

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Discussing the 2021 State Legislative Priorities
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Jim Hammond, Intergovernmental Program Manager
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

Tonight, Council will discuss the upcoming 2021 Legislative Session and the City's proposed 2021 Legislative Priorities ("Priorities"). For 2021, staff proposes the continuation of efforts to secure funding and/or other legislative support for: a bike/pedestrian bridge at N 148th Street that would connect neighborhoods to the Shoreline South/148th Street light rail station; funding through Local/Community Project allocations for select public facilities; more secure funding sources for the local Transportation Benefit District; and a Fircrest Campus redevelopment that aligns with City goals.

In terms of policy, staff proposes to seek passage of legislation that would:

- Improve local government financial sustainability and flexibility, with secure funding sources;
- Support efforts to continue to address homelessness and affordable housing, including increased housing instability created by the economic impact of the COVID-19 pandemic;
- Pursue creation of a tax increment financing option for cities, particularly for high-growth neighborhoods, such as light rail station areas;
- Advocate for state/local collaboration on a watershed-based approach to tackling fish-blocking culverts; and
- Support legislation, including a statewide transportation package, that promotes sustainable investments and addresses climate change impacts, particularly in the transportation sector.

The proposed 2021 State Legislative Priorities (Attachment A) will be considered by Council tonight. Council is scheduled to adopt these Legislative Priorities on November 30, 2020.

RESOURCES/FINANCIAL IMPACT:

This item has no direct financial impact.

RECOMMENDATION

No action is required tonight; this item is for discussion purposes only. Staff recommends that the City Council move to adopt the 2021 State Legislative Priorities when this item is brought back to Council for adoption on November 30, 2020.

Approved By: City Manager ***DT*** City Attorney ***MK***

BACKGROUND

2021 is the first year of the State's 2021-2023 biennium, or "long" legislative session, which is scheduled to last 120 days. The City's legislative priorities provide policy direction in a highly fluid and dynamic legislative environment. They guide staff in determining whether the City supports or opposes specific legislation and amendments in Olympia during the legislative session. The City actively monitors legislative proposals at the state level, as success in advancing the City's position in Olympia depends on providing accurate and timely information to Legislators and their staff that illustrates the impacts of pending legislation on Shoreline.

The legislative priorities are the general policy positions that provide staff and Council representatives the flexibility to respond to requests for information and input. Key topics of legislation that do not fall under the adopted Legislative Priorities will be presented to the Council in regular briefings. The City also continues to partner with the Association of Washington Cities (AWC) and Sound Cities Association (SCA), which provides a consistent voice and a strong presence for cities in Olympia.

DISCUSSION

The proposed 2021 State Legislative Priorities (Attachment A) are attached to this staff report for Council for review and potential approval. Some of the Shoreline legislative agenda is influenced by and/or in line with the priorities adopted through a statewide process by AWC. For background information, this memo will review AWC-identified priorities first.

AWC Priorities/Concerns

With the engagement of city officials from across the state, AWC arrived at a legislative agenda for the 2021 session that calls out five key issue areas. AWC's Legislative Priorities body made the intentional decision to narrow their focus this session, given that the legislative process will be operated differently this year (specifics still to be determined) in order to accommodate public health needs in the face of the COVID-19 pandemic. Additional information on AWC's legislative priorities can be found at the following link: <https://wacities.org/advocacy/City-Legislative-Priorities>.

- 1. State-shared revenues.** Maintain revenue sharing with cities. Cities support increased shared revenue distributions to cities, particularly when there is a corresponding increase in state revenue. Will also explore other opportunities to expand revenue sharing.
- 2. Transportation revenue package.** Adopt a new transportation revenue package that emphasizes maintenance/preservation funding and provide an equitable level of local funding as well as additional local revenue option for cities.
- 3. Fiscal flexibility.** Provide cities greater flexibility to use funds from existing revenue sources to help cities manage the impacts of the current economic

downturn. This will allow cities to direct scarce resources where they are most needed when responding to pressing community conditions.

4. **Housing stability assistance.** Work in coalition to develop additional resources to address housing instability created by the economic impacts of the Covid-19 pandemic, including rent assistance and foreclosure/eviction prevention assistance.
5. **Statewide policing reforms.** Support local control over city law enforcement policy decision to meet the needs of each community and appropriately contain costs. Cities understand our obligation to address racial equity in policing— both state requirements and local policies. AWC cities support the following statewide reforms:
 - Develop a statewide standard for use of force that preserves the right of local jurisdictions to enact more restrictive standards based on community input.
 - Create a database to track officers who have been fired for misconduct.
 - Expand grounds for decertification to include use of force violations.
 - Require that officer misconduct investigations be completed, regardless of an officer's resignation.
 - Establish a duty for all law enforcement officers to immediately intervene and report misconduct or illegal activity by a fellow police officer.
 - Require that all officers receive regular support for vicarious trauma and mental well-being, including peer support, mental health counseling, and appropriate mental health screenings. Officers involved in any fatal use of force must undergo a mental health screening prior to returning to duty.

Shoreline Priorities/Concerns

Below are the proposed specific legislative priorities and a list of issues the City supports:

Shoreline-specific interests:

1. *N 148th Street Pedestrian/Bicycle Bridge.* Pursue funding support for a non-motorized pedestrian/bike bridge to integrate connections to the Shoreline South/148th Street light rail station. Promote as a strong example of a green transportation project.
2. *Fircrest Campus Underutilized Property Redevelopment.* Partner with State agencies to seek legislative action that supports City goals and the long-term vision of an approved Fircrest Master Development Plan.
3. *Local/Community Project Funding.* Seek funding in the Capital Budget for important Shoreline park improvements, including construction of a pavilion at Shoreline Park, renovation of outdated public restrooms at key park facilities, and habitat restoration at Southwoods Park.

Shoreline-supported legislative issues:

1. *Transportation policies, funding and local control.* The challenges of expanding transportation funding beyond road investments has converged with the need to address the critical threats of climate change. The projected impacts of a changing climate represent one of the most serious threats to Shoreline, the region, and the world. The Governor and Legislature share the City's commitment to this issue, and the City will advocate for legislation that advances toward this goal. Given its contribution to greenhouse gases, the transportation sector is a high priority focus area. Accordingly, it is recommended that Shoreline pursue a statewide funding package and related transportation policies that help the state achieve this convergence, including increased funding for transit and non-motorized transportation.

Additionally, the state needs to provide to Transportation Benefit Districts secure funding options to replace the vulnerable car tab source that has been shown as such by I-976 and previous attempts to eliminate it.

2. *Local Government Financial Sustainability and Flexibility.* Building on the conversation started with legislators over the past several years, staff proposes advocating for a more self-sufficient model where the City can control its revenue streams. Cities need to be able to plan for funding from one year to the next; providing cities more local financial flexibility allows each jurisdiction to make their own choices of how to fund local services. Examples include:
 - a. *Maintain shared revenues.* While the state will need to tackle its own funding challenges, this cannot come at the expense of revenues that cities rely upon for basic operations. However, to the extent the state chooses to increase marijuana or liquor taxes, the City should support a corresponding increase in distribution of those funds.
 - b. *Increased flexibility on existing revenues.* Many available revenue options are constricted, restricted, or unpredictable, which makes it hard to maintain or increase city services, such as public safety, infrastructure, and human services programs.
 - c. *1% Property tax limit.* This existing limit does not keep pace with inflation and restricts cities' ability to maintain services. Setting a limit tied to a tangible number (e.g. Consumer Price Index) would allow cities to better maintain existing services.

3. *Support efforts to increase affordable housing and further address homelessness through use of incentives and address additional housing instability created by the economic impacts of the global pandemic.* Last session saw significant strides toward tackling issues related to homelessness and affordable housing. But there remain significant opportunities to make additional progress, ranging from additional incentives and councilmanic revenue authority to new tools to attract/preserve multifamily development. It is important to avoid mandates that constrain City efforts or create unintended issues. The COVID-19 pandemic and the resulting economic downturn have led to increased risk of housing loss for many families in Shoreline and across the state. Rent assistance and foreclosure-prevention assistance are needed.
4. *Development of tax increment financing (TIF) to support economic development.* The City would benefit from economic development tools that help maintain, expand, and modernize local infrastructure to spur local private sector investment. The City has seen in places along Aurora and in North City that public investment in infrastructure can spur desired development. The future light rail station areas present a similar opportunity. Despite the high level of multifamily development activity in the region over the past five years, the costs of building in in the MUR-70 zones and the comparatively low market rent have prevented private investors from building any multifamily projects in those areas since zoning was adopted five years ago. TIF has the potential to change that equation for high density residential development. Both property and sales tax-based TIF options would give all cities the tools and the flexibility to best meet the needs of each community.
5. *Advocate for a watershed-based approach and statewide strategic plan to address fish-blocking culverts in an efficient and effective manner.* Many critical fish runs are blocked by a series of fish-blocking culverts that are both State and locally owned. Funding that is focused solely on state culverts creates risk that the work won't yield results. A shared strategic vision and local funding are both essential to making progress that helps our threatened fish runs.
6. *Support legislation that addresses climate change impacts, across all sectors.* While the transportation sector is one of the greatest generators of greenhouse gases, the City of Shoreline recognizes that opportunities for policy and operational improvements exist throughout the state. The City strongly supports all efforts to tackle this tremendous challenge.
7. *Support statewide policing reforms, including those identified by the Association of Washington Cities, that address social injustice and police accountability, and promotes equitable treatment of people of color.* During the summer of 2020, several searing national events brought to the forefront the disparate treatment of people and communities of color in terms of law enforcement and criminal justice. These national concerns have been voiced in Shoreline and across the state, leading to proposals to make changes to the status quo. The City supports legislation that lead to constructive and meaningful change.

RESOURCES/FINANCIAL IMPACT

This item has no direct financial impact.

RECOMMENDATION

No action is required tonight; this item is for discussion purposes only. Staff recommends that the City Council move to adopt the 2021 State Legislative Priorities when this item is brought back to Council for adoption on November 30, 2020.

ATTACHMENTS

Attachment A: Draft 2021 State Legislative Priorities



City of Shoreline 2021 State Legislative Priorities

Shoreline-Specific Priorities:

- Maintain project visibility for the N 148th Street non-motorized pedestrian/bike bridge as a strong candidate for any state transportation package.
- Partner with State agencies to seek legislative action that supports City goals and the long-term vision of an approved Fircrest Master Development Plan.
- Seek Local/Community Project funding in the Capital Budget for important Shoreline park improvements, including construction of a pavilion at Shoreline Park, renovation of outdated public restrooms at key park facilities, and habitat restoration at Southwoods Park.

Legislative Issues the City Supports:

- Pursue statewide transportation funding and policy changes, including:
 - Creation of a statewide funding package that provides new financial resources, and increases funding for transit and non-motorized transportation;
 - Transportation policy changes that address climate change, including the use of carbon-based revenue sources and increase emphasis on sustainable investments; and
 - Secure funding options for local Transportation Benefit Districts that replace the vulnerable car tab source currently in use.
- Preserve City fiscal health with secure funding sources.
 - Maintain existing shared revenues; support increase in city distribution related to any increases in marijuana or liquor taxes.
 - Provide greater flexibility to use funds from existing revenue sources to help manage the impacts of the economic crisis.
 - Remove the existing 1% property tax limitation or revise by indexing it to inflation, population growth, or some related indicator.
- Continue to address homelessness and opportunities to increase affordable housing at the state and local level through incentives and support, while avoiding mandates.
- Develop additional resources to address housing instability created by the economic impacts of the COVID-19 pandemic, including rent assistance and foreclosure-prevention assistance.
- Pursue the creation of a tax increment financing option for cities to use in potential high-growth areas, such as light rail station areas.
- Continue to advance a watershed-based approach and strategic plan to address local fish-blocking culverts along with state culverts and provide significant local funding.
- Support legislation that addresses climate change impacts, across all sectors.
- Support for statewide policing reforms, including those identified by the Association of Washington Cities legislative priorities, that address social injustice, police accountability and promote equitable treatment for people of color.