



CITY OF KIRKLAND

City Manager's Office

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MEMORANDUM

To: David Ramsay, City Manager
From: Erin J. Leonhart, Intergovernmental Relations Manager
Date: February 23, 2009
Subject: 2009 LEGISLATIVE UPDATE 4 – MARCH 3, 2009

As of the March 3rd Council meeting, the 2009 Legislative Session will be in its eighth week. The first legislative cut-off date, when bills must have progressed out of their committee of origin, was February 25th. This is an update on the City's interests as of February 23rd. A matrix with the current status of topics on the legislative agenda will be available at the Council meeting.

COUNCIL LEGISLATIVE COMMITTEE 2/23

The Council Legislative Committee met with Mike Ryherd on February 23rd to discuss the status of bills as the first cut-off approached. The primary topics of conversation were:

- Gender Equity Bill (SB 5967) – According to the Washington Recreation & Park Association, Proposed Substitute Senate Bill 5967 addresses local government concerns by limiting language on legal factors, liability, etc. The Legislative Committee directed Mike Ryherd not to sign in during the public hearing scheduled 2/23 at 6pm.
- Tolls on 520 Corridor Bill (HB 2211) – The Legislative Committee expressed concern that the I-90 bridge was still excluded from the bill and Council member Asher will continue to work with the Public Issues Committee of the Suburban Cities Association to pass a statement about tolling the entire system, including the I-90 bridge.
- Annexation Bills (SB 5321, HB 2249, HB 1710) – Multiple annexation bills continued to be in play as of the Committee meeting. Executive sessions are scheduled for the three listed this week. No action was recommended by the Committee.
- House-Banked Social Card Games Bill (HB 2162) – The First Substitute House Bill was passed out of the originating committee, this bill was essentially the same as the original bill and incorporated recommendations from the Gambling Commission (see details in report below). Mike Ryherd agreed to watch the bill and notify staff if there are any additional amendments to the bill as it currently stands.
- Non-Motorized Bills (HB 1491, HB 1535) – House Bill 1491 related to allowing three feet of passing distance is scheduled for executive session on 2/24. Mike Ryherd was going to investigate concerns the Deputy Mayor heard from the Teamsters about the bill.
- Housing Bill (SB 5672) – The Committee requested that Mike Ryherd sign in support of SB 5672, protecting consumers from discrimination based on lawful source of income in real estate transaction, during public hearing on February 23rd at 6pm.
- Limitations on Rental Housing Inspections Bill (HB 1296/SB 5495) - Council member Asher requested additional information about the bill from Mike Ryherd. Other cities have voiced concern; Kirkland's Building Department reported that it would not interfere with current operations. HB 1296 has passed out of the originating committee.
- CERB/JDF Grant – Mike Ryherd clarified the meeting that has occurred with Representatives Dunshee, Goodman and Springer about the possible reappropriation of the CERB/JDF grant from Totem Lake to Park Place. Specifically, each biennium that passes without the \$3 million being spent requires reappropriation of the funding. Ryherd will work with House Capital Budget staff to schedule a meeting with Kirkland staff about the potential of using the funding near Park Place.

ANNEXATION & KING COUNTY BUDGET ISSUES

House Bill 2249, modifying local government revenue options in King County is sponsored by Representative Hunter. This bill incorporates many issues:

- Extends the annexation sales tax credit to Jan. 1, 2012 and to cities with a population over 400,000;
- Allows King County to collect utility tax in unincorporated areas;
- Allows cities in King County to collect tax on the gross receipts of water-sewer districts within their city limits, if that city annexed a PAA by the 2012 deadline;
- Expands use of Real Estate Excise Tax for operations and maintenance activities;
- Removes supplanting language for public safety levies approved by the voters in 2009, 2010 and 2011;
- Allows King County to impose up to an additional 3/10 of one percent of sales & use tax without voter approval in 2010, 2011 and 2012; 1/3 of this money must be used for criminal justice; and
- Requires a performance audit of King County.

This bill is scheduled for public hearing and executive session in the House Finance Committee on February 24th at 8am.

Senate Bill 5321, relating to extending a local sales and use tax for annexation has multiple sponsors, including Senator Tom. This bill is scheduled for executive session in the Senate Ways & Means Committee on February 26th at 1:30pm.

CLIMATE CHANGE & ENVIRONMENT

House Bill 1490 establishes land-use and development patterns to achieve and support state and federal greenhouse gas emissions reduction requirements. It has multiple sponsors including Representative Goodman. The first substitute bill passed out of the originating committee on February 19th. The substitute contained many amendments including removing all comprehensive plan and development regulation requirements for transit-oriented development within one-half mile of a major transit station, instead opting for language specifying that comprehensive plans and development regulations should encourage development along transit lines and at major transit stations at levels that support transit-oriented communities.

House Bill 1165 and Senate Bill 5279 (Secure Medicine Return Bill) establishes a producer-provided medicine return program that is convenient, safe and secure for residents throughout the state. The bill has multiple sponsors including Representatives Hunter and Goodman and Senator Oemig. Substitute House Bill 1165 passed out of the Environmental Health Committee and has been referred to Appropriations.

EMINENT DOMAIN

Senate Bill 5910 and House Bill 1332 would grant authority of a watershed management partnership (Cascade Water Alliance) to exercise powers of its forming governments, including eminent domain. Both bills passed out of their originating committees before the cut-off.

GAMBLING

House Bill 2162 permits local jurisdictions to limit the number of house-banked social card games to those locations licensed as of the effective date of the act. This bill has multiple sponsors including Representative Goodman. The first substitute house bill passed out of the originating committee on February 20th. The substitute incorporated language from the Gambling Commission, including changing the limit on reinstating a prohibition after repeal is changed to five years (from 10 years in the original bill). Language is added to the intent section to clarify a local jurisdiction's authority to limit card games is to limit the number of existing card games. The authority to limit card games is clarified to refer a limitation on licenses and to locations licensed.

HOMELESSNESS & HOUSING

Substitute House Bill 1141 provides an exemption in the form of a refund for state sales and use taxes paid by qualifying entities related to the construction of "eligible affordable housing developments

exempts state & local taxes on affordable housing projects receiving public funding. This bill passed out of the committee of origin on February 12th.

Substitute House Bill 1173 creates the Affordable Housing for All program be implemented and administered by CTED with the goal of providing decent, affordable housing for all economic segments by the year 2020. This bill passed out of the committee of origin on February 12th.

Substitute House Bill 1360 creates the Residential Infrastructure Program and would dedicate future state Real Estate Excise Tax above a growth factor into the program to provide loans to eligible jurisdictions and grants to nonprofit organizations for public infrastructure projects (or land related to infrastructure) that supports increased capacity for dense, affordable residential development in areas near transit service. This bill passed out of the originating committee on February 5th and was referred to Ways & Means.

INFRASTRUCTURE AND ECONOMIC DEVELOPMENT

House Bill 1109/Senate Bill 6056 amends provisions of local infrastructure financing in multiple ways including, increasing state contribution to \$10.5 million and eliminating the limitation of one revenue development area per county. Public hearing was held in the House Community & Economic Development & Trade Committee on February 12th and there has been no further action as of this memo.

Substitute House Bill 1744 allows, until June 30, 2012, proceeds from a locally-imposed real estate excise tax (REET) to be used for park maintenance and operation expenditures. It prohibits, with some exceptions, jurisdictions that are using proceeds from a locally-imposed REET for park and maintenance operation expenditures from using REET proceeds for property acquisition or capital projects. Finally, it modifies, subject to expiration provisions, the list of capital projects for which certain REET proceeds may be used. This bill passed out of the originating committee in the House on February 16th and is scheduled for public hearing and executive session in the House Finance Committee on February 24th at 8am.

House Bill 1947 allows for regulation and preservation of urban streets through a local option street utility. This bill is scheduled for executive session in the House Transportation Committee on February 24th.

Substitute House Bill 5045 provides that local governments may finance public improvements using local revitalization financing. Local revitalization financing is the use of bond financing to pay for public improvements within a designated area and the use of increased local property tax revenues and increased sales and use tax revenues from within that locally defined area to pay off the bonds. Permissible public improvements are expanded beyond those allowed for Community Revitalization Financing to include bridges, rail, landscaping, environmental remediation, and utility infrastructures. This bill passed out of the originating committee and referred to Ways and Means on February 11th.

NON-MOTORIZED TRANSPORTATION

Substitute House Bill 1403/Senate Bill 5387 requires vehicle-activated traffic control devices to routinely and reliably detect motorcycles and bicycles, subject to availability of funds appropriated. This bill has multiple sponsors including Rep. Goodman. The substitute house bill passed out of the originating committee on February 18th.

House Bill 1491/Senate Bill 5335 requires that vehicles passing pedestrians & bicycles allow a minimum distance of three feet. This bill has multiple sponsors including Rep. Goodman and is scheduled for executive session in the House Transportation Committee on February 24th.

House Bill 1535 requires that thoroughfares through construction and maintenance worksites must be provided for pedestrians, bicycles and persons with disabilities. There has been no further action on this bill since the last report.

House Bill 1793/Senate Bill 5743 addresses alternative student transportation including:

- Places the Washington State Department of Transportation (WSDOT) Safe Routes to Schools Program (Program) in statute and establishes the Program's grant application guidelines;
- Requires the WSDOT to fund a center to provide information, resources, training, and grant evaluation, and to contract with a nonprofit(s);
- Raises the minimum amount the WSDOT must spend for trail and path purposes from 0.3 percent of all of its funds to 1 percent; and
- Requires that at least 25 percent of state funds spent for trail and path purposes must supplement federal funds contributed to the Program.

This bill has multiple sponsors including Representatives Goodman and Eddy. It is scheduled for public hearing in the House Transportation Committee on February 24th at 1:30pm and executive session on February 27th at 1:30pm.