Janie Edelman	Tamie Deady		
Bothell	Andy Rheaume	Tom Agnew		
Burien	Nancy Tosta	Stephen Armstrong		
Carnation	Jim Berger	Kim Lisk		
Clyde Hill	Barre Seibert	George Martin		
Covington	Marlla Mhoon	Margaret Harto/Jeff Wagner		
Des Moines	Melissa Musser	Jeanette Burrage		
Duvall	Amy Ockerlander	Scott Thomas		
Enumclaw	Mike Sando	Liz Reynolds		
Federal Way	Dini Duclos	Jeanne Burbidge	Lydia Assefa-Dawson	
Hunts Point	Joseph Sabey			
Issaquah	Tola Marts	Eileen Barber		
Kenmore	David Baker			
Kent	Bill Boyce	Dennis Higgins		
Kirkland	Toby Nixon	Shelley Kloba		
Lake Forest Park	Catherine Stanford	Tom French		
Maple Valley	Erin Weaver	Layne Barnes		
Medina	Michael Luis			
Mercer Island	Dan Grausz	Benson Wong		
Milton	Debra Perry			
Newcastle	Lisa Jensen	John Drescher		
Normandy Park	Shawn McEvoy	Susan West		
North Bend	Ross Loudenback	Ken Hearing		
Pacific	Leanne Guier	Vic Kave		
Redmond	Hank Margeson	John Stilin		
Renton	Ed Prince	Armondo Pavone		
Sammamish	Tom Odell	Bob Keller	Don Gerend	
SeaTac	Barry Ladenburg	Mia Gregerson		
Shoreline	Chris Roberts	Chris Eggen		
Skykomish	Henry Sladek			
Snoqualmie	Kingston Wall	Matt Larson		
Tukwila	Kate Kruller	Verna Seal		Rachel Bianchi
Woodinville	Bernie Talmas	Susan Boundy-Sanders		
SCA				Deanna Dawson Kristy Burwell Lyset Cadena Doreen Booth

Electeds present are highlighted in gray. Cities represented are **bolded**.