



SCA Public Issues Committee MINUTES

May 8, 2019 – 7:00 PM
Renton City Hall
1055 S Grady Way, Renton WA 98057

1. Welcome and Roll Call

PIC Chair Council President Ed Prince, Renton, called the meeting to order at 7:00 PM. 28 cities had representation ([Attachment A](#)). Guests present included Councilmember Angela Birney, Redmond (PIC Alternate); Alison Bennett, City of Bellevue staff; Colleen Kelly, City of Shoreline staff; Lyman Howard, City of Clyde Hill staff; Jenny Huston, King County Executive staff; Doug Levy, City of Renton consultant; Kate Henry, City of Bellevue Staff; Simon Farretta, King County Council staff; Kelly Rider, King County staff.

2. Public Comment

Chair Prince asked if any member of the public would like to provide public comment. Seeing none, Chair Prince closed the public comment portion of the meeting.

3. Approval of the April 10, 2019 PIC Minutes

Chair Prince asked if there were any amendments to the April 10, 2019 PIC minutes. **Councilmember Hank Margeson, Redmond, moved, seconded by Councilmember Janie Edelman, Black Diamond, to approve the April 10, 2019 minutes. The motion passed unanimously.**

4. Chair's Report

Chair Prince reported that the PIC traditionally does not meet in the month of August unless an emergent issue arises necessitating a meeting. Members agreed with this approach for 2019. Chair Prince noted it can be difficult for members to hear speakers during PIC and asked that members limit side conversations to ensure everyone can hear and participate in the meetings.

5. Executive Director's Report

SCA Executive Director Deanna Dawson reported that there will be an SCA Networking Dinner on Wednesday, May 22, from 5:30 to 8:00 PM at the Renton Pavilion and Event Center. The event will feature a panel of legislators providing their perspective on the 2019 legislative session. The sponsor for the event is Gordon Thomas Honeywell.

Dawson said SCA would be receiving the Organization of the Year award from the Municipal League Foundation at their annual Civic Awards ceremony on Thursday, May 9.

6. Affordable Housing Committee Appointment

PIC Nominating Committee Chair, Councilmember Ross Loudonback, North Bend, reported that the PIC Nominating Committee met on April 29 to review nominations to serve on the King County Affordable Housing Committee. He said there were many qualified applicants who

would have been excellent representatives of SCA on the committee, but the PIC Nominating Committee was limited to recommending four members and four alternates.

Councilmember Ross Loudenback, North Bend, moved, seconded by Councilmember Chris Roberts, Shoreline, to recommend the SCA board of directors appoint Mayor David Baker, Kenmore; Mayor Debbie Bertlin, Mercer Island; Councilmember Claude DaCorsi, Auburn, and Councilmember Nancy Tosta, Burien, as members; and Mayor Ken Hearing, North Bend; Councilmember Marli Larimer, Kent; Councilmember Ryan McIrvine, Renton; and Deputy Mayor Lynne Robinson, Bellevue, as alternates to the King County Affordable Housing Committee with a term ending December 31, 2020.

Councilmember Chris Roberts, Shoreline, said that at least one of the proposed nominees would be retiring at the end of 2019, which would make a seat available for another person to join the committee.

Councilmember Hank Margeson, Redmond, questioned why the PIC Nominating Committee was recommending appointing a member who would be retiring at the end of 2019 for a position that doesn't expire until the end of 2020. He also said there was a lack of diversity among the proposed appointees and asked whether the PIC Nominating Committee had taken that into consideration.

SCA Executive Director Dawson said that both issues were raised and discussed by the committee. She said the committee determined that the retiring member would bring continuity to the Affordable Housing Committee based on their participation on the Regional Affordable Housing Task Force, whose recommendations spurred the creation of the committee. Chair Prince added that the PIC Nominating Committee strives to balance a variety of goals to ensure equitable representation for SCA on regional boards and committees.

Chair Prince asked if there was further discussion on the motion. Seeing none, he called for a vote. The motion passed with 27 cities voting yes, and the city of Redmond voting no.

7. 2019 State Legislative Session

Briahna Murray, Vice President of Gordon Thomas Honeywell Government Affairs, reminded members that they had been contracted by SCA to monitor legislation during the 2019 session and to provide weekly updates to PIC members on key legislative priorities. The final legislative report for the 2019 session can be found on the [SCA website](#).

Murray reported that this session was the first year of the two-year biennium. She noted that in the first year of the biennium, the primary task of the legislature is developing the capital, transportation, and operating budgets. The legislature adjourned on-time on April 28.

Murray stated that SCA prioritized housing and homelessness in the 2019 SCA legislative agenda. She said that the final budget included \$175 million for the Affordable Housing Trust Fund. She said that the cities that would like to apply for these funds will need to coordinate with the Department of Commerce quickly. She noted that the legislature also passed the

[Condominium Liability Act](#) in an effort to spur the development of more affordable homeownership options in the form of condominiums.

Murray reported that the legislature passed [House Bill 1406](#), which allows local jurisdictions to impose a credit against the state sales tax to fund affordable or supportive housing. As this is a credit against the state's sales tax it results in no increase to the consumer. To collect the tax, a county or city legislative authority must adopt a resolution of intent within six months of the effective date of the bill and legislation to authorize collection within one year. The tax expires 20-years after the jurisdiction first imposes it. The bill includes a formula where a portion or the full amount of the proceeds may be collected by a city or county depending upon whether the other party has implemented the tax or if they have adopted a separate local housing or mental health levy. Detailed information on this formula can be found on the [AWC website](#). SCA staff said they would provide additional information at an upcoming PIC meeting.

Councilmember Chris Roberts, Shoreline, asked if there was a resource that shows how much funding for affordable housing would be generated through the sales tax credit. Murray said that the AWC has developed a [chart](#) showing potential annual collections for cities.

Councilmember Hank Margeson, Redmond, asked about [House Bill 1923](#), which incentivizes rather than mandating cities adopt measures to increase density. Margeson said that many cities would like to update their land use planning, but that doing so is expensive. He asked what incentives were included in the bill to assist cities. Murray said that if cities choose to implement policies described in House Bill 1923 then they are eligible for planning grant funding of up to \$100,000.

Murray reported that a proposed statewide transportation funding package did not pass. She said the Legislature did not significantly increase revenue to local governments to meet transportation needs, and that the Joint Transportation Committee is tasked with making recommendations to the 2020 Legislature regarding local transportation revenues. She reminded members that the last transportation package was developed over several years.

She said that Representative Pollet sponsored legislation to remove the 1% limit on increases to property taxes, but it received very little traction.

Murray said that state-shared revenues were fully funded in the final operating budget with the exception of the Public Works Assistance Account, which was swept of \$160 million. SCA Executive Director Dawson noted that the availability of funds in the Account has a direct nexus to the ability of cities to fund infrastructure projects without adding greater costs to new development and exacerbating the housing affordability crisis.

Murry reported that funding was provided for nine additional classes through the Basic Law Enforcement Academy as requested by cities. The final operating budget also included \$16.4 million to continue streamlined sales tax mitigation payments to impacted jurisdictions through 2021.

Councilmember Janice Zahn, Bellevue, asked about [House Bill 1219](#), which allows real estate excise taxes to be used to fund affordable housing. Murray said that this legislation passed, and it allows cities to use a portion of REET 2 funds for affordable housing until 2026.

8. Homelessness Response System Governance

SCA Senior Policy Analyst Christa Valles presented a power point describing work underway between the City of Seattle and King County to consolidate their investments and efforts to combat homelessness into a unified regional agency. Valles walked through several background slides, including a King County Auditor's report written in May 2018 noting the region's homeless system is fragmented with not clear authority and consultant recommendations from December 2018 which were previously discussed at the January 2018 PIC.

Several significant issues associated with consolidation need to be resolved before consolidation can occur, including forming a legal entity, resolving staffing and labor issues, designing an organizational structure, and identifying a governance structure and board to oversee the work of the unified agency. Valles noted that the Seattle Mayor and King County Executive have begun to engage their respective Councils and are hoping to have an Interlocal Agreement in place by fall 2019. The King County Executive is keen to engage SCA member cities, and the consultants have offered to hold a workshop for interested SCA members to brainstorm options for a governance board.

Councilmember Traci Buxton, Des Moines, asked whether the new body will be a policy-setting body or a resource for cities and county. Valles said that it will be more than a resource, it will be a policy-setting body with the intention of creating a regional system that provides a consistent level of services across the county. Buxton said the system should be data-driven and based on results, and that cities that are meeting standards for success shouldn't be mandated to change their approach.

Chair Prince said the new entity's board needs to include elected officials because they are the people who are ultimately accountable to the public.

Councilmember Chris Roberts, Shoreline, agreed with the need to have elected officials on the board. If local funds are to be used for a regional response, there should be local involvement from elected officials. He said that if the Executive Director of the new entity would be reporting to the Seattle Mayor and King County Executive, the SCA President should also be included.

Councilmember Sue-Ann Hohimer, Normandy Park, asked if mental health and addiction responses would be part of the new agency's role. Valles replied that she didn't think these funds would specifically run through this agency, but that everyone recognized the need to create a more cohesive system that provides effective mental health and addiction services for the homeless population. Hohimer also noted the importance of services being accessible to residents throughout the county and the role of access to transportation options.

Dawson asked whether we knew what funding sources the new agency would be responsible for managing or setting policy related to. Valles said that this was currently under discussion

but that she was not privy to the details of which specific funds were under consideration by the City of Seattle and the County.

Councilmember Janice Zahn, Bellevue, said that it will be important to see the geospatial analysis of homeless services and their relationship to the homeless population. She noted that the needs of individuals experiencing homelessness are not the same. She said she agreed that we need to look at how the transportation system connects people to services. Zahn also asked how existing policy bodies and service providers would work with the new structure.

Valles explained the region's Continuum of Care, All Home, is currently working on a new board structure that would be subsumed under the governance structure of the new agency. Valles noted that All Home oversees approximately \$40 million in annual funding and these dollars already come with a lot of requirements imposed by HUD.

Zahn said that SCA needs to have a seat at the table. Having only Seattle and King County leaves a lot of the region's population out of the process.

Councilmember Tola Marts, Issaquah, said that he was concerned about a recent court decision, referred to as the Boise decision, and what impacts it will have on cities and how they address a range of issues. He said that if consolidation is to occur, then it should result in a unified system not another organization on top of others that only adds to current fragmentation. He also noted the scale of the challenge and that the financial costs of addressing it are extremely high.

Dawson asked if the PIC would be interested in a future workshop on the Boise decision and members affirmed that they would.

Councilmember Pam Fernald, SeaTac, said that the system does need to be under one umbrella and not split up. She said there needs to be a connection with drug addiction and mental illness services, but also services available that may be able to more quickly assist those without those concerns. She said how clients would be connected to services also needs to be considered.

Councilmember James McNeal, Bothell, noted that homelessness is a national issue and there are many different forms of homelessness, including children who are couch surfing. He said SCA cities collectively need to have a voice and that elected officials need to be involved.

Councilmember Hank Margeson, Redmond, said that some SCA communities may have programs in place that are having better success and we need to look at what is working. He said he is concerned this is simply an opportunity to pursue funding. He said the region should find solutions first and let those solutions drive the governance structure.

Councilmember Kate Kruller, Tukwila, encouraged people to go out and talk to homeless people in their communities to better understand their needs. Kruller indicated she would be interested a future workshop on the governance issue.

Councilmember Pam Fernald, SeaTac, mentioned the pre-PIC workshop with consultants in October 2018. At the workshop, several people said they thought faith-based and philanthropic groups have better results than government. Valles noted that most homeless services are provided by non-profits, but the majority of funds flow through government.

Councilmember Tola Marts, Issaquah, said that he is interested in ongoing work internationally to improve public service delivery through the use of artificial intelligence, machine learning, and better understanding what systems work.

9. Initiative 976

SCA Policy Director Brian Parry reported that Initiative 976 (I-976), which was certified as an initiative to the legislature, will appear on the November 19 general election ballot. The legislature had the option of either adopting the measure, taking no action and it would appear on the ballot, or to propose a competing measure that would also appear on the ballot. In April, PIC discussed the impacts of I-976, particularly the impact to city Transportation Benefit District funding. SCA staff said they would come back in May with information about activities that are allowed under state law for public entities.

Parry said that Washington State law ([RCW 42.17A.555](#)) broadly prohibits the use of any public facility or resources from being used in support or opposition to a ballot proposition with three limited exceptions:

- Local elected bodies, including city councils, may vote on a motion or resolution supporting or opposing a ballot proposition if the meeting is properly noticed and both sides are given equal opportunity to express their position.
- Elected officials may make a statement at an open press conference in support or opposition to a ballot proposition.
- Local offices or agencies may engage in activities that are part of their normal and regular conduct, which may include preparation of objective and neutral presentation of facts concerning a ballot proposition.

Parry said that Sound Cities Association has not previously taken positions for or against any ballot initiative, and that it is not clear that the exception allowing such a position to be taken would apply to an organization such as SCA. He said SCA has historically considered its role to provide members with factual information and educational materials that can be shared with elected officials, staff, and the community and that SCA staff recommends this type of neutral activity continue to be the role of SCA with regard to I-976.

Parry encouraged members to share moving forward if their city decided to take a position on the measure for informational purposes. Parry noted additional resources are available from [MRSC](#), [AWC](#), and the [Public Disclosure Commission](#) for cities that choose to consider taking a position on any ballot measures about the procedures that must be followed under state law.

Councilmember Austin Bell, Burien, said the Burien City Council is considering taking a position related to I-976.

Councilmember Tola Marts, Issaquah, said the Issaquah City Council is also considering taking a position related to I-976.

10. King Conservation District Proposed Work Plan and Rates

SCA Senior Policy Analyst Christa Valles provided an update on the April PIC discussion regarding a King Conservation District request to increase rates for the 2020- 2024 rate period. KCD is proposing an average rates and charges increase of \$3.70 per parcel per year, generating \$2.8 million per year over and above current rates and charges revenues, which would bring KCD's total rates and charges budget to \$8.9 million per year for the 2020- 2024 period. Valles also noted that KCD receives other revenues for its programming, mostly grants but in recent years, it has also used approximately \$2 million of its reserves and \$1.6 million from a lawsuit settlement.

Valles said that following the April PIC meeting, the KCD Advisory Committee met and decided that it would be more appropriate to send a letter to the King County Board of Supervisors than a resolution endorsing the rate increase. The current language in the draft letter simply forwards the proposal on for "review and consideration." It notes the components they believe will be funded with the rate increase should it be adopted, including inflation through 2024. The letter also calls on KCD to not use one-time funds to pay for ongoing program commitments or staff, as had occurred during the 2015- 2019 rate period, and to improve its financial planning and reporting.

Councilmember Hank Margeson, Redmond, said it sounded like the KCD Advisory Committee reflected some of PIC's concerns in the draft letter, but asked if KCD planned to move forward with their proposal regardless. Hank noted that there is a lack of transparency in how things business is conducted at KCD, including transparency of their meetings and election process. He also asked whether KCD considered phasing-in a rate increase.

Valles said that if member cities continued to have concerns, it might be best to contact King County Councilmembers at this point in the process since there was not sufficient consensus among PIC members to approve a formal SCA statement.

Margeson encouraged his colleagues to share concerns with King County Council.

11. Levies and Ballot Measures in King County

SCA Policy Director Brian Parry reported on the results of the April 23 special election and upcoming measures in King County. Parry said the bond measure proposed by Evergreen Hospital fell short of the 60% yes vote required for passage with 58.5%. Other funding measures fared better, including a levy proposed by the Lake Washington School District, and fire district benefit charges proposed by Woodinville Fire and Rescue and Fire District 40 in Renton.

Parry reminded members that the countywide Parks Levy will be on the ballot in August. In addition, the EMS levy renewal is anticipated to be on the November ballot. The County Council is currently reviewing the proposal that was developed by the EMS Advisory Task Force. In addition to being approved by the County Council, it must also be approved by 9 of the 11 cities

in King County with populations above 50,000 (Auburn, Bellevue, Burien, Federal Way, Kent, Kirkland, Redmond, Renton, Sammamish, Seattle, and Shoreline).

Additional information about the EMS levy renewal proposal can be found in the [June 2018 PIC packet](#). *(Note: Based on the updated King County financial forecast, the levy rate transmitted by the King County Executive is proposed to be 26.5-cents per \$1,000 of assessed value rather than 27-cents per \$1,000 recommended by the EMS Advisory Task Force. Total planned expenditures under the levy are unchanged from what was recommended by the Task Force; however, reserves are adjusted upward slightly.)*

Councilmember James McNeal, Bothell, noted there was a question at the Regional Policy Committee meeting earlier in the day about why local Native American Tribes are not included in the levy or the process for developing the levy. He said that it is important to ensure that everyone's voices are included in the effort.

12. Potential Upcoming SCA Issues

SCA Policy Director Brian Parry reported that in June there will be a pre-PIC workshop with a presentation from Metro General Manager Rob Gannon to talk about Metro's regional service planning and funding needs.

Executive Director Dawson said that SCA would also begin planning a future pre-PIC workshop on a recent federal court decision related to homeless camping known as the Boise decision and what cities have to do to ensure they are in compliance.

13. Informational Items

Chair Prince noted that an informational item is included in the PIC packet related to the update to the King County Comprehensive Solid Waste Management Plan.

14. Upcoming Events

Chair Prince said there will be an SCA Networking Dinner on Wednesday, May 22, from 5:30 to 8:00 PM at the Renton Pavilion and Event Center. The event will feature a panel of legislators providing their perspective on the 2019 legislative session. Event sponsor is Gordon Thomas Honeywell.

Chair Prince said the next PIC meeting will be held on June 12, 2019 at 7:00 PM at Renton City Hall. A Pre-PIC Workshop on Metro's Regional Service Planning will be held at 6:00 PM.

15. For the Good of the Order

Councilmember Hank Margeson, Redmond, said that a local business person held the first Cinco de Mayo celebration in their new downtown park. The event attracted people from all around the region.

16. Adjourn

The meeting was adjourned at 8:42 PM.

**Public Issues Committee Meeting
May 8, 2019**

City	Representative	Alternate
Algona	Dave Hill	Bill Thomas
Auburn	Nancy Backus	John Holman
Beaux Arts Village	Tom Stowe	Aletha Howes
Bellevue	John Stokes	Janice Zahn
Black Diamond	Janie Edelman	Tamie Deady
Bothell	James McNeal	Davina Duerr
Burien	Austin Bell	Nancy Tosta
Carnation	Dustin Green	Kim Lisk
Clyde Hill	Barre Seibert	George Martin
Covington	Fran Hollums	Joseph Cimaomo, Jr.
Des Moines	Traci Buxton	Matt Mahoney
Duvall	Michelle Hogg	Jennifer Knaplund
Enumclaw	Anthony Wright	Mike Sando
Federal Way	Lydia Assefa-Dawson	Martin Moore
Hunts Point	Joseph Sabey	
Issaquah	Tola Marts	Chris Reh
Kenmore	David Baker	Nigel Herbig
Kent	Bill Boyce	Toni Troutner
Kirkland	Toby Nixon	Jay Arnold
Lake Forest Park	Catherine Stanford	Tom French
Maple Valley	Sean Kelly	Linda Johnson
Medina	Sheree Wen	Alex Morcos
Mercer Island	Benson Wong	Tom Acker
Milton	Shanna Styron Sherrell	Mary Tompkins
Newcastle	Allen Dauterman	Carol Simpson
Normandy Park	Sue-Ann Hohimer	Jonathan Chicquette
North Bend	Ross Loudenback	Ken Hearing
Pacific	Leanne Guier	David Storaasli
Redmond	Hank Margeson	Angela Birney
Renton	Ed Prince	Armondo Pavone
Sammamish	Christie Malchow	Karen Moran
SeaTac	Erin Sitterley	Pam Fernald
Shoreline	Chris Roberts	Keith Scully
Skykomish	Henry Sladek	
Snoqualmie	Katherine Ross	Matt Larson
Tukwila	Kate Kruller	Zac Idan
Woodinville	James Evans	Elaine Cook
Yarrow Point	Dicker Cahill	
SCA	Deanna Dawson Brian Parry	Christa Valles Cynthia Foley

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