

# JOHNSTON | GROUP

To: Scott MacColl, City of Shoreline  
From: Jake Johnston  
Date: January 28, 2015  
RE: 2015 Federal Policy Agenda

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This memo follows our discussions over the past few months and outlines a proposed agenda for the City of Shoreline to use with its congressional delegation in 2015.

The City has built a strong reputation with its congressional delegation and enjoys strong relationships with the key offices. More, the stewardship of the SR-99 project continues to augment the City's standing as we look the next set of infrastructure challenges we face with North 145th Street.

Looking into 2015, Congress is expected to take up the reauthorization of the Transportation bill and look at a series of tax extenders that provide an opportunity for the City to make its case. Regrettably, earmarks are still not available to the City and overall discretionary spending continues to lag the existing need. Despite those challenges, the City is poised to win support for its critical priorities and utilize the delegation as a key development partner.

## **Agenda**

Having met with the City multiple times over the past several months, the items below make up a proposed federal agenda for the year ahead.

### **1. Secure Funding and Policy Support for North 145th Street**

The City has clearly identified its top priority – securing an estimated \$200 million in funding for the North 145th Street Project. I believe the City's goal for 2015 should be to make sure its congressional delegation is prepared to be a key partner in helping secure funding for this critical infrastructure project.

I suggest that the City first and foremost make sure that the delegation understands the full scope of the 145th Street project and why it is a shared priority to enable the success of the planned light rail stop. Securing this endorsement should be our primary goal on our February trip.

From that endorsement, we can pursue a number of activities simultaneously, including:

- Ensuring that federal transportation policies and funding opportunities create funding opportunities for the City's project.
- Supporting federal transportation funding that prioritizes funding for transit corridors and for projects that serve new light rail.
- Potentially asking the delegation to facilitate a meeting for the City of Shoreline with the US Department of Transportation in Washington, D.C. to explore funding

opportunities at the Agency, including exploring the potential of a FTA New Starts or Small Starts project.

- Asking the delegation to lend its voice to the regional and state partners to make sure that the 145th Street project is a critical component of bringing commuter rail to the City of Shoreline, including as a part of Sound Transit's funding and within regional and state transportation funding opportunities.
- Finally, once the Sound Transit Environmental Impact Statement is complete and the City's preliminary project design is done – both expected in the next several months – we'll have the final two components necessary to move ahead. These data points are the final station citing and the detailed cost for the estimated \$200 million 145th Street project. With these two milestones reached, the City should ask the delegation to convene a meeting in Shoreline over the summer with all relevant regional, state and federal partners and stakeholders to discuss – and prioritize – the project into regional and state funding programs. The delegation may convene, facilitate and help ensure that regional and state partners are bringing funding solutions to the project.

## **2. Amend and pass HR 278, the TIGER-CUBS Act**

Rep. Rick Larsen has introduced legislation designed to make sure that what limited federal infrastructure funding is available – is also directed to smaller and suburban cities. Currently, the only major federal grant program for infrastructure is the TIGER program and funding is highly competitive and dominated by large scale projects such as the 520 Bridge Replacement, the I-5 Columbia River crossing and the I-395 Bypass Highway in Spokane.

Large projects vacuum up insufficient infrastructure dollars pushing out smaller – but equally meritorious projects such as what the City faces with 145th Avenue and the Sound Transit stations. Rep. Larsen's bill would mandate that one third of TIGER funding go to cities between 10,000 and 50,000 in population size.

The City should work to modify the eligibility requirements in the bill so that Shoreline qualifies into this new opportunity. The City should also strongly support the bill's final passage either as a standalone bill or as a part of a larger transportation or funding program.

## **3. Ensure Adequate Funding for Transit and Non-Motorized Options in Federal Transportation Policy**

Congress will be faced with the reauthorization of the federal transportation bill this year as it is currently set to expire at the end of March. This federal fund distributes collected federal gasoline taxes to state and regional programs (WSDOT and PSRC) and prioritize spending within those agencies.

Many House and Senate Republicans want to change the current split of revenues from the current 80-20 formula (80% for roads, 20% for transit and non-motorized) to one that provides more funding for surface roads.

Given the City's leadership on investing in transit and the future light rail stations set to open in 2023, preserving funding for buses, bus routes, light rail and pedestrian and bicycle access should be a priority for the City.

#### 4. Explore a TIGER Grant or FTA New Starts Grant for North 145th Street

Though we are skeptical that 145th would win a TIGER grant based on the current criteria, we believe we should fully explore this option with the delegation and their staff.

The result could be a renewed effort to secure TIGER program funding for this project in future rounds, or to give additional weight to the need to carve out dollars for smaller cities as suggested by Rep. Rick Larsen.

As mentioned above, the City may choose to explore its eligibility for a FTA New Starts or Small Starts program which would provide reliable federal funding to this project – though the City's current project may be an imperfect fit for this project. Fully exploring these options with the assistance of the City's congressional delegation is a key recommendation for bringing federal funds to this project.

#### 5. Support the Municipal Tax Fairness Campaign

Currently the City of Shoreline is not collecting the full portion of sales tax it is due on sales that take place online. After ten years of work, Congress seems poised to act on this issue this year, following the passage of the Municipal Tax Fairness bill through the Senate last fall with bipartisan support.

This bill would create a level playing field for sales tax collection and is endorsed by:

- National League of Cities
- National Association of Counties
- U.S. Conference of Mayors
- National Conference of State Legislators
- National Governors Association
- Council of State Governments
- International City/County Management Association
- Retail Leaders Industry Association
- International Council of Shopping Centers
- National Retail Federation

In Washington State, the estimate for uncollected sales tax revenue is \$650 million in local sales tax and almost \$1.3 billion over the next five years. The estimated net local sales tax gain for the City of Shoreline in the 2015-2017 biennium is **\$183,431** if the municipal tax fairness bill was enacted.

#### Trip Details

Congressional visits in Washington, DC are the foundation of every successful engagement strategy. They allow face to face discussion about the City's projects and priorities and provide an opportunity to meet with the technical, legislative and policy staff to ensure they are prepared to act on the City's behalf and aligned in their efforts.

We are currently scheduled to meet with the congressional delegation in Washington, D.C. on Wednesday, February 4th. Per our usual arrangements, the City will make its own travel arrangements and I will provide recommendations for airfare and for lodging. The Johnston Group will handle 100% of the scheduling and coordinate with the City and the congressional delegation to ensure that we get adequate time in each office to accomplish our goals.

We will seek meetings with the following offices:

- Senator Patty Murray
- Senator Maria Cantwell
- Congressman Jim McDermott
- Congressman Rick Larsen
- DC Office of Governor Jay Inslee