



CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager
From: Lorrie McKay, Intergovernmental Relations Manager
Date: April 8, 2013
Subject: 2013 LEGISLATIVE UPDATE #6

RECOMMENDATION:

City Council receives its sixth update on the 2013 legislative session.

BACKGROUND DISCUSSION:

At the writing of this memo, the legislature has completed its twelfth week. April 3 was the last day to read in committee reports from the opposite house, except House fiscal committees and Senate Ways & Means and Transportation committees. April 9 is the last day to read in opposite house committee reports from House fiscal committees and Senate Ways & Means and Transportation committees. April 17 (at 5pm) is the last day to consider opposite house bills, except initiatives and alternatives to initiatives, budgets and matters necessary to implement budgets, differences between the houses, and matters incident to the interim and closing of the session.

This is an update on the City's legislative interests as of April 5.

COUNCIL LEGISLATIVE COMMITTEE:

The Council's Legislative Committee (Mayor McBride, Deputy Mayor Marchione and Council Member Asher) meets weekly on Friday's at 3:30pm.

The Council's Legislative Committee met on April 5 to discuss the status of the city's 2013 legislative priorities (Attachment A) and other bills of interest to the City (Attachment B).

Week 11 (3/23 – 3/29)

The primary focus in week 11

1. Review of the Governor's Budget priorities
2. Letter sent to federal government opposing proposals to reduce or eliminate current tax exemption on interest earned from tax-exempt municipal bonds.
3. Prepared materials for lobbying on April 3.

Week 12 (3/30 – 4/5)

The primary focus in week 12

1. Participated April 3 in Coalition lobbying for Local Option Transportation Revenue (Attachment C)
2. Lobbied for Kirkland's legislative priorities April 3

THE STATE BUDGET:

Budget Process - The House and Senate trade off on who leads in presenting their budget proposals. This biennium it's the Senate's turn to lead.

Operating Budget:

The Senate released their Operating budget proposals on April 2. The AWC's draft analysis highlights impacts to cities (Attachment D). The Senate's proposal leaves the State Annexation Sales Tax Credit intact, which is good news. However, the Senate's proposal reduces (by half) liquor revenues shared with cities. The AWC communicated to the Senate strong opposition on reducing the local share of these shared revenues now, when privatization has resulted in a quadrupling of retail outlets, increased state revenues and added public safety burdens. The Senate also introduced SB 5895 titled Funding Education. According to the AWC and our environmental allies, while SB 5895 proposes to significantly increase funding for Education, it is estimated to reduce the capital budget by about \$500 million in this biennium and more in the future if passed. By permanently diverting revenue streams and by reducing the base upon which the capital budget is calculated for the period of 2014-2023, SB 5895 reduces the overall budget and therefore reduces the ability to fund programs like the Public Works Trust Fund and Model Toxics Control Act, programs that invest in Puget Sound clean-up, Washington Wildlife and Recreation Program, forest health and core infrastructure that maintains healthy and prosperous communities.

Transportation Budget:

A proposed 'no new revenue' Transportation Budget was released April 2, which included the I-405 / NE 132nd Interchange ramp, but with no funding until 2023. On April 3, with the "Keep King County Moving" coalition, Councilmember Asher participated in a Transportation Revenue Lobby Day. The House Transportation Chair may release a proposal containing potential 'new revenue' on April 10.

Capital Budget:

At the writing of this memo, the Capital budget proposal had not yet been released but is anticipated to be released on April 9, with the House proposals to follow on April 10.

2013 LEGISLATIVE PRIORITIES:

As mentioned above, a detailed matrix tracking the status of Kirkland's legislative priorities (as of April 5) is attached to this memorandum. Below is an at-a-glance summary:

2013 Legislative Priority	Bill Number	Hearing Status
Support state and local transportation revenue to maintain infrastructure investments and complete projects that enhance economic vitality.	HB 1954 HB 1955 HB 1956 HB 1957 HB 1953 SB 5773 HB 1959 HB 1898	2/22 – Necessary to Implement the Budget (NTIB) 2/22 – Necessary to Implement the Budget (NTIB) 2/22 – Necessary to Implement the Budget (NTIB) 4/8 – Executive Session scheduled (NTIB) 3/13 – Returned to Rules for second reading 3/12 – Moved to Rules White sheet 3/13 – Returned to Rules for second reading 3/13 – Returned to Rules for second reading
Support retaining the State Annexation Sales Tax Credit and defend against state revenue reductions or legislation that impact completion of the Finn Hill, Juanita & Kingsgate-area annexation.		Left intact in the Senate proposed Operating Budget. Left intact in the Governor's priorities that were released week 11. Monitoring.
Support \$5 million in funding for the next phase of the NE 132nd Interchange ramp design and for the NE 132nd Interchange to be included in any statewide transportation package.		Listed (unfunded) in the Senate and House proposed 'no new revenue' Transportation Budgets. New revenue proposal may be released April 10.
Support eliminating the \$10 million ongoing diversion of liquor taxes and reinstating local share of excess liquor profits.		Senate proposed Operating Budget reduces liquor shared revenue by half.

Support the development of the Cross-Kirkland Corridor including support of continued state financial assistance (WWRP) and other tools to implement multiple uses including recreation and transportation.		The Cross Kirkland Corridor ranked #2 among the WWRP Proposed Trail Projects to be funded in 2013. \$500,000 with a \$500,000 match. Proposed Capital Budget could be released April 9 & 10.
Support providing cities with financing options to support public/private partnerships.	HB 1967	This bill is technically 'dead'
Support allowing local governments the option to award contracts to vendors whose pre-tax bid unit price is lowest.	SB 5110 HB 1268	3/21 – Passed to Rules for second reading This bill is technically 'dead'
Capital Budget Request: \$1M for completion of the Park Lane Pedestrian Corridor Capital Budget Request: \$1.3M for phase one of a Pedestrian Span from SK-TOD to CKC		House proposed Capital Budget may be released 4/10. Senate proposed Capital Budget could be released 4/9.

ELIMINATING ONGOING DIVERSION OF LIQUOR TAXES AND REINSTATING LOCAL SHARE OF PROFITS:

As mentioned above, the Senate Operating Budget released on April 3 proposes to reduce shared liquor revenue by half.

FUNDING FOR THE NEXT PHASE OF THE NE 132ND INTERCHANGE RAMP DESIGN AND FOR THE NE 132ND INTERCHANGE TO BE INCLUDED IN ANY STATEWIDE TRANSPORTATION PACKAGE:

A 'no new revenue' Transportation Budget proposal was released April 2, which included the I-405 / NE 132nd Interchange ramp, but with no funding until 2023. The House Transportation Chair may release a proposal containing potential 'new revenue' on April 10. The City's priority of \$5 Million for funding the next phase of design for the ramp may be included in this proposal.

LOCAL PURCHASING BILL:

Only the Senate version of this bill (5110) remains alive. On March 21, the Senate version was passed to the House Rules Committee. SB 5110 must be pulled to the floor of the House by 5pm on April 17 for a vote, or it will die in House Rules.

CAPITAL REQUESTS:

The City has two Capital Budget requests submitted, one in each chamber.

As reported at your last Council meeting, Senator Tom submitted to the Senate the City's request for \$1.3M for phase one of the design and construction of an ADA accessible multi-modal connection between the new South Kirkland Transit Oriented Development public parking garage and the Cross Kirkland Corridor.

As a reminder, Representative Springer took the lead in submitting to the House the City's request for \$1 million to complete the Park Lane Pedestrian Corridor project.

HEARINGS AND CORRESPONDENCE:

Bill	Cmte	Dt/Time	City Rep.	SME
Interim Planning Meeting work session	HEnv	4/3 1:30	Toby Nixon	Jenny Gaus

Cmte (Committee) Legend

HEnv = House Committee on Environment

On April 2, the City Council approved sending a letter to the Chair of the House Committee on Environment in support of the formation of an interim stakeholder group on the Watershed Investment

Authority bill. The letter was sent the morning of April 3 (Attachment E). Also on April 3, Councilmember Nixon testified to the House Committee on Environment for the City's support of the formation of an interim stakeholder group. At the work session, Committee Chair Upthegrove voiced strong support for the proposal, and the committee agreed to put the stakeholder group on the interim work plan.

Attachments:

- A. Status of City's 2013 legislative priorities
- B. List of bills the City is tracking and positions
- C. Materials from April 3 Transportation Revenue Lobby Day
- D. AWC's draft analysis Senate Operating Budget's impact to cities
- E. City letter in support of the formation of an interim stakeholder group on the Watershed Investment Authority bill.

**City of Kirkland Legislative Priorities and Status: 2013 Legislative Session
Updated 4/5**

Attachment A

Legislative Priority	Bill #	Prime Sponsor	Status		
1	Support state & local transportation revenue	HB 1954 HB 1955 HB 1956 HB 1957 HB 1953 HB 5773 HB 1959 HB 1898	Rep. Clibborn Rep. Clibborn Rep. Clibborn Rep. Clibborn Rep. Liias Sen. Harper Rep. Farrell Rep. Fey	<p><u>Statewide Package</u> 2/22 – First read into House TR (NTIB) 2/22 – First read into House TR (NTIB) 2/22 – First read into House TR (NTIB) 4/8 – Scheduled for Exec Session House TR (NTIB)</p> <p><u>Local Revenue</u> 3/13 – Rtrnd to Rules for second reading 3/12 – Moved to Rules White sheet 3/13 – Rtrnd to Rules for second reading 3/13 – Rtrnd to Rules for second reading</p>	<p>Includes: \$675 million for local government assistance; \$897 million for storm water cleanup; \$61 million for Complete Streets.</p> <p>1953 (Snohomish Co. transit) 1959 (TBD increase plus 1.5% MVET) 1898 (Pierce Co. creates smaller TIZ)</p>
2	Retain the State Annexation Sales Tax Credit		Monitoring. 4/3 – Left intact in Senate Operating Budget		
3	\$5M for the next phase of the NE 132nd Interchange ramp design and for it to be included in any statewide transportation pkg		4/3 – Listed (unfunded) in Senate and House Transportation Budgets		
4	Eliminate the \$10 million ongoing diversion of liquor taxes and reinstate local share of excess liquor profits	HB 2019	Rep Tharinger	4/2 – Heard in Gov Accountability & Oversight Senate Operating budget proposes reducing liquor shared revenue by half	
5	The development of the Cross-Kirkland Corridor including support of continued state financial assistance (WWRP) and other tools to implement multiple uses including recreation and transportation			The Cross Kirkland Corridor ranked #2 among the WWRP Proposed Trail Projects to be funded in 2013. \$500,000 with a \$500,000 match. WWRP part of Capital Budget negotiations. Capital budget - there is not a firm release date yet for the Senate or the House	
6	Provide cities with financing options to support public/private partnerships	HB 1967	Rep. Springer	This bill is 'dead'.	
7	Allow local governments the option to award contracts to vendors whose pre-tax bid unit price is lowest	SB 5110 HB 1268	Sen Tom Rep Springer	2/8 – Amended by Tom on floor. ESSB Passed Yeas, 48; Nays, 0; Excsd, 1 3/21 – Passed to Rules House bill is 'dead'.	
	<ul style="list-style-type: none"> Capital Budget Request: \$1M for Park Lane Pedestrian Corridor Capital Budget Request: \$1.3M for Ped Span from SK-TOD to CKC 		Rep. Springer Sen Tom	Capital budget - there is not a firm release date for the Senate or the House	

Bill	Title	Position	Status
Support			
HB 1007	Covering of loads on public highways	Support	3/9 - Passed yeas, 53; nays, 42; abs, 0; excsd, 3 3/19 - Heard in Transportation
HB 1009	Prohibiting certain liquor self-checkout machines	Support	2/25 - Passed yeas, 92; nays, 0; abs, 0; excsd, 6 4/2 - Passed to Rules
HB 1016	Designating facilities and infrastructure of water purveyors as essential public facilities under GMP	Support	2/18 - Passed yeas, 87; nays, 9; abs, 0; excsd, 2 4/2 - Passed to Rules
HB 1045	Authorizing certain local authorities to establish maximum speed limits	Support	2/18 - Passed yeas, 86; nays, 10; abs, 0; excsd, 2 4/2 - Placed on 2nd Reading in Rules Committee
HB 1047	photographs, microphotographs and electronic images from traffic safety cameras & toll systems	Support	2/22 - Passed yeas, 78; nays, 18; abs, 0; excsd, 2 2/25 - Read into Sen. Law & Justice
HB 1090	Increasing \$ amount for dock construction that does not qualify as a substantial dev under SMA	Support	3/9 - Passed yeas, 95; nays, 0; abs, 0; excsd, 3 4/3 - Passed to Rules
HB 1183	Wireless communications	Support	2/25 - Passed yeas, 92; nays, 0; abs, 0; excsd, 6 4/2 - Made eligible to be placed on 2nd reading
HB 1187	Grants for community outdoor/indoor athletic facil	Support	2/7 - Referred to Appropriations
HB 1217	Strengthening the integrity, fairness, and equity in Washington's property assessment system.	Support	3/5 - Passed yeas, 53; nays, 43; abs, 0; excsd, 2 3/25 - Scheduled heard in Sen. Gov Ops
HB 1253	Concerning the lodging tax	Support	3/13 - Passed yeas, 71; nays, 26; abs, 0; excsd, 1 4/3 - Referred to Ways & Means
HB 1268	Regarding local government purchasing	Support	2/27 - Passed yeas, 62; nays, 35; abs, 0; excsd, 1 3/14 - Heard in Sen. Gov Ops
HB 1274	local government practices and procedures	Support	2/27 - Passed yeas, 88; nays, 9; abs, 0; excsd, 1 3/27 - Passed to Rules for second reading
HB 1275	Regarding water discharge fees	Support	2/22 - Referred to Appropriations
HB 1306	Extending the expiration dates of the local infrastructure financing tool program	Support	3/9 - Passed yeas, 81; nays, 16; abs, 0; excsd, 1 3/12 - First read, and referred to Ways & Means
HB 1315	Criminal justice training funding	Support	First read 1/23 in Appropriations
HB 1324	Transferring ferry & FCZD authorities to MKCC	Support	3/7 - Passed yeas, 97; nays, 0; abs, 0; excsd, 1 4/1 - Heard in Sen. Gov. Ops.
HB 1368	Distribution of state liquor revenues to cities and counties	Support	2/19 - Heard in Appropriations 3/8 - Passed yeas, 89; nays, 9; abs, 0; excsd, 0
HB 1401	Timing of penalties under the GMA	Support	4/2 - Passed to Rules 3/9 - Passed yeas, 55; nays, 42; abs, 0; excsd, 1 3/28 - Heard in Gov Ops
HB 1486	Concerning voter-approved benefit charges for RFAs	Support	3/4 - Passed yeas, 97; nays, 0; abs, 0; excsd, 1 4/2 - Passed to Rules
HB 1512	Fire suppression water facilities and services provided by municipal & other purveyors	Support	3/9 - Passed yeas, 60; nays, 37; abs, 0; excsd, 1 3/28 - Heard in Sen Gov Ops
HB 1654	Regional fire protection service authority within the boundaries of a single city	Support	3/13 - Returned to Rules for second reading
SHB 1898	Concerning funding enhanced public transportation zones for public transportation systems	Support	3/13 - Returned to Rules for second reading
HB 1953	Concerning local option transportation revenue.	Support	2/22 - First read, Transportation
HB 1954	Concerning transportation revenue	Support	2/22 - First read, Transportation
HB 1955	Concerning additive transportation funding	Support	3/13 - Returned to Rules for second reading
HB 1959	Concerning local transportation revenue	Support	
HB 2019	Concerning sales and distribution of spirits by distributors, restaurants, former contract liquor stores, and former state store auction buyers	Support	4/2 - Heard in Government Accountability & Oversight
Neutral			
HB 1919	Allowing county sales and use tax by ordinance		
Oppose			
HB 1232	rental vouchers to a registered sex offender	Oppose	2/22 - Referred to Appropriations
HB 1440	Ensuring fairness to employers by protecting employees	Oppose	3/13 - Returned to Rules for second reading
HB 1559	Requiring crisis intervention training for peace officers	Oppose (w/conditions)	2/22 - Referred to Appropriations
SHB 1652	Establishing a process for the payment of impact fees through provisions stipulated in recorded covenants.	Oppose/amend	3/6 - Passed yeas, 73; nays, 24; abs, 0; excsd, 1 3/28 - Heard in Sen. Gov Ops

Bill	Title	Position	Status
Support			
SB 5053	Modifying vehicle prowling provisions	Support	2/25 - Passed by Senate (48 yeas, 1 xcscd) 3/14 - Passed to Rules
SB 5103	Grants for community outdoor and indoor athletic facilities	Support	1/30 - Heard in Ways & Means
SB 5110	Local government purchasing	Support	2/8 - Passed by Senate (48 yeas, 1 xcscd) 3/21 - Passed to Rules for second reading
SB 5113	Concerning the enforcement of speed limits on roads within condominium asscs	Support	2/8 - Passed by Senate (49 yeas) 3/26 - Passed to Rules for second reading
SB 5323	Nuisance abatement assessment	Support	2/25 - Passed by Senate (46 yeas, 3 xcscd) 3/14 - Heard in House Local Gov
SB 5349	Revising alternative public works contracting procedures	Support "strongly"	2/26 - Passed by Senate (49 yeas, 0 nays) 4/8 - Schd for Exec Session
SB 5606	Fire suppression water facilities and services provided by municipal & other purveyors	Support	3/5 - Passed by Senate (45 yeas, 2 nays) 3/22 - Passed to Rules
SB 5703	Distribution of state liquor revenues to cities and counties	Support	2/11 - First Read into Ways & Means
Neutral			
Oppose			
ESB 5378	Building code amendments	Oppose	3/7 - Passed by Senate (33 yeas, 14 nays) 3/19 - Heard in House Local Gov
SB 5532	Requiring crisis intervention training for peace officers	Oppose	2/22 - referred to Ways & Means
SB 5658	Concerning mercury-containing lights	Oppose	3/13 - Passed by Senate (26 yeas, 23 nays) 3/27 - Heard in House Environment
SB 5895	Funding education	Oppose	4/5 - Placed on 2nd reading by Rules

**Transportation Revenue Lobby Day
ITINERARY for Councilmember Asher
Wednesday, April 3, 2013**

Final 4/2/13

<i>10:00 am</i>	<i>Travel from Kirkland to Olympia</i>
11:30 am –	Pick up materials, assignments & coalition lobbying partners Location: Washington Room (basement of Pritchard Bldg)
Noon –	Lunch (provided) with legislators Sens. Litzow, Chase, Kohl-Welles and Kline & Reps. Fitzgibbon, Upthegrove and Moscoso Location: Washington Room (basement of Pritchard Bldg) Remarks from Exec Constantine, Don Gerend, others?
12:40 pm –	Meet Majken at 414 JLOB
12:45 pm –	Meet with Rep. Liias ➤ Meeting scheduled by Majken Location: 414 John L. O'Brien Bldg Contact: (360) 786-7972
1:30 pm –	Meet with Rep. Springer <u>Coalition Partners</u> : CM Ockerlander, "Kate" and possible Hopelink Rep. Location: 132E Legislative Building Contact: Ariel @ (360) 786-7822

2:15 pm –	Meet with Rep. Stanford ➤ Meeting scheduled by Majken Location: 318 John L. O'Brien Bldg Discussion: Cross Kirkland Corridor Contact: (360) 786-7928
2:40 pm –	Meet Majken at 239 JAC
2:45 pm –	Meet with Senator Hobbs ➤ Meeting scheduled by Majken – she will attend Discussion: Cross Kirkland Corridor Location: 239 John A. Cherberg Bldg Contact: (360) 786-7686
3:15 pm –	Meet with Rep Clibborn ➤ Meeting scheduled by Majken – she will try to attend Discussion points: House & Senate Transportation budgets Location: 415 John L. O'Brien Bldg Contact: (360) 786-7926
3:45 pm –	Meet with Rep. Goodman Location: 328 John L. O'Brien Bldg <u>Coalition Partners</u> : CM Ockerlander, Jack Whisner & possible Hopelink Contact: Max @ (360) 786-7878
<i>4:00 pm</i>	<i>Travel from Olympia to Kirkland</i>

**“Keep King County Moving”
April 3, Lobby Day**

Upon arrival at the Washington Room, you will receive packets of information for you to leave behind with Legislators

Talking Points

1. We are here in Olympia today representing cities, the county, business, labor, transit riders, higher education and others with one common goal: to "keep king county moving"

2. We believe the strength of our local, regional and statewide economy depends on legislative action to provide transportation funding options.

3. Without tools from the legislature we cannot sustain transit service or adequately maintain our local roads.

4. Metro would have to cut 17% of their service causing gridlock. Cities and the county need tools for basic maintenance and in some cases mobility improvements.

Add local examples of needs and district specific transit and road reduction illustrations.

5. Give us the authority this year to take care of our own needs. We are asking you to support a package of local options, alone or in combination with a state package.

Leave behind package



2012 STREETS LEVY

Kirkland voters approve sustaining quality of life for parks and streets.

On November 6, 2012, Kirkland voters approved **Proposition 1: City Street Maintenance and Pedestrian Safety** and **Proposition 2: City Parks Maintenance, Restoration, and Enhancement Levy** as permanent property tax levies. Beginning in 2013, the Streets Levy will raise approximately \$2.9 million annually to fund street maintenance and safety improvements for neighborhood streets and arterials, including resurfacing, pothole repair, pedestrian safety improvements, traffic calming projects, school walk routes, sidewalks and crosswalk improvements. Also beginning in 2013, the Parks Levy will raise approximately \$2.35 million annually to fund preservation, maintenance, and enhancement of Kirkland's parks and natural areas. The City is committed to efficiently implementing levy funding with transparency and accountability. An annual accounting report, work programs, and accomplishments will be posted at www.kirklandwa.gov/ballotmeasures.

WHAT YOU'LL SEE THANKS TO THE STREETS LEVY

■ Street Preservation (\$2.6 million/year)

- Conduct preventative maintenance on approximately 30 lane miles of residential streets each year (doubling previous years).
- Reduce backlog of deferred street maintenance.
- Repair potholes and proactively reduce costs from road failure and disaster.
- Resurface, restore or replace approximately 15 lane miles of arterial streets each year (doubling previous years).

■ Safe Walk Routes to School (\$150,000/year)

- Leverage State and Federal funding to increase safe routes Kirkland elementary and middle schools.

■ Pedestrian and Bicycle Safety (\$150,000/year)

- Upgrade or add crosswalks with new highly visible and energy efficient warning lights.
- Install new Americans with Disabilities Act (ADA) wheelchair ramps to meet Federal requirements.
- Make transit and safety improvements on eight key transit corridors.
- Expand pedestrian and bicycle routes to improve connections with commercial areas, schools, transit routes, parks, and other destinations.
- Restripe crosswalks to increase pedestrian safety.
- Install traffic control devices to address safety hazards within Kirkland neighborhoods.



Street Maintenance



Safe Walks to School



Neighborhood Traffic Control

For information about Kirkland's 2012 Streets Levy, contact Ray Steiger, Director, Public Works Department at 425-587-3801 or rsteiger@kirklandwa.gov.

The City of Kirkland's 6th Street & Central Way Intersection Improvements

Project Description

The City of Kirkland is requesting \$1,867,000 to complete final construction of phased upgrades at the intersection. Key elements of the remaining Project include:

- traffic signal expansions including a dedicated left turn and receiving lane directly accessing an adjacent large-scale retail/commercial redevelopment of Park Place;
- installation of Intelligent Transportation System (ITS) components to allow remote monitoring and control of the intersection and allow connection with other Downtown ITS systems;
- lane widening and detection systems for bike lane connectivity with the surrounding bike network;
- pedestrian facilities and lighting/safety enhancements; and
- surface-water water quality improvements.

The Central Way corridor (NE 85th Street from the east) provides access for approximately 18,000 vehicles per day between I-405, the City of Redmond, and the Downtown.

Project Justification

The Project will result in a new "Gateway" to the Downtown identifying and enhancing the experience for visitors, business, employees, and residents. Creating the Gateway will:

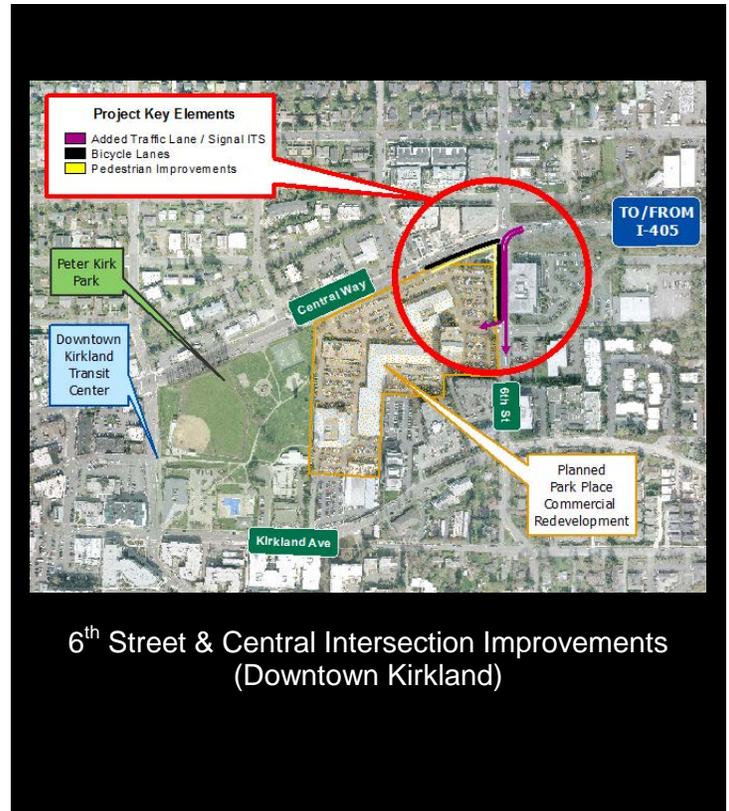
- offer clear and inviting access to this vital commercial area of the Downtown;
- provide a designated travel lane into the Park Place redevelopment;
- reduce speeds of west bound vehicles while maintaining traffic flow into the Downtown;
- support a vibrant "main street" retail environment envisioned along Central Way;
- provide an opportunity to include public art denoting Kirkland's identity; and
- enhance the non-motorized safety/environment in the vicinity.

Total Cost – \$3,925,000

Funding

Local – \$2,058,000

Unfunded – \$1,867,000 (this request)



6th Street & Central Intersection Improvements
(Downtown Kirkland)



Added westbound to southbound lane

The City of Kirkland's 124th Avenue NE Improvement Project

Project Description

The Project, located in the center of the Totem Lake urban center, will provide new capacity, decrease congestion and help attain the 2022 level of service standard established in the Kirkland Comprehensive plan. Improved bike lanes, sidewalks, pedestrian crossings and bus facilities will encourage alternative modes of transportation. 124th Ave NE widening will expand the existing roadway from three to five lanes (including a two-way center turn lane) between NE 116th ST and NE 124th ST intersections. The project also includes intersection improvements at NE 124th ST/124th Ave NE and NE 116th ST/124th Ave NE to insure traffic circulation.

Project Justification

124th Avenue NE is currently a three lane, highly congested arterial lacking sufficient facilities to safely and efficiently transport residents, business customers, employees, students and visitors. This is a major access route to and from Totem Lake, and the I-405 on/off ramps at NE 116th Street and NE 124th Street just west of 124th Avenue NE. High traffic volumes have contributed to the safety problems and substandard pavement conditions along this corridor. A high number of rear-end, left turn and side swipe accidents are caused by traffic congestion, and the lack of a midblock pedestrian crosswalk puts people at risk as they attempt to cross several lanes of traffic to access the opposite side of 124th Ave NE.

Estimated Cost – \$10,050,000

Funding

Local – \$5,050,000

Unfunded – \$5,000,000 (this request)





February 12, 2013

WORKING TITLE: I-405/NE 132nd Street Interchange

Kirkland supports \$5 million in funding for the next phase of the I-405/ NE 132nd Street Interchange design. Restoring funding for the new interchange would provide new I-405 access to and from the Regionally designated urban center of Totem Lake, reduce congestion, and compliment the recently completed I-405/NE 116th Street Interchange.

ISSUE BACKGROUND:

The I-405/NE 132nd Street Interchange was originally funded at \$60 million in the 2005 Transportation Partnership Funding Package with a commitment of construction in 2018. Under the 2007 Approved budget, based on the significance of the Project, construction was moved forward five years and was to be built immediately following the "Kirkland Bundle" (a combination of Nickel and TPA projects) – it was identified in the 2007-2009 Transportation budget passed on April 22 to have been completed by 2015. The City of Kirkland reprioritized \$200,000 of local funds and completed a companion Master Plan of NE 132nd Street in 2008 to augment the State's design process, the State's design was advanced to approximately 5%, and property began to be acquired along the alignment of the Interchange. This Project has now been delayed to 2025.

The Project was originally funded because the Totem Lake Urban Center is an integral part in the City's and the Region's plan to revitalize this area to boost economic development, create jobs, and target and accommodate growth that is envisioned by the PSRC within Puget Sound. The lack of easy freeway access will continue to hamper redevelopment and increase congestion on both the local arterials and I-405.

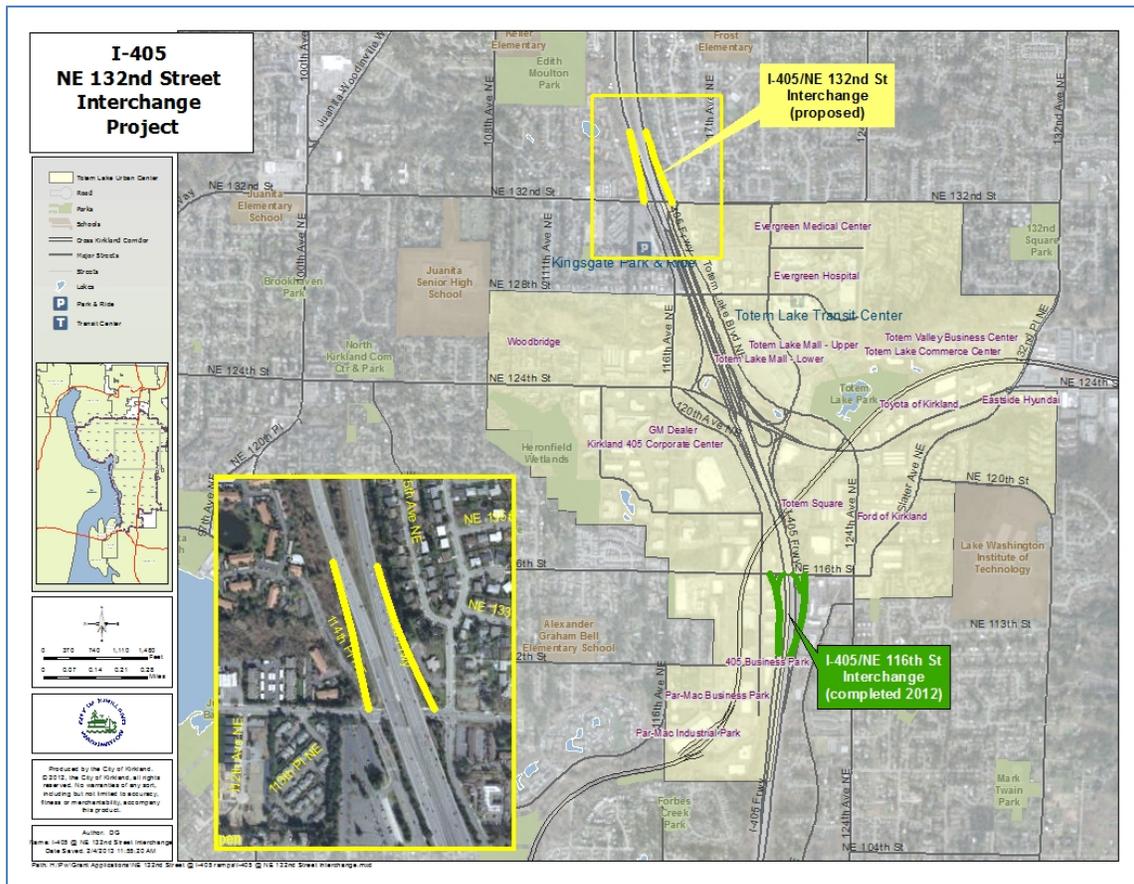
In WSDOT's recent review of the I-405 Corridor project, the NE 132nd St. Interchange project was identified as a project with direct benefits to the I-405 system.

The City of Kirkland is seeking funding to move this critical improvement forward as originally envisioned. Delaying additional funding until 2025 will further jeopardize much needed economic development in the Totem Lake Urban Center and impact the successful completion of WSDOT's I-405/SR 167 Corridor program. WSDOT estimates the total cost for the Intersection to be on the order of \$75 million (2012 costs). The \$5 Million that Kirkland is seeking will allow the design to proceed and necessary right of way to be acquired. A programmatic environmental review has been completed as part of the I-405 master plan however a project level environmental work will have to be completed; this funding will allow those elements.

Given the importance of this project to the local and regional economy, the City of Kirkland respectfully requests the original funding time-line be restored in the upcoming budget and \$5 million be advanced for the Project design.

CITY OF KIRKLAND CONTACTS:

[Ray Steiger](#), Deputy Director of Public Works, 425-587-3801
[Lorrie McKay](#), Intergovernmental Relations Manager, 425-587-3009



Completing the 40-mile system



Future I-405 Corridor priorities

Projects on other corridors with direct benefits to I-405 (system to system connections)

A. Tukwila to Bellevue - \$1,353* million (WSDOT: \$1,215 m; others: \$138 m)			
Benefits <ul style="list-style-type: none"> • Benefit/Cost: 4.7 • Approximately 50,000 vehicle hours of delay reduced every day which equates to \$276 M in annual travel time savings by drivers. 	Renton to Bellevue (Option 4) SR 167 Direct Connector Sound Transit: N 8th St Direct Access City of Bellevue: NE 6th St Extension Bellevue Share	\$890 \$325 (\$40M in PE/RW funded) \$78* \$60*	<ul style="list-style-type: none"> • Adds one lane in each direction • Builds a flyover ramp connecting the I-405 express toll lanes to the SR 167 HOT lanes • Builds a direct access ramp at N 8th St. • Extends NE 6th St. east across I-405 to 120th Ave. NE
B. SR 167 HOT Lanes Extension - \$117 million			
Benefits <ul style="list-style-type: none"> • Benefit/Cost: 2.3 • Increases capacity over 50% and extends the reliability and traffic benefits of the SR 167 HOT lanes. 	Stage 4 (SB) Stage 5 (NB)	\$82 (Funded) \$35	<ul style="list-style-type: none"> • Extends the existing southbound HOT lane to the King / Pierce County line. • Starts the northbound HOT lane at the King/Pierce County.
C. Bothell to Lynnwood Dual Express toll Lanes - \$570 million			
Benefits <ul style="list-style-type: none"> • Benefit/Cost: 1.7 • 36,000 vehicle hours of delay reduced every day (\$213 M annual travel time savings). Provides a new direct access connection between SR 522 and I-405 express toll lanes eliminating weaving and improving operations for the general purpose lanes. 	SR 522 interchange SR 522 to I-5 Dual Express Toll Lanes	\$315 \$255	<ul style="list-style-type: none"> • Builds a new direct access connection to SR 522 and redesigns a new interchange. • Replaces the northbound I-405 bridge over the Sammamish River and SR 522. • Adds a new lane in each direction between SR 522 and I-5 in Lynnwood to be paired with the existing HOT lane to form a dual express toll lane system.
D. SR 167 Stage 6 - \$300 m			
<ul style="list-style-type: none"> • Benefit/Cost: 2.5 • Reduces vehicle delay by 32,000 vehicles daily. • Project connects regional facilities of SR 410, SR 512, and future SR 167 extension. 	SR 167 Stage 6	\$300m	<ul style="list-style-type: none"> • Extends the SR 167 HOT lanes northbound and southbound to SR 410 / SR 512 interchange.
E. I-405/NE 132nd St. Interchange - Prior TPA project commitment			
Benefits <ul style="list-style-type: none"> • Benefit/Cost: 1.1 • Provides new access to and from north Kirkland area and complements 116th interchange which has recently been rebuilt. 	NE 132nd St. Interchange	\$75	<ul style="list-style-type: none"> • Builds a new half-diamond interchange at NE 132nd St. in Kirkland.
F. I-90/I-405 Interchange Direct Connectors - \$535 million			
Benefits <ul style="list-style-type: none"> • Benefit/Cost: 1.6 • Reduces daily delay by 22,000 vehicle hours of \$112M in annual travel time savings. Reduces weaving and provides high speed reliable trips between the two interstate systems. 	I-405 / I-90 Renton to Issaquah Direct Connector I-405 / I-90 Bellevue to Issaquah Direct Connector	\$270 \$265	<ul style="list-style-type: none"> • Builds a new flyover ramp between the express toll lanes on I-405 and the HOV lanes on I-90. • The ramp would connect Renton to Issaquah. • Builds a new flyover ramp between the express toll lanes on I-405 and the HOV lanes on I-90. • The ramp would connect Bellevue to Issaquah.
G. SR 520/I-405 Interchange and SR 520/124th Ave NE Interchange - \$550 million			
Benefits <ul style="list-style-type: none"> • Benefit/Cost: 1.6 • Reduces delay by 24,000 vehicle hours daily or \$136 M in annual travel time savings. Provides direct connection between I-405 and SR 520 and eliminates weaving in the general purpose lanes. 	SR 520 / 124th Ave NE New Interchange I-405 / SR 520 Direct Connectors	\$235 \$315	<ul style="list-style-type: none"> • Rebuilds the SR 520/124th Ave NE interchange to Master Plan configuration • Builds flyover ramps connecting the express toll lanes on I-405 to the HOV lane on SR 520. Ramps will connect Bellevue to Redmond traffic.



Funding shortfalls threaten the ability to provide adequate plowing during snow storms.



Improvements to crowded city arterials can ease access to the state highway system.



Metro's RapidRide C Line takes many full loads of commuters to downtown Seattle.

Moving Ahead Together

A partnership to seek transportation funding tools

The Sound Cities Association, King County, and the City of Seattle have joined together to ask the legislature for a new set of local transportation funding tools.

Robust transit service and an up-to-date and well-maintained system of regional roads, bridges, city streets, sidewalks and trails are essential to keep people and our economy moving.

An adequately funded transportation system is especially important in King County, which has 29 percent of the state's population and 40 percent of its jobs. But current transportation funding falls far short of the needs—threatening our mobility and our economy.

New funding will enable us to maintain transit service, meet critical roadway needs, and keep our economy on the path to prosperity.



Damaged roads in rural King County can be costly to repair.



Repavement of city streets improves travel and extends the life of the roadway.



Added transit service on SR 520 has attracted 3,800 new riders, but a looming revenue shortfall threatens Metro's ability to sustain its service.

TRANSIT: Funding is critical to maintain service, get people to jobs, schools

King County Metro Transit delivered over 115 million passenger trips in 2012, and ridership is expected to grow.

Metro's revenue from sales tax, which makes up 60 percent of its operating funds, has dropped steeply. King County has taken many actions to narrow the budget gap, including adopting a temporary congestion reduction charge that raises about \$25 million a year but expires in mid 2014.

Metro faces a \$75 million ongoing annual revenue shortfall. Without new funding, service will be cut by about 17 percent beginning in fall 2014.

A reduction of that magnitude would exceed the amount of service Metro adds for commuters during weekday peak periods. Service deletions, reductions or revisions would affect about 70 percent of Metro riders, who would

have to walk farther or wait longer between buses. Even more would ride crowded buses—or be left at the curb as full buses pass them by.

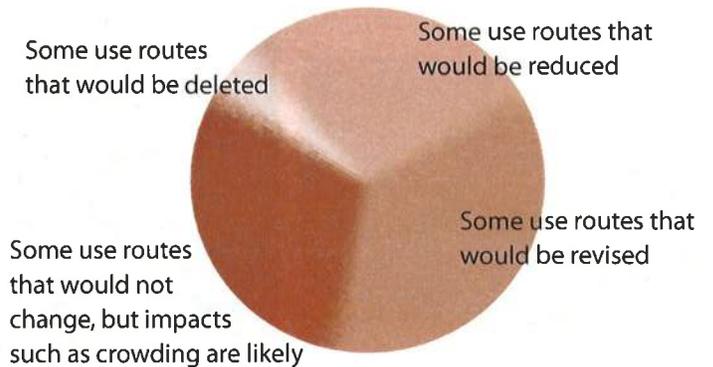
Our economy would feel the impact as well. Businesses rely on Metro to get their employees to work; more than 1,500 companies provide bus

passes to their employees. More than half of Metro's passengers are commuters.

Traffic congestion would worsen. Metro's current service level keeps about 175,000 cars off our roads every weekday. Public transportation yields more than \$300 million per year in time and fuel savings for drivers*.



How would current riders be affected by a service cut of about 17 percent?



Preserving Metro's role in reducing congestion is critical—especially during the region's major construction projects on SR 520, I-90, I-405 and SR 99.

The proposed funding package would generate \$85 million per year for transit, enabling Metro to:

- **Continue supporting economic growth by preserving the current overall level of service.**
- **Make modest investments in new service where it's needed most.**
Although the proposed funding would not enable Metro to fully meet the needs of underserved corridors or growing centers, it would provide for some modest service additions.

*Source: Texas Transportation Institute

Facing a \$1.2 billion shortfall for 2008-2015, Metro has been cutting costs, raising revenue, finding new efficiencies

Metro and King County leaders have taken many actions to cut costs and increase revenue, yielding ongoing benefits. Some temporary actions, such as the use of reserves, will be exhausted after 2013.

Ongoing cost reductions

- Made staff cuts and program reductions
- Adopted efficiency measures recommended in a performance audit, savings about \$20 million annually
- Made modest reductions in bus service
- Negotiated cost-saving labor agreements

Ongoing revenue increases

- Raised fares four times in four consecutive years—

a total 80 percent increase

- Shifted property tax from county ferries to Metro

Temporary actions

- Dug deeply into reserve funds
- Deferred replacement bus purchases
- Deferred most planned service expansion
- Adopted two-year congestion reduction charge

Metro and the County continue to adopt new cost saving measures, such as eliminating Seattle's Ride Free Area and substantially reducing employee health care costs. Metro also revamped the transit system to become more productive, serving more riders within existing resources.

ROADS & BRIDGES: Preservation and improvement depends on funding

Cities and King County maintain nearly 7,000 miles of roadway plus bridges, culverts, sidewalks and trails.

Local governments have experienced a substantial downturn in revenues this past decade. Contributing factors include reductions in car tab fees; the 1 percent limit on annual property tax increases (typically below the rate of inflation); and serious reductions in real property assessed values, real estate excise tax, utility tax, sales tax and development fee revenues.

Cities maintain 5,500 miles of streets plus bridges, sidewalks, drainage systems, traffic signals and trails. Existing facilities are aging. Revenue sources currently available to cities are not keeping pace with the costs of replacement and expansion to meet growth.

King County Road Services is responsible for about 1,500 miles of county roads that carry more than 1 million trips per day, 180 bridges, culverts, and other transportation infrastructure. This system has some of the oldest roads in the state and needs substantial investments, but Road Services funding from local property tax, gas tax and grants has declined by one-third since 2009, and will continue to fall.



Storm damage on Holmes Point Drive NE, Kirkland.

The mechanisms for funding roads haven't been updated in 25 years and they no longer work. Additional funding is critical to maintain existing transportation infrastructure in a safe and usable state. We estimate a total unfunded need of \$4.9 billion for roadways and bridges in King County over the next six years.

The proposed funding package would generate \$105 million annually for cities, to be distributed on the basis of population and used for the transportation needs they determine are most important. It would generate \$20 million per year for King County Road Services. This funding would enable cities and the county to:

- **Repay the heaviest-volume roads.**
- **Rehab or replace bridges that otherwise would have to be closed.**
- **Improve the safety of city and county roads.**
- **Improve flooding/stormwater management.**
- **Widen roads and improve signals where needed to improve roadway carrying capacity.**
- **Stem the decline of roadway assets to avoid high replacement costs in the future.**

Proposed package of local transportation funding tools

Recognizing that the needs are greater than any single tool could address, Sound Cities Association, Seattle and King County are proposing a package of transportation funding tools and a balanced distribution of revenues:

- **8¢ increase in state gas tax**

65% would go to the state for highways and ferries, 12% to counties, 18% to cities, 4% to the Transportation Improvement Board and 1% to the County Roads Administration Board.

- **\$40 councilmanic TBD vehicle fee**

Increase the vehicle fee that Transportation Benefit Districts can approve from \$20 to \$40.

- **1.5% MVET renewal fee**

King County would be authorized to impose this fee, which would be based on vehicle value, through a council vote or a vote of the people. The fee would not apply to new vehicles or to commercial vehicles and trailers.

This fee would generate approximately \$140 million in 2014. Sixty percent (\$85 million) would be allocated to transit. Forty percent (\$55 million) would be distributed to cities and the county by population, for the other critical local transportation needs within cities and unincorporated King County.

The average car owner would pay \$50 to \$80 per year more for each vehicle owned. (Based on the DOL average used passenger car value in King County of \$6,756, and net impact after eliminating the existing \$20 congestion reduction charge and assuming a federal tax deduction and new car purchase every fifth year.)

Examples of needs that might be addressed



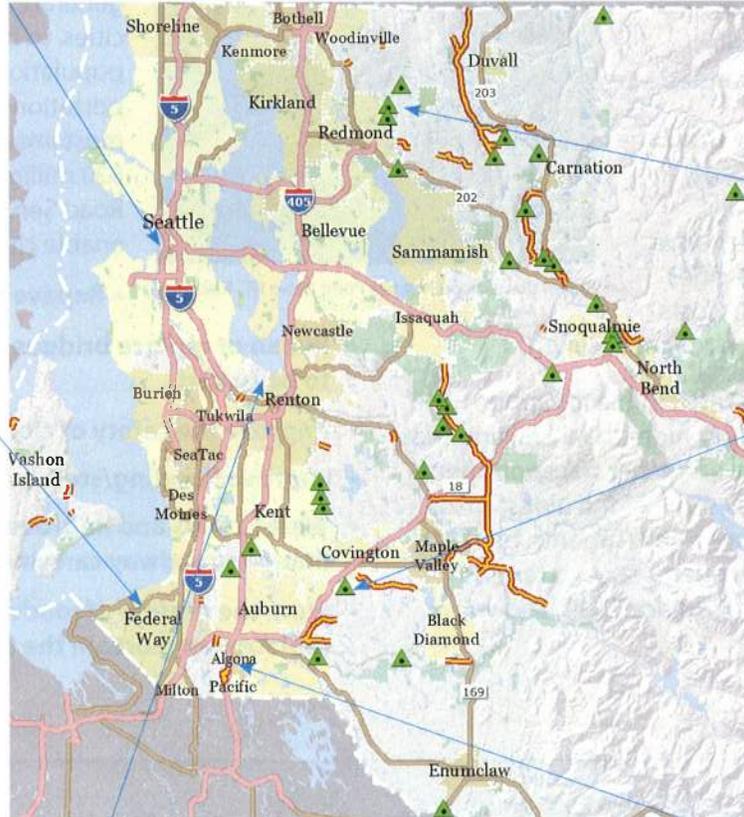
Preservation of Seattle streets is a pressing need to protect public safety.



Suburban cities will need to spend millions preserving existing streets—and current revenues are not keeping pace with these needs.



Improvements that reduce traffic congestion in regional growth centers like downtown Federal Way will enhance quality of life and our region's prosperity.



Substandard County bridges (▲) and **road segments** (⚡), including the Bear Creek and Berrydale bridges, are at risk of failure or closure.



Rainier Ave South carries 50,000 vehicles per day, including 473 bus trips. Improvements are needed to reduce congestion and accidents and to enhance transit and pedestrian travel. Phase 1 is under way; new funding could pay for Phase 2.



West Valley Highway, linking Kent, Auburn, Algonia, and Pacific, is at the end of its useful life. It must be closed within a few years if funding is not available to rebuild it. The road's role as a collector/distributor for Hwy 167 would be lost.

For more information:

Sound Cities Association - www.soundcities.org

Deanna Dawson, Executive Director – 206-433-7170, deanna@suburbancities.org

City of Seattle - www.seattle.gov

Rob Gala, Regional Affairs Manager – 206-233-0073, rob.gala@seattle.gov

Craig Engelking, State Legislative Director – 206-255-5508, craig.engelking@seattle.gov

King County - www.kingcounty.gov

Harold S. Taniguchi, Director, Dept. of Transportation – 206-684-1441, harold.taniguchi@kingcounty.gov

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Local transit funding critical to keep people, economy moving

Faced with massive unfunded needs for transit service, roadways and bridges, King County and its cities have jointly asked the legislature to authorize new local funding tools. The proposed funding package would enable Metro Transit to avoid deep cuts and maintain service that is vitally important for bus riders, the economy and the environment.

Preservation of Metro service will ease congestion, get people to jobs

Metro service supports our economy by freeing up roadway capacity for the delivery of goods and services. Seattle-King County ranks eighth out of 439 urban areas in the U.S. for hours of congestion delay saved by public transportation, worth more than \$300 million per year in time and fuel savings. This is especially important as the region's major construction projects constrict key travel corridors—and Metro has proven that it can attract riders and ease congestion:

- Metro service additions to mitigate Alaskan Way Viaduct construction brought nearly 17,000 new daily riders (a 22 percent increase) and contributed to a 23 percent decline in vehicles on the viaduct.
- Additional Metro and Sound Transit service on the SR 520 corridor provided options for those unable to pay the toll and brought 3,800 new riders (a 25 percent increase). It's one reason why traffic is now about 33 percent less than before tolling began.

Metro is vital for commuters. More than half the people who ride Metro buses are going to their job or school. More than 40 percent of all workers in downtown Seattle, and 20 percent in downtown Bellevue, take transit to work. About 1,500 businesses and schools purchase bus passes for their employees.

\$85 million per year would enable Metro to:

■ **Continue supporting economic growth by preserving the current overall level of service (\$75 M)**
Metro had its second highest ridership ever in 2012—more than 115 million passenger trips, or about 380,000 trips every weekday. The improving economy is expected to bring more growth. But without new funding to preserve current service, a projected revenue shortfall could require a service cut of about 17 percent (see back).

A 17 percent cut would mean nearly 13 million passenger trips a year would be lost, even with the most carefully targeted reductions of service. As a result, our roads would carry 8.5 million more vehicle trips per year—roughly 23,000 trips every day on our most crowded roads at the busiest times.

■ **Make modest investments in new service where it's needed most (\$10 M)**

Although the proposed funding tools would not enable Metro to fully meet the needs of underserved transit corridors or our growing population, it would provide for some modest service additions to:

- Address overloaded routes and keep buses on schedule
- Get people to job and activity centers across the county
- Serve people who depend on transit.

What is proposed?

- **1.5% local option vehicle renewal fee based on vehicle value**

King County would be authorized to impose this fee through a council vote or a vote of the people. The fee would not apply to new vehicles or to commercial vehicles and trailers. On average, car owners would pay \$50 to \$80 per year more for each vehicle owned.*

Sixty percent of the revenue, approximately \$85 million, would go to Metro.

- **8¢ increase in state gas tax - 35 percent distributed to cities and counties**
- **Increase in the vehicle fee that Transportation Benefit Districts can approve, from \$20 to \$40**

*Based on DOL average used passenger car value in King County of \$6,756, net impact after eliminating the \$20 congestion reduction charge, federal tax deduction, and new car purchase every fifth year.

Why is new funding needed for transit service?

Metro depends on sales tax for more than 60 percent of its operating funds, and revenue from this source has fallen far short of needs since the Great Recession.

Confronted with a shortfall of close to \$1.2 billion for 2008 through 2015, Metro has taken many actions, including:

- cutting costs deeply
- raising fares four times
- tapping reserve funds
- revamping the transit system to become more productive and efficient.

With strong public support, the County Council approved a congestion reduction charge (CRC) to provide supplemental funding for two years.

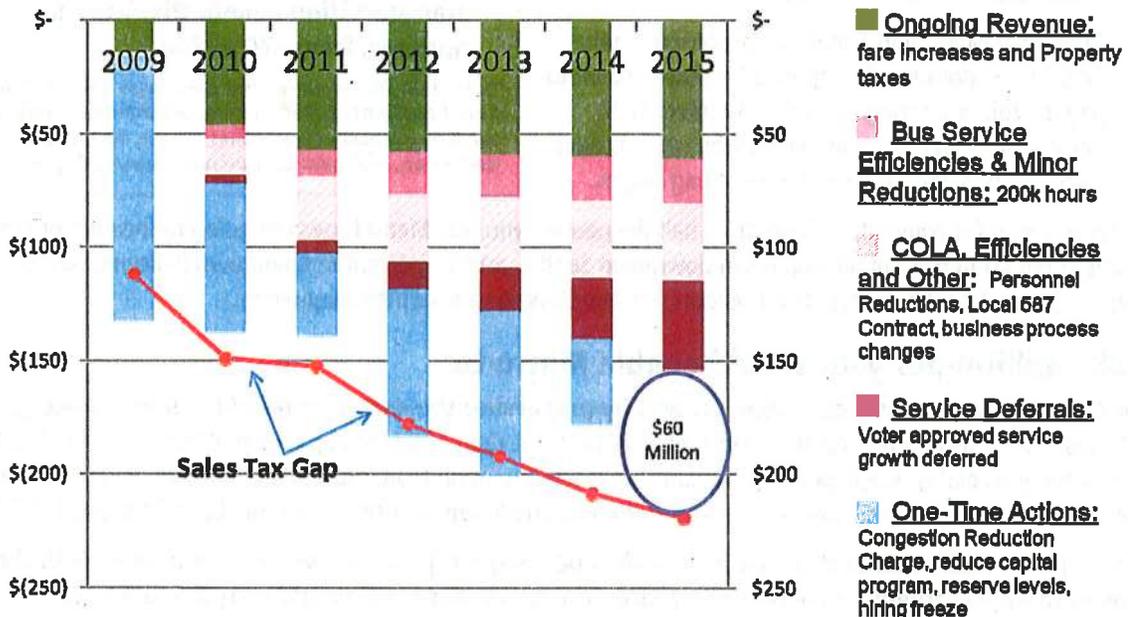
These actions have substantially narrowed Metro's budget gap and preserved most service. But some

one-time measures—such as the use of reserve funds—will be exhausted after 2013, and funding from the CRC expires in mid-2014. Metro faces an ongoing annual revenue shortfall of \$60 million for operations plus \$15 million for buses—a total of \$75 million annually to preserve service. Another \$10 million will enable Metro to make modest service increases to address growing demand.

Without a new source of funding, Metro will be forced to cut service by about 17 percent beginning in fall 2014. That would be more than the amount of service Metro adds for commuters during weekday peak periods, or about equal to all the bus service Metro provides in east King County north of Renton or to all the local service provided to the University of Washington.

Closing the transit budget gap

(\$ in millions)



In addition to closing the gap for annual bus service, funds are needed to purchase buses to operate the service. Assuming debt financing, this cost is estimated at \$15 million per year for 12 years.

www.kingcounty.gov/TransportationFuture



Local transportation funding is critical to preserve county roads and bridges

Faced with massive unfunded needs for transit service, roadways and bridges, King County and its cities have jointly asked the legislature to authorize new local funding tools. The proposed funding package would enable King County Road Services to preserve 1,500 miles of roads that support more than 1 million vehicle trips every day, as well as vitally important bridges and culverts.

Funding would stabilize parts of the county road system

\$20 million per year could fund:

■ **Pavement preservation (\$10 M)**

Repavement of the highest-volume roads and chip sealing and road patching on other roads would cut down on potholes, extend the life of roadways, and provide smoother rides for motorists.

■ **Bridge preservation (\$2 M)**

Replacement of two short-span structures per year would reduce the county's inventory of deteriorating bridges. Replacement keeps roads open and eliminates the need for lengthy detours. Without new funding, 35 bridges are at risk of closing over the next 25 years, resulting in major travel inconvenience and delayed emergency response.

■ **Stormwater protection improvements (\$3 M)**

Activities such as ditch cleaning would reduce the threat of flooding to roads and nearby property while meeting new stormwater pollution control requirements.

■ **Drainage preservation (\$3 M)**

At-risk areas of the county's stormwater system would be targeted for repair or improvement. These improvements reduce local flooding and prevent road failures and washouts that can keep roads closed for weeks.

■ **General maintenance on local streets (\$3 M)**

Maintenance would include vegetation control, pothole repair and storm response, which includes activities such as plowing and sanding, response to urban and river flooding, and removal of downed trees after windstorms so power can be restored.

What is proposed?

- **1.5% local option vehicle renewal fee based on vehicle value**
King County would be authorized to impose this fee through a council vote or by a vote of the people. The fee would not apply to new vehicles or to commercial vehicles and trailers. The average car owner would pay \$50 to \$80 per year more for each vehicle owned.*
Forty percent of the revenue, or \$55 million, would go to cities and King County.
- **8¢ increase in the state gas tax - 35 percent distributed to cities and counties**
- **Increase in the vehicle fee that Transportation Benefit Districts can approve, from \$20 to \$40**

Total of all sources to the King County Roads Fund would be \$20 million annually

* Based on DOL average used passenger car value in King County of \$6,756 and net impact after eliminating the existing \$20 congestion reduction charge, federal tax deduction and new car purchase every fifth year.

Why is new funding needed for county roads?

King County Road Services takes care of about 1,500 miles of county roads and 180 bridges that carry more than 1 million trips per day, serving 250,000 residents of unincorporated areas—and thousands more who travel through them.

This critically important roadway system is aged and deteriorating and needs substantial investments. But the funding Road Services receives from local property tax, gas tax and grant funding has declined by one-third since 2009, and will continue to decline in the future.

Revenues that support county roads have fallen dramatically as the result of a 44 percent drop in property values in the rural and urban unincorporated areas of King County. The average unincorporated area homeowner will pay roughly \$90 less in 2013 for road services than in 2011.

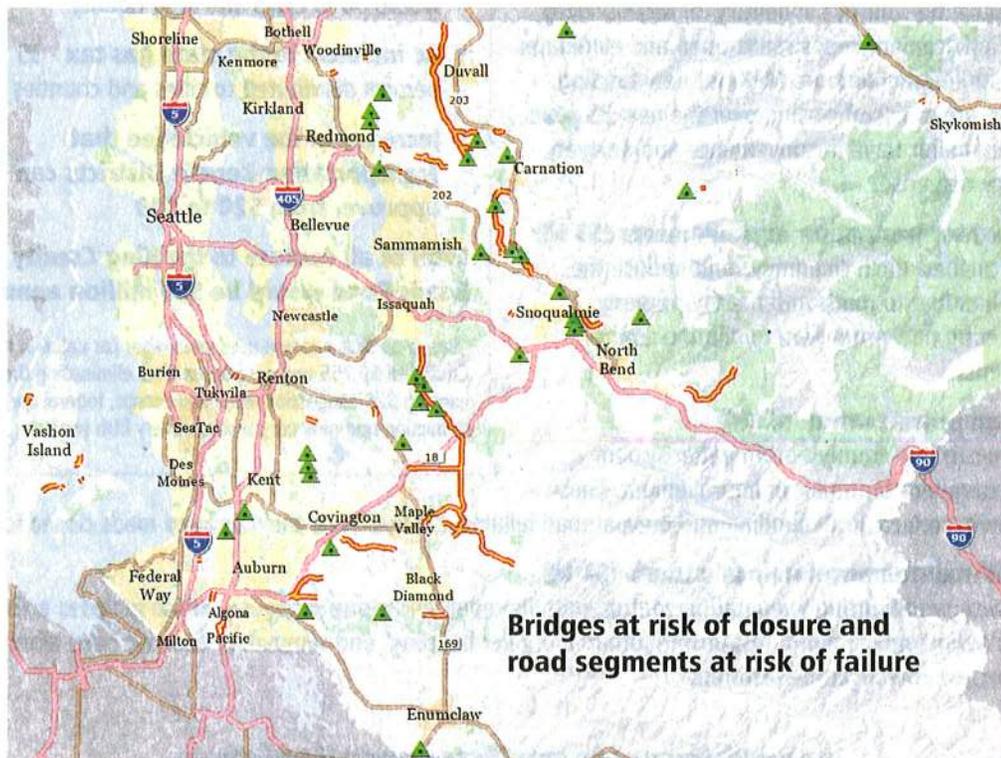
Another factor is losses from annexations—without a corresponding drop in responsibility for roads, bridges, and culverts or the duty of keeping roads clear in the winter.

Road Services has taken many steps to address the problem:

- Reduced the division's budget by \$10 million since 2011, resulting in the loss of one-third of the workforce by 2013
- Implemented new efficiencies and realized savings from an internal reorganization
- Frozen employee COLAs
- Shifted focus from capacity improvements to safety needs, preservation and repair
- Developed the Strategic Plan for Road Services and a system to prioritize road services.

Despite these actions, the amount of funding available for the county road system in 2014 will be \$85 million, while the amount needed to stabilize the decline in 2014 is projected to be \$135 million, or a difference of \$50 million.

In the long term, more will be needed to fund the system at the optimal level, at which our roads would be preserved at the least cost.



**Mayor's
Transportation
Forum**

Arlington
Auburn
Bainbridge Island
Bellingham
Black Diamond
Buckley
Burien
Covington
Des Moines
Duvall
Edmonds
Enumclaw
Everett
Federal Way
Fife
Issaquah
Kenmore
Kennewick
Kent
Kirkland
Lacey
Lake Forest Park
Longview
Marysville
Mercer Island
Mountlake Terrace
Mukilteo
Normandy Park
Oak Harbor
Olympia
Pacific
Port Townsend
Puyallup
Redmond
Renton
Sammamish
SeaTac
Seattle
Shoreline
Snohomish
Tacoma
Tukwila
Vancouver
Walla Walla

February 13, 2013

Dear Governor Inslee and Legislative Leaders:

We, the undersigned Mayors, are gravely concerned about the urgent and unmet need for transportation funding and humbly request that you take action in the 2013 legislative session. We see both direct funding and local financing options as effective means to address the need.

Failing to take action now will cause increased transportation costs, increased congestion, and reduced competitiveness for Washington businesses. Recognizing that we as state taxpayers have competing interests for limited dollars, we ask that you give serious consideration to providing authority and options at the local level this year.

Maintaining what we have and the Growing Need: Our transportation system lays an important foundation for Washington's economy. It provides the vital connections that link our homes to our work places and carry products to market. Investments are needed now to repair and maintain roads, streets and bridges, and to operate and maintain ferries and transit services. Both short- and long-term solutions are needed to ensure that we're able to maintain, operate and improve the system to accommodate the growing demands for transit service and on state and local roads.

You are, perhaps more than anyone, acutely aware of the factors contributing to the structural deficiency in how Washington funds our transportation system. The loss of the Motor Vehicle Excise Tax (MVET) in the mid-1990s, the one percent property tax limit, and the Great Recession have significantly reduced city and county budgets and our collective ability to raise funds.

Statewide, cities need at least \$3.4 billion in the next 10 years to maintain and repair streets and bridges. Approximately 20 percent of city transportation funding is dedicated by state law; cities must fund the remaining 80 percent from general funds. As a result, many cities have drastically reduced funding to maintain their roads. Pavement conditions in most cities are deteriorating, resulting in an increasing number of lane miles that will require expensive reconstruction.

Public transit will require an additional \$2 billion over the next decade simply to maintain current levels of service. Demand for transit service is growing steadily and additional revenue will be necessary in order to accommodate this increased ridership. Counties need an additional \$1.5 billion over the next decade to address their needs.

We therefore offer the following "First Step" proposal for your consideration in order to address the short term need. It is by no means a panacea for all of our problems, nor is it comprehensive enough to solve the longer term need. But it begins to address the short term regional and local investment needs.

First Step Transportation Funding Plan

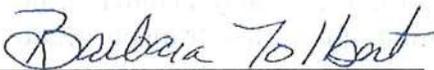
- 1) Eight cent per gallon gas tax increase.
- 2) A Motor Vehicle Excise Tax option of up to 1.5% that counties could enact either by councilmanic action or public vote with options provided to counties for a specific level of MVET and method of revenue allocations.
- 3) Expand from \$20 to \$40 the vehicle license fee (VLF) that can be enacted through public vote or councilmanic action.

This plan is a "First Step" towards addressing the most immediate transportation needs of cities, counties and the State. But there continues to be a need for sustainable funding solutions to address the longer-term needs of our statewide transportation system identified by the Connecting Washington Task Force last year.

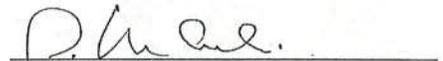
We are committed to working with you to address our shared critical needs. When State leaders develop a proposal for long-term, sustainable transportation funding, we encourage the consideration of several strategies, including: creation of local or statewide transportation utilities, development of a pilot program to test the potential use of a transportation revenue strategy based on usage, such as a vehicle miles traveled option, and an increase in weight fees, because many cities experience the effects of heavy truck usage on their local roadway system.

We appreciate your consideration.

Sincerely,


Barbara Tolbert
Arlington

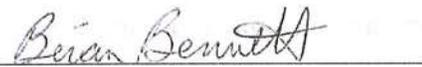

Pete Lewis
Auburn

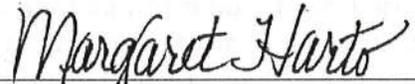

Steve Bonkowski
Bainbridge Island


Kelli Linville
Bellingham


Rebecca Olness
Black Diamond

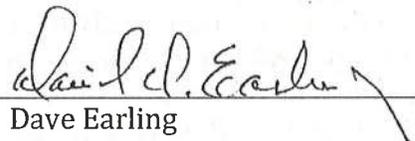

Pat Johnson
Buckley


Brian Bennett
Burien


Margaret Harto
Covington

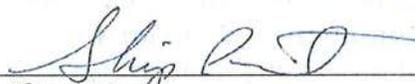

Dave Kaplan
Des Moines

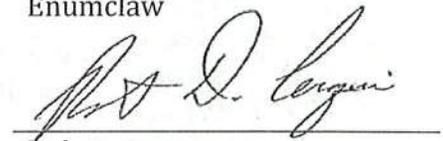

Will Ibershof
Duvall

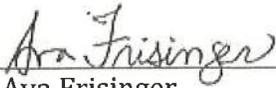

Dave Earling
Edmonds


Liz Reynolds
Enumclaw

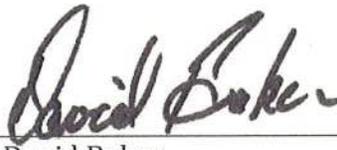

Ray Stephanson
Everett


Skip Priest
Federal Way


Rob D. Cerqui
Fife



Ava Frisinger
Issaquah



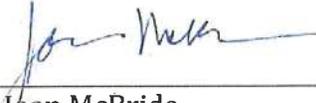
David Baker
Kenmore



Steve Young
Kennewick



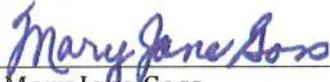
Suzette Cooke
Kent



Joan McBride
Kirkland



Virgil S. Clarkson
Lacey



Mary Jane Goss
Lake Forest Park



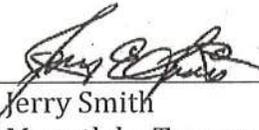
Don Jensen
Longview



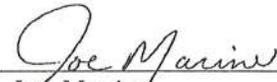
Jon Nehring
Marysville



Bruce Bassett
Mercer Island



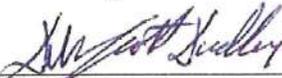
Jerry Smith
Mountlake Terrace



Joe Marine
Mukilteo



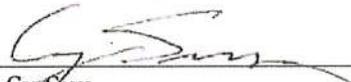
Clarke Brant
Normandy Park



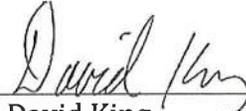
Scott Dudley
Oak Harbor



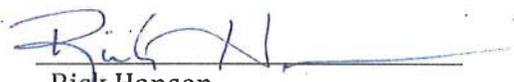
Stephen H. Buxbaum
Olympia



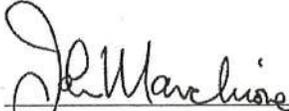
Cy Sun
Pacific



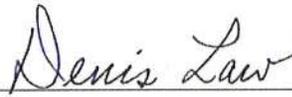
David King
Port Townsend



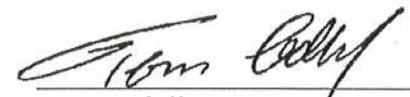
Rick Hansen
Puyallup



John Marchione
Redmond



Denis Law
Renton



Tom Odell
Sammamish



Tony Anderson
SeaTac



Mike McGinn
Seattle



Keith A. McGlashan
Shoreline



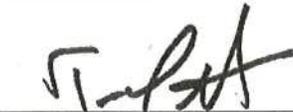
Karen Guzak
Snohomish



Marilyn Strickland
Tacoma



Jim Haggerton
Tukwila



Timothy D. Leavitt
Vancouver



Jim Barrow
Walla Walla



SECTION 5

■ USING THE GUIDELINES TO FACE A MAJOR FUNDING SHORTFALL

Metro's funding shortfall

Since the service guidelines were adopted in July 2011, Metro has been using them to improve the transit system by delivering productive, high quality service where it's needed most. This year, we have begun using the guidelines for a different purpose: to prepare for a major reduction of the transit system that may be necessary because of a severe financial challenge facing Metro.

Starting in mid-2014, after some stop-gap funding runs out, Metro's annual revenues are projected to fall \$75 million short of what is needed to maintain the current level of service. This shortfall—caused by a steep decline in sales tax revenue—remains despite many steps taken since 2008 to substantially narrow Metro's budget gap. Actions include reducing staff and overhead, finding new efficiencies, tapping reserve funds, raising fares, and adopting a congestion reduction charge to provide supplemental funding for two years while new revenue sources are considered.

If Metro does not receive additional revenue, up to 17 percent of current service—about 600,000 annual service hours—might have to be eliminated, even though ridership is expected to grow past the record levels seen before the recession. Service cuts would begin as early as September 2014.

What might happen without additional funding: an illustration

This section illustrates potential system reductions that Metro might have to make if additional funding is not available.

This is not a service change proposal, but rather an illustration of the potential impact a 17 percent service reduction would have: roughly 70 percent of routes might be deleted, reduced or revised, leading to broad impacts on the entire public transportation network, a large portion of Metro's customers, and communities across King County. Impacts would include fewer travel options for riders, more-crowded and less-reliable buses, and worse traffic congestion.

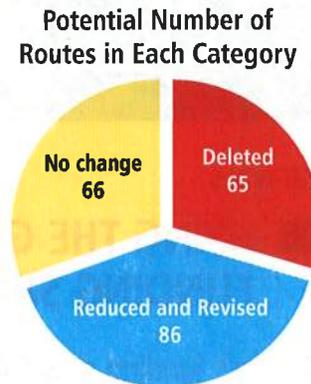
A formal service reduction proposal would require a more detailed, comprehensive analysis of updated data and a robust outreach process to gather public comments and suggestions. We would also consider opportunities to cut costs yet maintain an effective network through restructures. A final proposal would have to be approved via ordinance by the King County Council. Metro's adopted 2013/14 budget assumes that an initial reduction of 150,000 annual service hours would be adopted by the council in spring 2014 and would occur in September 2014.

Potential 17-percent reduction

We used the service guidelines described in Section 3 as the basis for this illustration of where and when service might be reduced. We identified reduction priorities by considering each route's productivity and how it contributes to the corridor's target service level. The box below provides a more detailed summary of the guidelines for reducing service.

For this illustration we analyzed all Metro routes in service as of spring 2013 (except for school and custom bus routes). The routes are listed in Table 17 and shown in Figure 8. The analysis found the following:

- **Roughly one-third of Metro's routes (65 routes) might be deleted.** Many of these routes are in the bottom 25 percent for one or both productivity measures, but some more-productive routes would also have to be deleted. Many of these higher-productivity routes are peak-only routes that do not meet our peak speed or ridership criteria.
- **An estimated 40 percent of Metro's routes (86 routes) might be reduced or revised.** These routes would run less frequently, run for fewer hours each day, or have different or shorter routings. About half of these routes are performing in the bottom 25 percent for one or both productivity measures. The other half are higher-productivity routes that would be reduced and/or revised, or modified as part of a restructure, to improve service efficiency.
- **Roughly one-third of Metro's routes (66 routes) might remain unchanged,** but even these unchanged routes are likely to carry more people and be more crowded in a reduced transit network. These routes typically are in the top 25 percent on one or both performance measures, or have been revised since spring 2012 to improve their performance and system efficiency.



Illustrations of route reductions and changes that might be made in eight areas of the county to make up a total 17 percent reduction are described beginning on page 48.

In an actual service change proposal, the estimated number of deletions, reductions and changes would likely be altered through consideration of current data, additional restructures, and public input.

Guidelines methodology for reducing service

The first routes considered for reduction are those that perform in the bottom 25 percent on one or both productivity measures: **rides per platform hour** and **passenger miles per platform mile**.

Reductions can range from deleting a single trip to eliminating an entire route.

However, not all services performing in the bottom 25 percent are priorities for major reduction. Metro strives to maintain service at the target levels for corridors in our transit network, which were set on the basis of productivity, social equity, and geographic value. This means that we would keep some routes that are performing in the bottom 25 percent because, for example, they provide the only transit connection to a community or serve a community with a low-income or minority population.

Why reducing routes in the bottom 25 percent is not enough

The routes that perform in the bottom 25 percent for productivity are a starting point for potential service reductions, but additional cuts would be needed to reach a 600,000-hour reduction target. All of Metro's low-performing routes add up to only about 490,000 hours*. In addition, as explained above, some routes in the bottom 25 percent would be maintained to support other policy objectives. With a 600,000-hour reduction, the remaining cuts would have to come from services that have higher productivity and would normally be at low risk for reduction.

*Does not include routes that have been changed since spring 2012

TABLE 17

Routes Potentially Affected in a Reduction of Up to 600,000 Service Hours¹

From Potential Route Deletions From Potential Route Reductions/Revisions Target Reduction Amount	Total Service Hours
	250,000 – 300,000
	390,000 – 440,000
	600,000

Routes Potentially Deleted	
7EX	192
19	197
21EX	200
22	201
25	203
27	205EX
30	210
37	211EX
48NEX	213
57	215
61 (17)*	216
76	237
77EX	243
82	244EX
83	250
84	257
99	260
110	265
113	268
114	277
118EX	280
119	304
119EX	308
123EX	601EX (600EX)*
139	907DART
152	910DART
154	913DART
157	914DART
159	919DART
161	927DART
173	930DART
179	935DART
190	

Routes Potentially Reduced and Revised		
1	48N	221
2S	60	224
2N	65	226
3S	66 EX	232
3N	67	234
4S	68	235
4N	70	236
5	71	238
5 EX	72	241
7	73	245
8	106	246
9EX	107	248
10	116EX	249
11	118	255
12	121	269
14S	122	271
16	125	309EX
21	148	311
24	156	312EX
26	177	331
26 EX	181	355EX
28	182	372EX
28 EX	186	373 EX
29 (2NEX)*	187	901DART
31	193EX	903DART
36	202	908DART
41	204	909DART
43	209	931DART
47 (14)*	214	

Routes Potentially Unchanged		
13	124	242
15EX	128	252
17EX	131**	301
18EX	132**	303EX
32	140	306EX
33**	143EX	316
40	150	330
44	153	342
48S	155	345
49	158	346
50	164	347
55**	166	348
56**	167	358EX
62	168	A Line
64EX	169	B Line
74EX	178	C Line (54)
75	180	D Line (15)
101	183	773
102	212	775
105	217	915DART
111	218	916DART
120	240	917DART

** Routes not reduced because we expect productivity to be above the bottom 25% threshold due to changes since spring 2012

 Routes in the bottom 25% for productivity

¹ Includes all Metro routes in service as of spring 2013 except school and custom bus routes

Service restructuring—making changes to multiple routes along a corridor or within an area—can improve efficiency and reduce operating costs while retaining more riders. However, restructuring more service means a greater degree of change to the network that can be stressful for riders and operations. This illustration included only a limited consideration of potential restructures. A final service proposal would involve a more-thorough analysis of restructures.

Public engagement is part of any major service change and helps shape Metro's service proposals. For example, during the September 2012 service change process, thousands of people commented on our proposed service revisions, and we made many modifications as a result of what we heard. Public input would shape the composition of any major service-reduction proposal, but it would not change the financial imperative to cut service to match available revenue.

Potential impacts

A 17 percent reduction of Metro service could directly affect as many as 70 percent of Metro's routes and have a broad impact on the entire public transportation network and a large portion of Metro's customers. Our services are part of an integrated transportation system, in which services work together to get people where they want to go. Today as many as one-third of our customers make trips that involve transfers. For many of these riders, connections would become less convenient or impossible if services were eliminated or reduced.

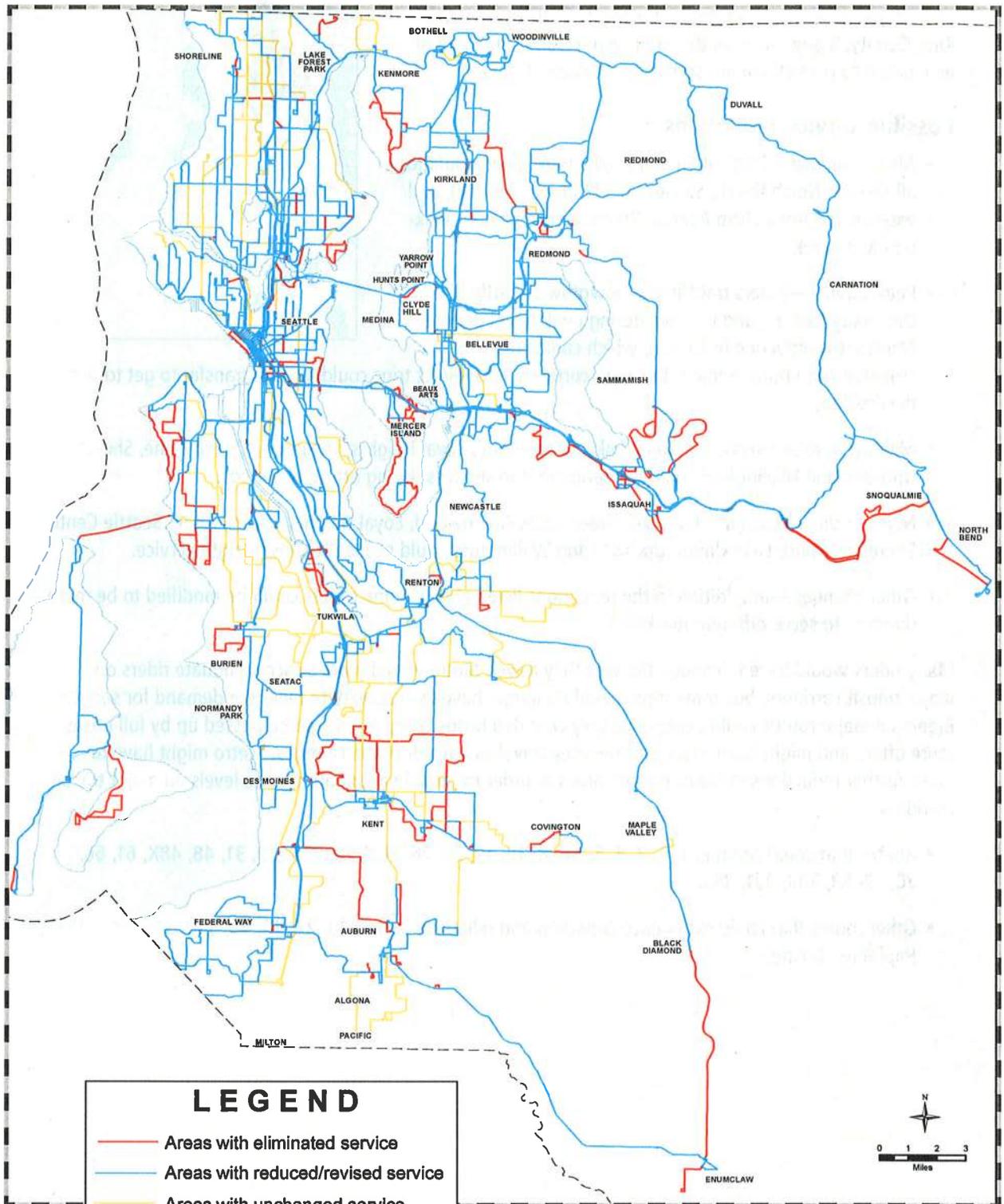
The effectiveness of the overall transit network would be diminished. A reduced transit network would shrink the number of places people could go, limit where and how often they could travel, and increase the time that trips would take. People would have to walk farther or wait longer for a bus; many would ride crowded buses, or be left at the curb as full buses pass them by. Overall, the system would be less convenient, attractive, and functional for many riders. Many riders might stop using transit as a result.

Here are some examples of what a reduced network could mean:

- **Elimination or reduction of as many as 70 percent of the routes in the system would affect all types of services, not just those that are low-performing.**
- **Reduced neighborhood access to transit.** Many people in neighborhoods throughout King County would get less service, or would lose service entirely.
- **Longer, less-convenient trips to work and school.** Fifty-five percent of Metro's riders take the bus to school or work. Riders would have to wait longer, walk farther, make extra transfers or stand in the aisle more often. Some might not be able to get to their jobs or classes.
- **Increased traffic congestion.** Metro service takes about 175,000 vehicles off the road every weekday—largely during the busiest times of day on the most heavily used corridors. Major service reductions would send thousands of people back into their cars, worsening congestion and slowing traffic for everyone by adding tens of thousands of new car trips to King County's already-congested roadways.
- **Impacts on economic growth.** More than 1,500 businesses, the University of Washington, and other institutions provide bus passes to their employees or students; they rely on transportation to get people to work on time, manage parking, and help reduce traffic congestion. Cuts to the transit system would affect our local economy as people would have a harder time getting to work and increased congestion would make it harder to move goods and deliver services.
- **Impacts on those who depend on transit.** People who rely solely or heavily on transit would have fewer travel choices because there would be fewer bus stops, fewer routes, and less service on remaining routes.
- **Decreased accessible service options.** With less fixed-route service and fewer bus stops, riders with disabilities would have fewer opportunities to use Metro's fixed-route system. The Access Transportation service area could also become smaller if the service network shrinks, reducing the area in which Metro is required by the Americans with Disabilities Act to provide complementary paratransit service.

FIG. 8

Potential Metro Service Reductions—Up to 600,000 Annual Service Hours



LEGEND

- Areas with eliminated service
- Areas with reduced/revised service
- Areas with unchanged service

The information included on this map has been compiled by King County staff from a variety of sources and is subject to change without notice. King County makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. This document is not intended for use as a survey product.

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King County

Service Reduction Illustration: east King County—north

In this illustration, bus trips and hours of service are reduced or changed on about 25 routes in the north part of east King County.

Possible service reductions

- All-day service—Parts of Juanita could lose all service.
- Peak service—Riders traveling to Bellevue, Eastgate, downtown Seattle, First Hill, Issaquah, Kirkland, Overlake, Redmond, and the University District during peak travel periods could see a reduction in service, which could create crowded conditions. Some riders who currently have direct trips could have to transfer to get to their destinations.
 - Competition for already scarce parking spaces at the Brickyard, Kingsgate, Redmond, Overlake, and South Kirkland park-and-rides could increase. Commuter routes crossing SR-520 to downtown Seattle and the University District could be less frequent and often overcrowded.
- Midday/weekend service—Avondale, Bothell, Education Hill, Kenmore, Kingsgate, Redmond, and Woodinville could see reductions in services during off-peak travel periods.
- Night service—Avondale, Bothell, Juanita, Kenmore, Kirkland, and Woodinville could see reductions in night service.



Many riders would have to change the way they travel. Metro would work to accommodate riders on major transit corridors, but some trips would no longer have the capacity to meet the demand for service. Riders on major routes could experience very crowded buses. They could also be passed up by full buses more often, and might have to adjust how they travel as a result of the changes. Metro might have to make further reductions in lower-priority areas in order to provide adequate service levels on major transit corridors.

- Routes that could change: 221, 224, 232, 234, 235, 236, 237, 238, 244, 245, 248, 255, 257, 260, 265, 268, 269, 277, 309, 311, 312, 372, 930, 931, 935.
- Other routes that could experience crowding and reliability issues: RapidRide B Line.



More bus service is needed, but funding shortage might force deletion of 65 bus routes, report finds

Another 86 routes might be reduced or changed to cut costs

Metro's latest analysis of its transit system found that about 10 percent more bus service is needed to meet demand—but instead of increasing service, Metro might have to reduce the transit system by as much as 17 percent (about 600,000 annual service hours) because of a projected funding shortage.

Metro's 2012 Service Guidelines Report found that nearly 335,000 more hours of bus service are needed annually just to meet current target service levels, reduce crowding and keep buses on time. Even more is needed to serve increasing rider demand and move toward our region's adopted goal for transit growth. The report identified 90 highly productive routes that would likely attract many more riders if funds were available to expand them.

But starting in mid-2014, after some temporary funding sources have run out, Metro will face an annual \$75 million revenue shortfall. King County is working with local and state leaders to seek sufficient, ongoing funding for transit. However, if no new funding tool is approved, Metro will have to eliminate, reduce or revise roughly two-thirds of its bus routes to close the budget gap.

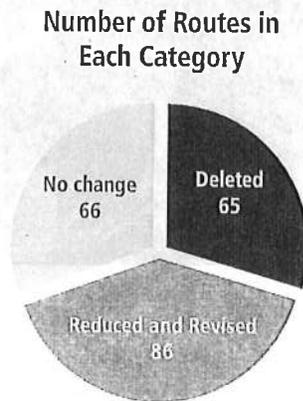
A reduction of that magnitude would have broad impacts on the public transportation network, bus riders, and communities across King County. Impacts on riders would include fewer travel options, longer travel times, more transfers, and more-crowded and less-reliable buses throughout the transit system. Traffic congestion would get worse for everyone.

Learn more about what's at risk



Illustrative examples of potential service reductions and impacts

- **Roughly one-third of Metro's routes (65 routes) might be deleted, and about 40 percent (86 routes) might be reduced or revised** if Metro must shrink its system by 600,000 annual service hours.
- **One-third of Metro's routes might remain unchanged, but would likely carry more people and be more crowded.**



- **People in neighborhoods throughout King County would get less service, or would lose service entirely.** See potential reductions in different areas of the county at www.kingcounty.gov/metro/future
- **Metro would have to cut well-used service that it would not normally consider reducing.** The first routes Metro would consider for reduction would be those the report identified as the least productive 25 percent in Metro's system. But those routes account for only about 490,000 of the 600,000

annual service hours that would have to be cut—and some of those routes would be maintained because they play critical roles such as serving low-income communities where many people depend on transit.

- **Reductions would mean longer, less-convenient trips to work and school.** Fifty-five percent of Metro's riders take the bus to school or work, and more than 1,500 businesses, universities and other institutions buy bus passes for their employees or students. If 17 percent of service was reduced, commuters would have to wait longer, walk farther, make extra transfers or stand in the aisle more often. Some might not be able to get to their jobs or classes.
- **People who rely solely or heavily on transit would have fewer travel choices** because there would be fewer bus stops, fewer routes, and less service on remaining routes.
- **Major service reductions would force thousands of people into their cars, worsening congestion and slowing everyone's travel, the movement of goods, and the delivery of services.** Travel costs would increase as well; public transportation in the Puget Sound Region yields more than \$365 million per year in time and fuel savings for drivers, according to the Texas Transportation Institute. Current Metro service takes about 175,000 vehicles off our roads every weekday—mainly during the busiest times of day on the most heavily used corridors.

How did Metro analyze service needs and potential reductions?

Metro's analysis of its transit system used objective data defined in service guidelines. The guidelines were recommended by a public task force and adopted by King County in 2011.

The 2012 Service Guidelines Report identified where the transit system needs investments to improve service quality and meet demand, and where routes might be changed or reduced because they are not performing well. Metro used the findings to illustrate how routes might be deleted, reduced or revised to achieve a 17 percent system reduction.

The potential reductions described here are not proposed changes. Before making an actual proposal, Metro would do a more comprehensive analysis using recent data, public comments, and look for opportunities to restructure service to cut costs while serving as many riders as possible.

Find the full 2012 Service Guidelines Report at <http://metro.kingcounty.gov/planning>

Without new funding, \$75 million annual revenue shortfall is ahead

Beginning in mid-2014, Metro's annual revenues are projected to fall \$75 million short of what is needed to maintain the current level of service—\$60 million for operations and \$15 million for bus purchases.

Metro's largest source of funding is sales tax revenue. Since 2008, the weak economy has caused a substantial ongoing revenue shortfall. Metro and King County have taken sweeping actions to reduce Metro's costs, increase revenue and preserve as much transit service as possible (see below).

However, some temporary funding sources will run out by next summer. Although Metro continues cost-cutting efforts and will request a fare increase in 2014, we are not able to close a \$75 million gap without reducing service.

The state legislature is considering funding solutions for transportation needs statewide, including transit. King County has joined with the Sound Cities Association and the City of Seattle to ask the legislature for local transportation funding tools.

If new funding does not become available, deep service cuts will be necessary. Metro's 2013-2014 budget assumes that Metro will cut up to 600,000 annual hours of service beginning in fall 2014 and continuing in 2015.

Metro's financial reforms

Ongoing cost reductions

- Eliminated about 100 staff positions and reduced programs
- Adopted efficiency measures recommended in a performance audit, saving about \$20 million annually
- Made modest reductions in bus service
- Negotiated cost-saving labor agreements
- Eliminated Ride Free Area in downtown Seattle
- Participates in the County's Healthy Incentives program to control employee health costs, which saved about \$10 million between 2007 and 2011



Ongoing revenue increases

- Following a previously planned fare increase in 2008, raised fares in 2009, 2010, and 2011—an unprecedented total 80 percent increase in four years
- Shifted property tax from county ferries to Metro

Temporary actions

- Dug deeply into reserve funds
- Deferred replacement bus purchases
- Deferred most planned service expansion
- Adopted congestion reduction charge to help fund transit for two years

Throughout 2012, Metro used its new strategic plan and service guidelines to make the transit system more productive and effective, to get the most value for the public's tax and fare dollars. Metro restructured major parts of the bus system and also eliminated or reduced low-performing routes and reinvested the service hours to reduce crowding on buses and improve reliability.

Learn more and play a part in Metro's future:
www.kingcounty.gov/metro/future



Department of Transportation

Communications

KSC-TR-0824

201 South Jackson Street

Seattle, WA 98104

www.kingcounty.gov/metro



December 14, 2012

Governor Christine Gregoire
Office of the Governor
PO Box 40002
Olympia, WA 98504-0002

Dear Governor Gregoire:

Seattle, King County, and the Sound Cities Association have worked together to develop a solution to our shared transportation problems. We are writing today to encourage you and the Legislature to take action to help us all begin to solve our statewide transportation crisis by providing local funding options in the coming legislative session in order to preserve and maintain our portion of the State's transportation system and address the growing demand for transit services.

King County and its cities have reached consensus on a set of tools that will allow us to address transportation needs at the local level. We are engaging leaders from around the state who support a combination of local funding options in a dialogue about the attached proposal.

The proposal includes an eight cent gas tax increase, 65% of which would go to the state, an increase to \$40 of the councilmanic TBD authority, and a 1.5% local Motor Vehicle Excise Tax to be passed councilmanically or by a vote of the people. While King County's needs are great enough that we seek a 1.5% MVET to sustain transit service and help address the funding gap for roads and other local transportation needs, we anticipate that other counties may prefer for themselves something closer to 1%.

It is our firm belief that addressing local transportation needs is of critical importance to the economic health and long-term viability of the state's economy. Local jurisdictions play a pivotal role in our state's transportation portfolio. More than half of all trips in our state are less than three miles long and take place on city and county roads, buses, sidewalks, and trails. We strive daily to maintain aging streets, bridges and drainage systems, under tightly constrained budgets. At the same time, residents are asking us to improve transit services, safety, mobility, and choices within our transportation system while diminishing the adverse impacts of the system on our environment and human health.

Thank you for your consideration. We look forward to working with you toward the goals that we all share.

Sincerely,

Dow Constantine
King County Executive

Mike McGinn
Mayor, City of Seattle

Denis Law
Sound Cities Association, Board President
(formerly Suburban Cities Association)
Mayor, City of Renton

cc: Association of Washington Cities
Washington State Association of Counties



Senate Operating Budget Proposal FY 2013-15 - Impacts on Cities DRAFT 4/3/2013

*This summary describes some impacts to cities in the Senate's Operating Budget Proposal for 2013-2015.
For more information, please visit the LEAP website at: <http://leap.leg.wa.gov>*

State Shared Revenues

Liquor Revolving Account	Funded at \$98.9M. Retains current local liquor profit sharing at \$49.4M per year.
Liquor Excise Tax Account	Funded at \$24.7M. Reduces local government share of liquor taxes by 50%.
Streamlined Sales Tax Mitigation	Funded at \$50.5M. No reduction.
Municipal Criminal Justice Assistance Account	Funded at \$30.5M. No reduction.
City-County Assistance Account	Funded at \$17.1M. No reduction.
Annexation Sales Tax Credit	Left intact.

Capital Budget

Public Works Trust Fund	Sweeps \$15 million from the Public Works Assistance Account into the General Fund, and SB 5895 permanently redirects 67% of the Real Estate Excise Tax (REET), 100% of the Public Utility Tax and 100% of the Solid Waste Tax revenues formerly directed to the Public Works Assistance Account to the Education Legacy Account leaving only \$21.4 million in REET revenues plus loan repayments and other existing resources to fund 2014 construction loans. Over six years, \$368 million in direct revenue is diverted from the account.
Local Toxics Control Account	Capital budget item - more information expected next week.
Stormwater	\$1.98 million for Low Impact Development Training program. Additional resources could be included in capital budget expected next week.
Remedial Action Grants	Capital budget item - more information expected next week.
Coordinated Prevention Grants	Capital budget item - more information expected next week.
Drinking Water Assistance Account	Capital budget item - more information expected next week.
Community Economic Revitalization Board	Capital budget item - more information expected next week.
Puget Sound Restoration and Salmon Recovery Grants	Capital budget item - more information expected next week.
Washington Wildlife & Recreation Program (WWRP)	Capital budget item - more information expected next week.
Washington Heritage Grants	Washington State Heritage Center Account funded at \$8.9M.
Housing Trust Fund	Capital budget item - more information expected next week.
Economic Development Strategic Reserve	\$1.5M appropriated to Governor.

Programs

Pensions	Assumes SSB 5851 passes, which establishes a new defined benefit contribution retirement savings plan option for public employees.
Training for Law Enforcement	During FY 2013-2015, law enforcement agencies will continue to directly pay 25% of the cost to send officers to training. Agencies will also continue to pay the costs of ammunition.
Auto Theft Prevention Authority	Funded at \$8.6M.
Public Defense Grants	Office of Public Defense is funded, and public defense grants are expected to continue at current levels.
Gang Prevention Grants	Continues to be funded at \$250,000 per year.
Sex Offender Address Registration	Funding provided to WASPC at \$5M per year.
Impaired Driver Safety Account	Funded at \$1.6M (same as the 2011-2013 biennium).
Drug Task Force	Not funded (funded at \$2.5M in the 2011-2013 biennium).
Public Health	Funded at \$73M (a \$25M increase over last biennium) for county public health assistance.
Funding for Critical Access Hospitals	No changes in payments to critical access hospitals.
Transitional Housing	Transitional Housing and Operating and Rents program is funded at \$5M (\$2.5M less than the last biennium)
Hydraulic Project Approval Program	Funded at \$674,000.
Growth Management Activities	Potential capital budget item - more information expected week.
Local Gov't Fiscal Note Program	Department of Commerce budget.
Municipal Research and Services Center	Funded.



April 3, 2013

Honorable Dave Upthegrove, Chair
House Environment Committee
304 John L. O'Brien Building
P.O. Box 40600
Olympia, WA 98504-0600

RE: City of Kirkland's support of the formation of an interim stakeholder group on the Watershed Investment Authority bill

Dear Representative Upthegrove:

The City of Kirkland supports formation of an interim stakeholder group as the means to reach consensus on bill language regarding watershed investment authorities, to be introduced in the 2014 legislative session.

Kirkland actively participates on the SCA Watershed Investment Authorities subcommittee, formed this year to explore the potential advantages and challenges associated with funding multiple benefit projects which support watershed management goals. The subcommittee determined that there are a number of reasons to support the legislature taking interim measures to further examine the pros and cons of forming Watershed Investment Authorities between now and 2014.

Fortunately, much of the research on the formation of a Watershed Investment Authority has already been done during the process of developing the draft bill that already exists (enclosed). The purpose of the bill is not to establish an additional junior taxing district. Stakeholder group discussion and consensus could focus on the governance structure, revenue-generation options, revenue approval processes, project selection and prioritization, whether Watershed Investment Authorities will build projects or only serve as fiscal agent/pass through to local jurisdictions, funding distribution methods, etc.

Thank you for your consideration.

Sincerely,
City of Kirkland

A handwritten signature in blue ink, appearing to read "Joan McBride", is written over a white rectangular redaction box.

By Joan McBride, Mayor

Cc: Kirkland City Council
Kurt Triplett, City Manager
Pam Bissonnette, Interim Public Works Director
Lorrie McKay, Intergovernmental Relations Manager
Jenny Gaus, Surface Water Engineering Supervisor