



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: October 23, 2015

Subject: CITY OF KIRKLAND DRAFT PROPOSED 2016 STATE LEGISLATIVE PRIORITIES AGENDA

RECOMMENDATION:

It is recommended that the City Council reviews the Draft Proposed 2016 State Legislative Priorities Agenda (Attachment A) and provides comments to staff, so that a final priorities agenda may be brought back to and adopted at the November 17, 2017 Council meeting.

A redline version of the City's adopted legislative priorities from 2015, showing the draft proposed priorities for 2016, is attached (Attachment B).

BACKGROUND DISCUSSION:

The total of the City's annual "Legislative Agenda" consists of three segments: general principles; its top legislative "priorities;" and selected issues/items which the City may "support" (i.e., not 'priority' items). This memo only addresses the proposed top legislative priorities for 2016. Staff will return to Council at a future meeting with items/issues identified for Council's consideration on its Support Items Agenda.

The regular 2016 legislative session is a short, 60-day session. The two month session will begin on Monday, January 11 and end on Thursday, March 10. All indications are that there will be no special session.

At its September 15 Study Session, Council heard from the City's state delegation members about what to expect (or not expect) during the upcoming short legislative session. Council heard that legislators still face huge challenges as a result of McCleary and the Supreme Court's demands for education funding. As a result, the 2016 supplemental budgets will deal largely with McCleary, including the Supreme Court's daily fine and school budget compensation. In other words, the Legislature is likely to leave issues for 2017 (or beyond) particularly if they create controversy or if they are not critically necessary to resolve in 2016.

It is in this context that staff has drafted and is recommending a relatively judicious list of legislative priorities for 2016.

Development of the Draft Proposed 2016 Legislative Agenda

The process for developing the coming session's legislative agenda begins in the preceding year, with the Intergovernmental Relations Manager maintaining a running list of ideas as they come up (from councilmembers, legislators, directors, staff, etc.) throughout the year. Additionally, in June the Intergovernmental Relations Manager proactively reaches out to directors and managers of City departments for potential new issues or ideas.

This year, following Council's September 15 Study Session with members of the City's state delegation and at the request of Council's Legislative Committee, the Intergovernmental Relations Manager surveyed all seven Councilmembers and 50 staff (directors and managers) on the prioritization of the nine issues that resulted from the Study Session. Council and staff were asked to indicate if the issue should be made a "priority," tracked as a "support item" or, if "no action" should be taken. The survey (Attachment C) also invited any suggestions of other issues to be considered as "priority" legislative items. 24 of 57 surveyed responded as follows.

Council / Manager Combined Responses	Priority	Support	No Action	Left Blank
Shared Revenue	14	1		9
New revenues	11	3		10
Housing: Demolition Fee	8	6	1	9
Housing: REET III	4	8	3	9
Housing: Tax Exemption	3	9	3	9
CKC/RCC Capital Project	14		1	9
Councilmanic TBD	2	5	3	14
Body-Cam Legislation	11	4		9
Vesting Bill	9	5		10

The following four suggestions were additional issues offered for consideration as "priority" legislative items this session.

1. Public Works Trust Fund - Alternatives and options to providing the opportunity for low interest grants for infrastructure in Washington State
2. Local Initiative and Referendum Reform
3. Tax increment financing
4. Renewal of community solar incentives

Also, the issues listed below were suggested as possible items on the "support" agenda.

- Non-traditional ("innovative") transportation pilot project funding for the last mile
- Allow local governments to raise the 1% property tax cap only to fund affordable housing
- Retirement of coal from PSE portfolio while protecting the citizen's economic interests
- Uber / Lyft / Airbnb
- Advanced Transportation Technology

Because 2016 is a short 60-day session and based on the results of the survey, staff recommend the following issues be advanced as the Cities legislative priorities for the 2016 legislative session. (Attachment A)

POTENTIAL ISSUES / ITEMS	PROPOSED 2016 LEGISLATIVE PRIORITY
Shared Revenue	<i>Staff recommends this item be included in the general principles section of the agenda, where protecting shared revenue has been included in past sessions.</i>
Affordable Housing financing tools	Kirkland supports new local option funding tools to build affordable housing such as: allowing local jurisdictions the option to impose a demolition fee to be dedicated toward construction of affordable housing, and/or impose up to an additional 0.25% real estate excise tax (REET) specifically for investments in affordable housing.
CKC/RCC Capital Project*	Kirkland supports capital budget funding for a multimodal safety improvement project connecting the Cross Kirkland Corridor with the Redmond Central Connector. (Attachment D)

New revenues	Kirkland supports allowing both the state and local governments the option of replacing the property tax cap, currently fixed at 1 percent, with a cap that is indexed to both population growth and inflation.
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** Attachment E is the one-page project description for the CKC/RCC Capital Project that was developed for the 2015 legislative session. The \$750,000 estimate was based on a 5 foot sidewalk on the shoulder of Willows Road connecting the CKC to the RCC. It is included here for illustrative purposes only. The project is currently being reevaluated by staff as the King County plan proposes a full 10-12 foot bicycle and pedestrian path on the shoulder, which would cost significantly more, but also serve more users. Staff plans to have a revised one-page project description prepared for the November 17th Council meeting.*

While both vesting rights legislation and body-cam legislation listed below are identified as legislative priorities, staff is recommending that Kirkland not propose specific legislation, but be actively engaged in legislation as it develops.

Vesting Bill	Kirkland supports comprehensive and balanced vested rights reform that brings predictability and certainty for real estate developers, local governments and environmental and community advocates.
Body-Cam Legislation	Kirkland supports clarifying records retention, disclosure, and use limitations of video and/or sound recordings made by law enforcement or corrections officers.

Proposed 2016 Legislative Support Items Agenda

Staff will propose a draft 2016 Legislative "Support" Agenda for Council's consideration by its first meeting in January. The Legislative Support Agenda typically includes many issues & interests that have been identified by Council and staff in the process of developing the legislative priorities. It includes selected legislative priority items of partner and ally organizations, such as: the AWC, Eastside Human Services Forum, Transportation Choices, Eastside Transportation Partnership, Cascade Water Alliance, Northwest Product Stewardship Council, Washington Association of Sheriffs & Police Chiefs, Washington Fire Chiefs Association, WRIA 8, etc.

In general, the issues/items included on the Legislative "Support" Agenda already have an organizational champion identified, allowing the City to participate in a supporting capacity, which largely involves signing-in at hearings and sending letters. Formal City backing of these issues and interests is contingent upon reviewing and approving the specific language of any legislative proposal drafted to advance a particular item.

The following items are those that staff recommends for consideration on the 2016 "support items" agenda:

PROPOSED SUPPORT ISSUE/ITEM	SUMMARY	ISSUE CHAMPION
<ul style="list-style-type: none"> Alternatives and options to providing the opportunity for low interest grants for infrastructure in Washington State 	In 2015, the legislature swept the remainder of the Public Works Trust Fund. Stakeholders are looking at potential new legislation.	Cascade Water Alliance and the Assoc. of WA Cities

<ul style="list-style-type: none"> • Non-traditional (“innovative”) transportation pilot project funding for the last mile 		As of the writing of this memo, staff is unaware of a stakeholder champion of this issue.
<ul style="list-style-type: none"> • Allow local governments to raise the 1% property tax cap only to fund affordable housing 	Supports new funding tools to build affordable housing.	As of the writing of this memo, staff is unaware of a stakeholder champion of this issue.
<ul style="list-style-type: none"> • Local Initiative and Referendum Reform 	Align local initiative/referendum power with statewide “Initiative to the Legislature” provisions, including time limitation of signature gathering, ability for council to amend after two years, deferring vote to general election rather than holding a special election, ability of council to propose an alternative after a public hearing	As of the writing of this memo, staff is unaware of a stakeholder champion of this issue.
<ul style="list-style-type: none"> • Tax increment financing 	Allow for growth in property values to help pay for improvements in targeted areas supporting transit oriented development, such as the Eastside Rail Corridor.	As of the writing of this memo, staff is unaware of a stakeholder champion of this issue.
<ul style="list-style-type: none"> • Renewal of community solar incentives 	Support facilitating greater access to rooftop residential and community solar installations by modifying the Renewable Energy System Cost Recovery program to provide greater certainty about financial return for current solar investors while extending the timeframe for solar incentives to encourage future installations.	King County Cities Climate Collaboration
<ul style="list-style-type: none"> • Retirement of coal from PSE portfolio while protecting the citizen’s economic interests 	Support efforts to accelerate Puget Sound Energy’s complete transition from coal to clean renewable energy by 2025 while providing certainty to rate payers on timing and cost. Legislation authorizing increased ownership of Colstrip should include provisions to minimize ratepayer liabilities and accelerate GHG emissions reductions.	King County Cities Climate Collaboration
<ul style="list-style-type: none"> • Uber / Lyft / Airbnb 	Monitor and support legislation on sharing technologies for cars and housing that encourages and enables their development while integrating them into local tax structure, such as hotel/motel tax.	As of the writing of this memo, staff is unaware of a stakeholder champion of this issue.
<ul style="list-style-type: none"> • Advanced Transportation Technology 	Identify any potential items to support the development of autonomous vehicles.	As of the writing of this memo, staff is unaware of a stakeholder champion of this issue.

Drone Legislation. Staff received two separate but different requests to include legislation related to drones on the City’s Support Items agenda. The two requests are:

1. Drone Regulations: Monitor and support legislation that would impact and enhance state or local authority to regulate privacy issues for drones.
2. Drone Exemptions: Support legislation to exempt drones from any restrictions for usage in emergency management, disasters and emergency incidents.

Council's Public Safety Committee has initiated a policy discussion of electronic surveillance technology. Staff recommends waiting for that work to conclude and be brought to the full Council for discussion prior to taking leadership on drone related issues at the state. This policy work will not be concluded before session ends.

The City Council's Legislative Committee

The City Council's Legislative Committee, consisting of Mayor Walen and Councilmembers Asher and Marchione, is staffed by the City Manager and the Intergovernmental Relations Manager with participation from Waypoint Consulting Group, the City's contracted lobbyists. The legislative priority items on the City's legislative agenda represent the primary focus for Council's Legislative Committee, the city's Intergovernmental Relations Manager and contracted lobbyists during session. The committee meets weekly during the session in order to track the status of the priorities and offer support for achieving their success.

It is the goal of the Legislative Committee to have the City's 2016 legislative priorities adopted before it hosts its annual legislative breakfasts with the city's delegation, which may begin in late November.

The City's State Legislative Delegation

The City of Kirkland includes three legislative districts – 1st, 45th, and 48th.

The 1st Legislative District is represented by:

Senator Rosemary McAuliffe and Representatives Luis Moscoso and Derek Stanford.

The 45th Legislative District is represented by:

Senator Andy Hill and Representatives Larry Springer and Roger Goodman.

The 48th Legislative District is represented by:

Senator Cyrus Habib and Representatives Joan McBride and Patty Kuderer. Representative Kuderer (Attachment E) was recently appointed to the seat vacated by Ross Hunter.

State Lobbyists

Waypoint Consulting was retained by contract to serve as Kirkland's State lobbyists. Majken Ryherd and Teresita Torres will participate in the upcoming legislative breakfasts.

NEXT STEPS:

After receiving the City Council's feedback and edits, final Legislative Priorities will be prepared for adoption at the Council's November 17, 2015 regular meeting. Staff will also provide a draft Resolution adopting the priorities at that time. The Support Agenda will be prepared for Council's consideration in January 2016.

- Attachments:
- A. Proposed Draft 2016 Legislative Priorities Agenda
 - B. Redline of council adopted 2015 Legislative Priorities, show proposed 2016 priorities
 - C. Issue Survey sent to Councilmembers and 50 staff in September
 - D. Cross Kirkland Corridor to Redmond Central Connector capital budget request
 - E. Resume for Patty Kuderer: Newly Appointed Representative to the 48th



CITY OF KIRKLAND 2016 LEGISLATIVE AGENDA

General Principles

Kirkland supports legislation to promote the City Council's goals and protect the City's ability to provide basic municipal services to its citizens.

- Protect shared state revenue sources available to the City, including the State Annexation Sales Tax Credit, and provide new revenue options and flexibility in the use of existing revenues.
- Support long-term sustainability efforts related to City financial, environmental and transportation goals.
- Oppose unfunded mandates.
- Oppose any further shifting of costs or services from the State or County to cities.
- Defend against state consolidation/central administration of taxes including business and occupation and telecommunication taxes.

City of Kirkland 2016 Legislative Priorities

- Kirkland supports new local option funding tools to build affordable housing such as: allowing local jurisdictions the option to impose a demolition fee to be dedicated toward construction of affordable housing, and/or impose up to an additional 0.25% real estate excise tax (REET) specifically for investments in affordable housing.
- Kirkland supports capital budget funding for a multimodal safety improvement project connecting the Cross Kirkland Corridor with the Redmond Central Connector.
- Kirkland supports allowing both the state and local governments the option of replacing the property tax cap, currently fixed at 1 percent, with a cap that is indexed to both population growth and inflation.
- Kirkland supports comprehensive and balanced vested rights reform that brings predictability and certainty for real estate developers, local governments and environmental and community advocates.
- Kirkland supports clarifying records retention, disclosure, and use limitations of video and/or sound recordings made by law enforcement or corrections officers.



CITY OF KIRKLAND 2015-2016 LEGISLATIVE AGENDA

General Principles

Kirkland supports legislation to promote the City Council's goals and protect the City's ability to provide basic municipal services to its citizens.

- Protect shared state revenue sources available to the City, including the State Annexation Sales Tax Credit, and provide new revenue options and flexibility in the use of existing revenues.
- Support long-term sustainability efforts related to City financial, environmental and transportation goals.
- Oppose unfunded mandates.
- Oppose any further shifting of costs or services from the State or County to cities.
- Defend against state consolidation/central administration of taxes including business and occupation and telecommunication taxes.

City of Kirkland 2015-2016 Legislative Priorities

- Kirkland supports new funding tools to build affordable housing such as: allowing local jurisdictions the option to impose a demolition fee to be dedicated toward construction of affordable housing, and/or impose up to an additional 0.25% real estate excise tax (REET) specifically for investments in affordable housing.
- ~~Kirkland supports providing state and local transportation revenue to maintain infrastructure investments, transit agency funding flexibility, and complete projects that enhance economic vitality, particularly the SR 520 corridor.~~
- ~~Kirkland supports including funding in any statewide transportation package for the I-405 / NE 132 Interchange Ramp project in the Totem Lake Designated Urban Center: \$75 million~~
- ~~Kirkland supports continued state financial assistance and other tools that further the development of the Cross Kirkland Corridor and implement multiple uses including recreation and transportation.~~
- Kirkland supports capital budget funding for a any of the following multimodal safety investments improvement project connecting the Kirkland Corridor to Redmond Central Connector.
 1. ~~Juanita Drive Multimodal Safety Investments: \$1,021,000~~
 2. ~~Cross Kirkland Corridor to Redmond Central Connector: \$750,000~~
 3. ~~NE 52nd Street Sidewalk: \$1,068,600~~
- ~~Kirkland supports giving cities flexibility to help site marijuana retail facilities and supports sharing marijuana revenue with cities that allow marijuana retail facilities in order to address public safety and other local impacts.~~

- ~~Kirkland supports allowing additional Sound Transit revenue authority and that such authority may also be used to fund trail development and alternative transportation along the Eastside Rail Corridor.~~
- Kirkland supports allowing both the state and local governments the option of replacing the property tax cap, currently fixed at 1 percent, with a cap that is indexed to both population growth and inflation.
- Kirkland supports comprehensive and balanced vested rights reform that brings predictability and certainty for real estate developers, local governments and environmental and community advocates.
- Kirkland supports clarifying records retention, disclosure, and use limitations of video and/or sound recordings made by law enforcement or corrections officers.

Preparing the City's 2016 Legislative Agenda: Priorities and Support Items Survey

ATTACHMENT C

The City's Legislative Agenda consists of its top legislative "priorities" and selected issues/items which the City may "support." During a given legislative session, the City's top legislative priorities are the primary focus. Identified "support" items (i.e., not 'priority' items) are tracked/monitored.

At its September 15 Study Session, Council heard from members of the City's delegation about what to expect (or not expect) during the upcoming "short" (60-day) legislative session. Council heard that the 2016 supplemental budgets will deal largely with McCleary (the fine) and school budget compensation. Anticipate that the two-month regular session will not drag into special session. It is in this context that preliminary legislative priorities for 2016 are drafted.

The issues / items listed below are under consideration as either "priority items," "support items," or items with "no action." Please take time to review the issues below and indicate in the survey boxes to the right, your recommendation for how the City might categorize each. Also, suggest/summarize any other priority legislative items.

Please complete this survey and return it to Lorrie McKay by close of business Thursday, October 8.

POTENTIAL ISSUES / ITEMS	BRIEF SUMMARY	Priority Item	Support Item	No Action
Protect Shared Revenue	(Perennial Carryover) Protect the Annexation Sales Tax Credit			
New revenues for state & local governments	(2015 Carryover) Allow state and local governments the option of replacing the property tax cap, currently fixed at 1%, with a cap that is indexed to both population growth & inflation.			
Affordable Housing financing tool (Demolition Fee)	(Kirkland led) Allow local jurisdictions the option to impose a per SFR and a per MFDU demolition fee to be dedicated toward construction of affordable housing.			
Affordable Housing financing tool (REET III)	(Futurewise led) Allow local jurisdictions councilmanic authority to impose up to an additional 0.25% real estate excise tax (REET) specifically for investments in affordable housing.			
Affordable Housing financing tool (Local Option Tax Exemption)	(City of Seattle led) Allow local jurisdictions the option to provide a targeted property tax exemption to existing property owners who agree to restrict rents and income-eligibility for a portion of units within their properties for a minimum period of time.			
Cross Kirkland Corridor/Redmond Central Connector	Joint Cities of Kirkland/Redmond request - Supplemental Capital Budget for project to connect the CKC and RCC.			
Councilmanic TBD	Make councilmanic TBD \$0 to \$40 (rather than \$20 to \$40), with no two-year \$20 provision.			
Body-Cam Legislation	Clarify records retention, disclosure, and use limitations of video and/or sound recordings made by law enforcement or corrections officers			
Vesting Bill (HB 1394/SB 5921)	Reform – Comprehensive and balanced so that standards bring certainty for all.			

Suggestions of Other Potential Issues / Items?



CITY OF KIRKLAND
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 123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
 www.kirklandwa.gov

October 23, 2014

PROJECT TITLE: Cross Kirkland Corridor to Redmond Central Connector

Kirkland supports funding of \$750,000 to complete the design and construction of a 1/3 mile pedestrian and bicycle connection between the Cross Kirkland Corridor (CKC), and the Redmond Central Connector (RCC) to connect the high tech corridor of Willows Road and the aerospace and manufacturing companies to Totem Lake and the expanding regional trail network.

PROJECT SUMMARY:

This proposed improvement provides for the installation of a continuous ADA compliant sidewalk as well as 5 foot bike lanes between the intersection of NE 124th Street and Willows Road, and the CKC at 139th Avenue NE. Kirkland is currently completing the construction of a 5.75 miles all-weather, crushed-gravel pedestrian/bike trail along the ERC mileposts (MP) 15 to 21. The remaining 3/4 mile trail section is currently owned by King County.

The City of Kirkland, City of Redmond, and King County are actively pursuing connections between regional trail assets. Project benefits include:

- Encouraging convenient alternative transportation connections between city centers
- Providing usable and safe public access to healthy forms of recreation

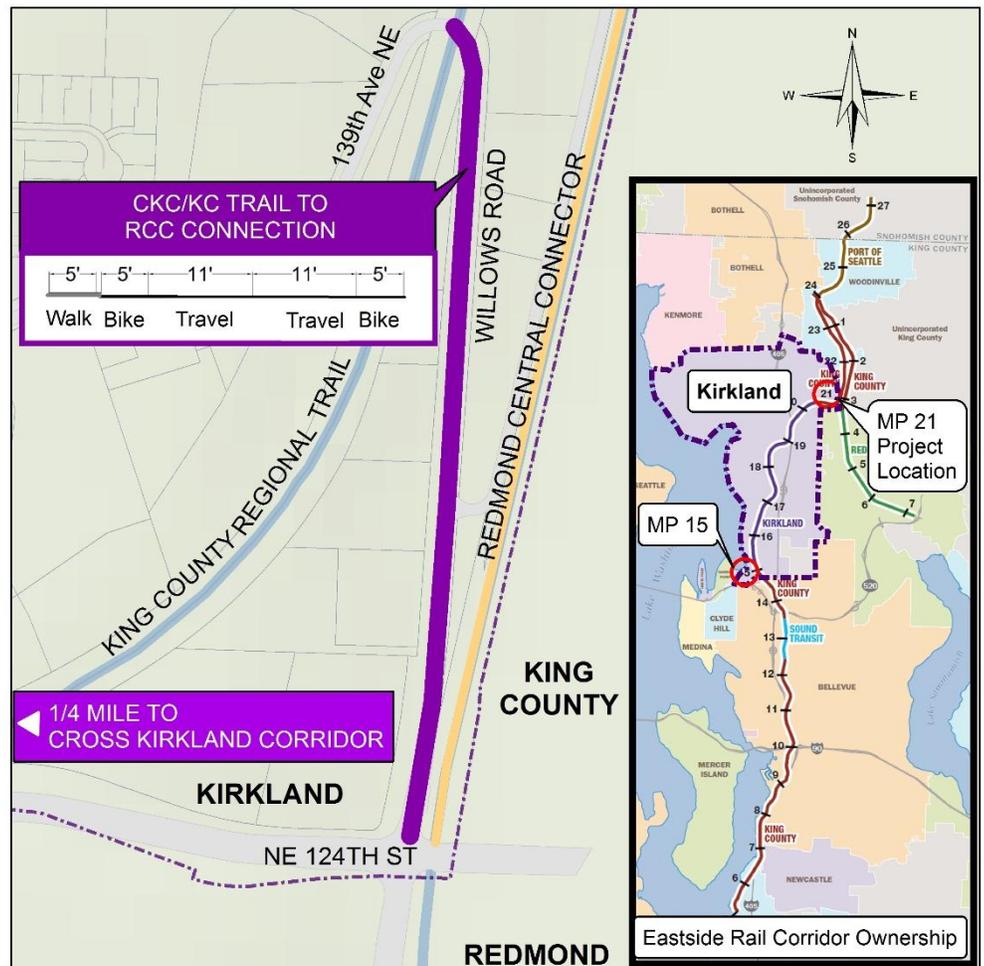
The City of Kirkland is requesting \$750,000 for design and construction. The connection can be designed and constructed in 12-18 months with multi-agency coordination needed.

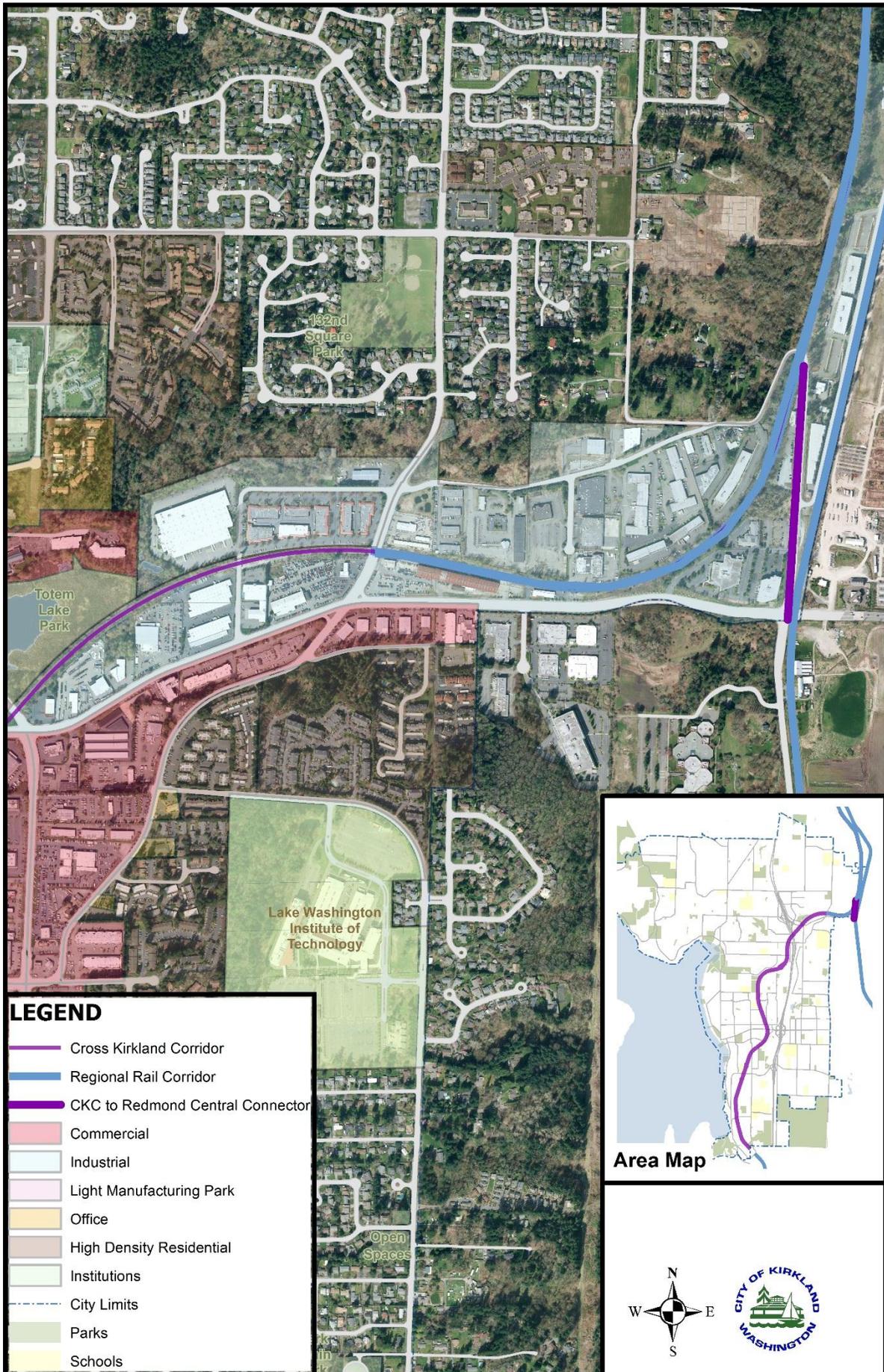
KIRKLAND CONTACTS:

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 425-587-3020

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 Intergovernmental
 Relations Manager
 425-587-3009

Kathy Brown
 Public Works Director
 425-587-3802





Patricia E. Kuderer

Clyde Hill, WA

Professional Experience:

Kuderer Law Group PLLC. 2012-present. Litigate serious plaintiff personal injury, employment discrimination and public data cases; negotiate/draft settlements, releases and subrogation contracts.

Rossi Vucinovich PC. Of Counsel, 2009-2015. Lead and support attorney on FELA and non-FELA serious personal injury cases; negotiated and drafted partner, employee and vendor contracts; drafted firm promotional content; mentored younger attorneys.

Hoff, Barry & Kuderer, PA. Associate 1986-1990; Managing Partner 1991-1999. Represented public entities, municipalities and non-profit corporations in complex employment and personal injury matters. Former prosecutor and city attorney for the cities of Dayton and Red Wing, MN. Significant civil and criminal appellate work including arguments before the Minnesota Supreme Court. Also represented plaintiffs in employment, personal injury and family law matters.

The Peace Alliance. National Communications Director for The Peace Alliance. Main spokesperson and liaison to national media for the organization; responsible for coordinating the organization's strategic messaging. Responsible for attending and/or arranging media interviews; oversaw and trained regional state media coordinators; drafted and placed press releases, articles, and promotional materials in the media; coordinated communications for national and regional events.

Education:

- JD - William Mitchell College of Law, St. Paul, Minnesota
- Public Relations Certification - University of Washington Extension
- BA - University of Minnesota, Minneapolis, Minnesota

Law Licenses:

State

Minnesota
Washington

Federal

US District Court for the District of Minnesota
US District Court for the Western District of Washington

Associations:

Washington State Bar Association
Washington State Association for Justice

Minnesota State Bar Association
Member: Moderate Means Program

Volunteer Work:**48th LD PCO**

- a. 2004-2005; walked precinct in presidential year election; ran precinct caucus
- b. 2015 - currently serve on the Rules Committee; am KCDCC female alternate delegate; 48th LD representative serving on the KCDCC Endorsement Committee
- c. Currently help on Claudia Balducci for King County Council and Vandana Slatter for Bellevue City Council Campaigns

WSAJ

- a. Lobby State Legislature for laws that protect consumers and individuals
- b. Volunteer for Law Day [helping Veterans with family law issues]
- c. Eagle member

The Peace Alliance

- a. National Director of Communications for issues campaign to create a U.S. Department of Peace and Nonviolence
- b. Lobbied Congress to pass legislation to create a U.S. Department of Peace and Nonviolence

Co-President Chinook Middle School PTSA

- a. Ran the meetings, organized fundraisers, worked collaboratively with teachers and administration to provide in-classroom support and equipment; provided main support for the "Reflections" program; supported Bellevue Schools Foundation to improve education in the Bellevue School District
- b. Awarded the "Golden Acorn" for volunteer service in 2006

Chair/Commissioner Sacred Heart Social Concerns Commission

- a. Organized and directed parishioners' participation in the Congregations for the Homeless program to feed the homeless.
- b. Organized, directed and implemented "service day," a reach-out effort to assist those in need in the general community.
- c. Chair during Church's interfaith "habitat" build right after 9-11 that included Christians, Muslims and Jews
- d. In class aide at the school

Director Virtues Children Nepal

- a. Organized VCN's first major fundraiser
- b. Sponsored children to provide basic needs and educational opportunities including college to lift young Nepalese out of extreme poverty

2004 Kucinich for President Campaign

- a. State Media Coordinator – handled all local media aspects of the campaign; acted as state spokesperson for the campaign; arranged for and participated in media interviews; drafted and published press releases; worked collaboratively with the National Communications Director and other state media coordinators to increase public awareness of candidate issues
- b. National Communications Liaison to Oregon – assisted in media and event preparation for the candidate throughout the state
- c. Legislative and Congressional District Caucus Delegate
- d. Presented to Washington State Democratic Party

Chrysalis Domestic Violence/Family Law Legal Issues Clinic

- a. Attorney advocate for domestic abuse victims