

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Discussing the 2021 Federal 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:

This staff report discusses the City's proposed 2021 Federal Legislative Priorities ("Priorities"). For 2021, staff proposes a focus on COVID-19 relief and continued advocacy for transportation funding policies that support station area investments that connect to light rail, including non-motorized access projects and the 145th Street Corridor. The City has long prioritized the success of light rail station area improvements to fully leverage the value of Lynnwood Link, which is scheduled to open in 2024.

These identified federal priorities are complementary with state and regional priorities, ensuring that the City's key messages are clear and consistent across all audiences. In addition, the proposed priorities encourage Congress to tackle pressing federal challenges that line up with Shoreline's values, such as sustainability, addressing climate change, the enhancement of community and economic development, and other important social goals.

Tonight, Council is scheduled to discuss the proposed 2021 Federal Legislative Priorities. The proposed Priorities are scheduled to be brought back to Council for adoption on March 29, 2021.

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 Federal Legislative Priorities when this item is brought back to Council for adoption on March 29, 2021.

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

BACKGROUND

This staff report discusses the City's proposed 2021 Federal Legislative Priorities ("Priorities"). For 2021, staff proposes a focus on COVID-19 relief and continued advocacy for transportation funding policies that support station area investments that connect to light rail, including non-motorized access projects and the 145th Street Corridor. The City has long prioritized the success of light rail station area improvements to fully leverage the value of Lynnwood Link, which is scheduled to open in 2024.

These identified federal priorities are complementary with state and regional priorities, ensuring that the City's key messages are clear and consistent across all audiences. In addition, the proposed priorities encourage Congress to tackle pressing federal challenges that line up with the community's values, such as sustainability, addressing climate change, the enhancement of community and economic development, and other important social goals.

This staff report outlines a proposed strategy for the City to pursue in 2021 that addresses the identified priorities and builds the relationships necessary for success. The Mayor, City Manager, Intergovernmental Program Manager, and the City's federal lobbyist will be advocating with the City's Federal Legislative Delegation later in 2021, to promote these priorities.

DISCUSSION

Staff proposes the attached draft 2021 Federal Legislative Priorities ("Priorities", Attachment A) for Council for review and potential approval. While these issues constitute the defined recommended federal agenda for the City of Shoreline, staff and consultants will respond to any opportunities as they arise from Congress. These issues could include COVID-related relief, a transportation and infrastructure bill, a Water Resources Development Reauthorization bill or a tax reform bill, among others.

Additionally, staff follow the work being done by partner agencies and organizations and will levy support when and where appropriate. Some of these organizations include the Association of Washington Cities, Sound Cities Association, the Puget Sound Regional Council, and King County, among others.

The items listed below generally track the summarized Priorities and provide additional information and context:

COVID-19 Relief

Congress may have passed a \$1.9 trillion COVID relief package by the time of this Council meeting. The City of Shoreline needs to prioritize both adoption and execution of COVID relief that includes ongoing support for both economic and public health recovery, extension of unemployment and housing supports, and direct funding to cities for COVID response costs, economic recovery, and lost revenue.

Restoring general fund revenue to the City is a top priority in 2021, as it allows the City the greatest flexibility in the use of federal funds to meet its priorities at a local level.

Staff will be developing a plan for the distribution of COVID relief funding if a package is approved by the federal government.

Transportation

Currently, there are a lack of federal funding programs available to the City for its transportation and infrastructure needs. To make investments in local infrastructure in this environment, the City should pursue targeted requests of its federal delegation and support broader efforts to define more opportunities at a federal level.

Congress is expected to take up an infrastructure bill in 2021 with the support of the Biden Administration. The bill is expected to be modeled after the House-passed reauthorization bill from mid-2020 that was not considered in the Senate. This bill had a number of positive developments for the City of Shoreline but notably did not include the medium sized city set aside that the City has been championing (see below) in partnership with other municipalities. This bill is a priority for Congress and the Biden Administration and is expected to play a stimulus role for the national economy as our country emerges from the COVID crisis.

Finally, congressionally directed spending, also known as earmarks, is likely to make a comeback for public agencies in this transportation bill.

Each of these opportunities defines some policy and funding priorities for the City.

a. Medium Sized City Set Aside

Most federal infrastructure spending has a rural set aside which is critical for smaller communities to be able to access federal dollars. There is no comparable medium sized city set aside. Instead, medium sized cities compete against large cities like Seattle, Portland and Los Angeles for limited resources. Medium sized cities need a defined pool to compete within so as to make federal funds available in a way that simply aren't in their current status.

As Congress debates a new Transportation bill and considers the continued funding of the BUILD Program (formerly known as the Transportation Investment Generating Economic Recovery, or TIGER, discretionary grant program), the City should lobby for a portion of federal infrastructure dollars be set aside for medium sized cities. This policy position is consistent with the work the City has been doing for years and is supported broadly by similar sized cities throughout the state.

For the past several years, Shoreline has been working with Representative Larsen to designate a portion of BUILD program funding for cities between 10,000 and 75,000 in population size. The City led a coalition of 16 cities in Washington State in support of

this effort, drafted two amendments to accomplish this goal and generated support from Representatives Jayapal, DelBene, Schrier, Kilmer and Heck as cosponsors of this effort.

Regrettably, this strategy was not successful in 2020. For 2021, staff is working with Representative Larsen on an alternative approach to create a new transportation program targeted specifically to medium sized cities. This work is the City's top transportation priority and will be the focus of our efforts in this area in 2021.

b. Funding for Non-Motorized Infrastructure

For decades, Congress has debated the amount of funding from the federal gas tax revenues that should go towards projects that are not directly highway related. These projects include transit systems and non-motorized projects like sidewalks, trails and other programs.

The share of federal dollars being made available to non-motorized projects has diminished over the past few transportation bills and there has been a concerted effort by House and Senate Republicans to eliminate funding for transit and non-motorized access all together.

As Congress debates a new Transportation bill and considers the continued funding of the BUILD Program (formerly known as the Transportation Investment Generating Economic Recovery, or TIGER, discretionary grant program), the City should continue to lobby for a portion of federal infrastructure dollars be allocated for transit and non-motorized projects.

c. Funding for Metropolitan Planning Organizations

Federal transportation funding is generally distributed in Washington State via the State Department of Transportation (DOT) or via a Metropolitan Planning Organization (MPO) like the Puget Sound Regional Council (PSRC). In the most recent Transportation bill from 2016, Congress changed the allocation of funds from 50%-50% between DOTs and MPOs to 55%-45% with MPOs gaining the larger amount.

As Congress starts to consider the next Transportation bill, the City should support increasing the share direct to MPOs and oppose any attempt to preclude the formation of new MPOs to meet regional needs. This will dovetail with the City's work at PSRC to enhance the value of cities with new light rail infrastructure in competitive funding pools.

d. Facilitating Light Rail Stations at 148th and 185th

The City has advanced a number of specific projects connected to the light rail stations at 145th and 185th. Some of these projects include a rebuilt interchange at 145th, a reconstructed road with transit access and pedestrian improvements to the West of I-5 on 145th and a pedestrian access bridge spanning I-5 and connecting to the North end

of the light rail station at 148th, among others. Other related projects include an East-West bicycle and pedestrian connection between the Interurban Trail and the Burke Gilman Trail, infrastructure requirements to enhance increased housing density and other transit station access improvements.

As Congress starts to consider the next Transportation bill, staff will look for funding opportunities via earmarks and other program criteria changes to support the City's priorities in partnership with regional partners and build support for future requests to continue to build connectivity for the light rail network.

Community and Economic Development Programs

a. Restoration of Congressionally Directed Spending

Congress has begun to restore Congressionally directed spending (earmarking authority) to the legislative branch. The previous Administration did not fund many obligations as directed by Congress, and many elected officials want more authority over how funds are allocated.

The City should support the ongoing restoration of this spending with the following criteria:

- Only available to public agencies;
- Fully transparent process for requests;
- Used for one-time costs and not for programmatic support that can't be sustained in the absence of the earmark, and;
- Limited to economic development, infrastructure, transportation and human services funding programs.

Of note, Representative Derek Kilmer (WA) chaired a bipartisan committee to modernize Congress – especially during a pandemic. Of the more than 100 reforms suggested by the committee, restoring earmarking authority to Congress was one of the top recommendations. Further, staff are seeing bipartisan and bicameral support for restoring the power of the purse to congress after many instances of misuse of federal funds by the previous administration.

Staff will be working with the federal delegation to identify candidates and secure support for earmarks as this renewed process evolves.

b. Community Development Block Grants (CDBG) and the Home Investment Partnership Program (HOME)

The City of Shoreline uses Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funding to support local initiatives that benefit the City's vulnerable population. Funding in the CDBG program increased by 30% in 2018 after falling to a decade low in 2017 and has been holding steady at that rate since

then. The City should support the CDBG and HOME program at the federal level and lobby for increased funding that could be put to use in Shoreline immediately.

c. Support Municipal Tax Policy

Congress has adjusted various tax policies that have a direct impact on the City of Shoreline, including the New Markets Tax Credit, the Affordable Housing Tax Credit and the State and Local Sales Tax Deduction. These policies, in addition to policies that would negatively value municipal bonding authority, remain under debate in Congress in 2021 and the City should advocate for strong municipal authority and tax credits that facilitate economic development and meet our region's critical housing needs.

Support the Green Stormwater Infrastructure Initiatives

Representatives Derek Kilmer and Denny Heck have developed a long-term strategy to modify federal laws, funding opportunities and programs to benefit the Puget Sound ecosystem. This effort has multiple policy components:

- Add green stormwater treatment as a scoring criteria for federal transportation awards. This would advantage projects seeking federal funds that include a stormwater management component.
- Create a tax credit program for stormwater retrofits and new development. If enacted, this program would provide a 50% tax credit for individuals and developers that incorporate stormwater projects such as rain gardens, bioswales and similar projects.
Create a new federal program to fund culvert replacement, fish passage improvements and habitat restoration in municipal streams and creeks.

Those efforts have been stalled over the past few years with a lack of support from the previous Administration. Rep. Kilmer is looking to push this agenda again in 2021 with the Biden Administration and in partnership with Congresswoman-elect Strickland. The City should support this effort and look for ways to bring new partnerships and funding opportunities to the Puget Sound community. While short term success on this effort in 2021 might be too much to expect, having the City support this effort and play a role in its development will be a key strategy.

City Support for Other Key Policy Challenges

The City of Shoreline has a deep interest in an array of other federal policy issue areas that are in alignment with the City's core values. Key priority policy areas include:

- *Climate change.* Shoreline supports immediate action to reduce the impact of climate change, including legislation that moves our country to a carbon-neutral future.
- *Funding for salmon recovery and watershed restoration.* Policy ideas being examined include federal funding for culvert replacement, adding green stormwater treatment as a criterion for federal transportation funding, and federal tax credits for private property owners who undertake stormwater management.

Staff continue to build partnerships with local federal representatives, including the US Army Corps of Engineers.

- *Support for marginalized communities.* Shoreline values all members of its community and works to prevent discrimination against anyone.
- *Gun safety.* Shoreline supports passage of universal background checks and other measures to enhance the safety of our community.

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 Federal Legislative Priorities when this item is brought back to Council for adoption on March 29, 2021.

ATTACHMENTS

Attachment A: Draft 2021 Federal Legislative Priorities



2021 Shoreline Federal Legislative Priorities

Shoreline-specific local needs:

COVID-19 Relief

- Continued support for both economic and public health recovery from the pandemic.
- Direct funding to the City of Shoreline for COVID-19 costs, lost revenue and economic recovery.
- Extension of unemployment benefits throughout the pandemic.
- Extension of housing assistance and stabilization funding throughout the pandemic.

Transportation

- Development of a new transportation funding program targeted at medium-sized cities with populations between 10,000 and 75,000 in population size.
- Expansion of funding for non-motorized projects and transit in a Federal Infrastructure bill
- Increased funding allocation to Metropolitan Planning Organizations like the Puget Sound Regional Council in a federal transportation bill.
- Direct appropriations and funding criteria changes that support the City's work on connecting communities to light rail, e.g., N 145th corridor and interchange improvements, N 148th non-motorized bridge, east-west bicycle and pedestrian connections, and station-area sidewalk networks.

Community and economic development

- Restoration of Congressionally directed spending, using a fully transparent process, that would allow public agencies to attain one-time funding for economic development, transportation, infrastructure, and human services programs.
- Increased funding for Community Development Block Grants and the Home Investment Partnership Program
- Development of municipal tax policies that support strong municipal authority, including tax credits that facilitate economic development and meet critical local housing needs and preservation of municipal authority over tax authority and local public revenue streams.

Environment and sustainability

- Passage of Green Stormwater infrastructure initiatives, including adding green stormwater treatment as scoring criteria for transportation and infrastructure projects and a tax credit program for retrofits and new development that incorporates green stormwater projects.
- Creation of a new federal program to fund culvert replacement, fish passage improvements and habitat restoration in municipal streams and creeks.
- Funding for salmon recovery and watershed restoration.

The City of Shoreline also urges Congress to tackle the pressing policy challenges that are aligned with the City's values, including the following:

- Immediate federal action to curtail the impact of climate change, including legislation to meet carbon reduction goals and transition our economy to a carbon-neutral future.
- Passage of the EQUALITY Act to protect LGBTQ+ citizens in all communities from discrimination
- Opposing any policies that would prevent our community from being a safe, inviting and equitable community for everyone without regard to immigration status
- Passage of significant gun control legislation to enhance the safety of our community, including universal background checks and Red Flag laws

DRAFT