



CITY OF KIRKLAND

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MEMORANDUM

To: David Ramsay, City Manager

From: Tracy Burrows, Sr. Management Analyst

Date: December 2, 2005

Subject: 2006 City of Kirkland Legislative Agenda

Recommendation

It is recommended that the City Council adopt the proposed 2007 City of Kirkland Legislative Agenda.

Background Discussion

The Legislative Committee of the Kirkland City Council has developed a draft Legislative Agenda in preparation for the 2007 Legislative Session, which convenes on January 8, 2007. Adopting a legislative agenda before the outset of the session enables staff to track relevant issues of concern throughout the session. Staff will write letters to the state legislature supporting or opposing issues as identified in the attached proposed legislative agenda. As is customary, staff will apprise Council of issues needing City action as they unfold.

This proposed legislative agenda focuses on issues related to municipal courts, economic development, and housing. We are continuing to pursue legislation that would explicitly authorize municipal courts that feature cities contracting with neighboring cities to provide court services. Liability related to offender supervision is an emerging legislative issue. The City Attorney, Municipal Judge, Court Administrator, and City Manager Office staff met with Sen. Adam Kline, chair of the Judiciary Committee, during the off-session to share our perspective on this issue. Staff will be working with key legislators and AWC to develop legislation that limits municipal liability related to offender supervision.

There are several new additions to the proposed legislative agenda, including support for legislation that would expand the State's Local Infrastructure Financing legislation (LIFT) to allow for more cities to take advantage of this economic development tool and support for stable funding sources for public health and housing initiatives.

City of Kirkland Proposed Legislative Agenda 2007 Legislative Session

LAW AND JUSTICE

Offender Supervision

Kirkland supports a change in state law that would extend immunity to the activities of municipal probation officers conducting misdemeanor supervision except in cases of gross negligence. Kirkland supports this clarification of existing law to define and limit the circumstances under which cities may be held liable. Such a clarification must acknowledge the limits City resources and statutory authority place on probation officers and clerks.

A recent court decision, *Benskin v. City of Fife*, may make cities liable for the actions of offenders under their supervision. It is critical that state law recognize the distinction between the misdemeanor supervision that cities provide and felony community supervision conducted by the state Department of Corrections. Misdemeanant probation departments bear little resemblance to felony community supervision conducted by the state. For example, misdemeanor probation departments have no arrest powers, carry no firearms, and generally do not make field contacts with the offender. They monitor compliance from reports submitted to their office and advise the judge of a violation.

Municipal Courts

Kirkland supports cities' ability to form municipal courts and is working to preserve all options for providing municipal court services in the future.

Local governments should have the authority to choose the court structure that best meets local needs, including municipal courts that feature cities contracting with neighboring cities to provide court services. The authority for these courts has recently been affirmed in the King County Superior Court decision in *City of Medina v. Melody Primm*. The community court structure allows the contracting cities to keep the court local, while realizing cost efficiencies that would not be possible if each city were required to have its own court. It also increases citizen access to court services by having the courts located closer to home. By reducing law enforcement travel time to and from court, it allows law enforcement personnel to spend more time ensuring public safety.

To maintain the efficiency and independence of these courts, cities should retain the ability to appoint municipal judges who work less than full time. In addition, State law should continue to allow cities to retain and direct municipal court revenues at the local level.

ECONOMIC DEVELOPMENT

Local Infrastructure Financing

Kirkland supports legislation that would make additional economic development tools available to local governments, including modifications to the LIFT statute to address

additional competitive funds, removal of the limit of one LIFT project per county, streamlined process, more flexibility in funding sources and uses, and other changes.

Kirkland supports local economic development incentives that help to attract, retain, expand and support economic activity that promotes prosperity and improves the quality of life in the community.

Under the 2006 Local Infrastructure Financing Tool (LIFT) legislation, a local government may create a revenue development area (an RDA) within its boundaries. This is a small- or medium-sized area in which the local government plans to invest a significant amount of public and private funds for infrastructure to spur economic development and affordable housing. If a project proposal is approved by the Community Economic Revitalization Board (CERB), the state will match the new local construction property tax revenues with an equal amount of new state sales tax revenues from within the same revenue development area, up to a maximum set by CERB.

While the LIFT legislation is a step in the right direction, the current legislation includes too many restrictions to make it an effective economic development tool. The LIFT legislation should be modified to simplify the process of creating an RDA and to allow additional local governments to participate.

Job Development Fund

The City of Kirkland supports the awarding of the recommended JDF grants for the 2007-2009 biennium to the competitively selected projects, including the Totem Lake Retail and Business Center project, to help finance construction of public facilities that support business development.

The Job Development Fund (JDF) is a grant program designed to assist with public infrastructure projects that directly stimulate community and economic development by supporting the creation of new jobs or the retention of existing jobs. A Job Development Fund grant may only be awarded to finance a public sector project that, at the time of application, is linked to a current or prospective private development project that will result in the creation or retention of jobs upon completion of the public project.

HOUSING AND HUMAN SERVICES

Public Health

Kirkland urges the State to find a long-term stable funding source for human services, including: public health centers; access to health care insurance for all of the state's children; and other health and welfare programs for children, low-income adults, and the elderly.

Health and welfare programs for children are necessary for family economic self-sufficiency and for children's healthy growth and development. Specifically, core public health functions should be consistently available throughout the state. The core functions include: stopping communicable disease, promoting health, investing in healthy families, protecting against environmental health risks, and helping people access care. Consistent and stable funding

of community health clinics is an essential part of providing these core public health functions.

In 2005, the legislature took steps toward covering every child, including restoring the Children's Health Program to provide coverage for immigrant children from low-income families. Due to under-funding, though, thousands of eligible children are now on a wait list for this program. To continue progress towards covering every child, lawmakers should make a strategic to erase the projected wait list for the Children's Health Program.

Incentives for Affordable Housing

Kirkland supports incentives for affordable housing, including property tax exemptions to new or rehabilitated multi-family housing.

Currently, State law allows cities to grant a 10-year property tax exemption to new or rehabilitated multifamily housing located in designated urban centers as an incentive for the creation of affordable housing. The current law allows partial exemptions for condominiums, but not for rental properties. Kirkland supports legislation that would extend the authorization of partial exemption to rental properties. This would allow Kirkland to offer the property tax exemption on just the portion of the multi-family rental property that is devoted to affordable housing.

A partial property tax exemption for affordable rental units would give cities more flexibility in offering incentives and would be more consistent with the preference that local builders have for including a 10%-20% share of affordable units within an overall project.

Funding for Affordable Housing

Kirkland supports increasing the Housing Trust Fund to \$363 million through significant contributions to the Fund to support statewide public-private investment in low-income housing.

Lack of affordable housing is a significant problem throughout King County, including the City of Kirkland. About one third of the City's residents earn less than 80 percent of median income and face considerable difficulty in affording housing. According to the 2003 Kirkland Housing Needs Analysis, prepared by A Regional Coalition for Housing (ARCH), Kirkland's current housing market is most lacking in providing rental housing units priced appropriately for low-income households (those earning zero to 50 percent of median income) and ownership housing priced appropriately for median-income households (earning 80 – 120 percent of median income).

Washington State provides funding for low-income housing needs through the Housing Trust Fund (HTF). These monies help local housing providers to develop much needed affordable housing throughout the state. The state has increased funding for the Housing Trust Fund in recent years and should continue its investment in this vital fund.

Homelessness

Kirkland supports legislative action aimed at preventing homelessness and moving the homeless to stable, supported housing as quickly as possible. To accomplish these goals, the City supports the appropriation of funding for temporary rental assistance and supportive

services, increased resources for mental health and substance abuse treatment services, and support services to young people who age out of the foster care system.

East King County lacks an adequate supply of shelter beds and transitional housing. From 2001-2002, there was a 42% increase in the number of families and individuals turned away from the Hopelink Family Shelter in Kenmore. The largest multi-service center in East County reports an average turn-away rate of 6 families for every family served in transitional housing.

The Committee to End Homelessness in King County approved its Ten-Year Plan to End Homelessness in 2005, establishing a clear vision and an action plan to move the region toward its goal of ending homelessness in King County and across Washington. Kirkland supports initiatives that make progress toward achieving this goal.

ENVIRONMENT

Kirkland places high importance on protecting and enhancing the environment in order to maintain the quality of life for both current and future generations. Kirkland supports a \$100 million capital appropriation for the Washington Wildlife and Recreation Program (WWRP) in the 2007 legislative session. Kirkland supports incentives and initiatives for clean air and clean water, including efforts to restore Puget Sound and to enhance clean air through increased use of clean fuels.

The Governor has created the Puget Sound Partnership, a public-private initiative designed to recommend actions to restore Puget Sound to health by 2020. The recommendations of the Partnership will be considered by the Legislature during the 2007 session. Kirkland supports efforts to restore the Sound, including adequate funding at a level that will make success possible.

Kirkland opposes the weakening of federal and state policies that establish environmental quality levels. Kirkland supports laws and policies that protect against adverse effects upon humans, animals, and plants. In addition, Kirkland urges the state to increase its funding support of the Washington Wildlife and Recreation Program which funds the acquisition of important park lands and wildlife habitat.

TRANSPORTATION

SR 520

Kirkland supports a comprehensive system of multi-modal transportation improvements for the Puget Sound region. In particular, Kirkland places a high priority on funding for the SR 520 Bridge and Corridor that includes HOV, extension of the bicycle/pedestrian path to complete the regional connection, improved bus access to Kirkland, and designed for future high capacity transit (HCT.)

The 520 corridor is a critical component of the Puget Sound regional transportation network. It is time to move forward with the preferred alternative decision so that the State and Region can work in tandem to resolve the question of funding.

Transportation Governance

Kirkland supports efforts to work cooperatively to improve the regional transportation governance in Puget Sound.

Such regional governance should:

Build upon or consolidate existing agencies;

Exercise broad control of funding mechanisms, including demand management pricing and other tools;

Include Pierce, King and Snohomish Counties within its boundaries;

Have well-defined jurisdiction that does not include local streets (local streets should remain under the control of local agencies); and,

Be represented by local officials that are appointed by local elected officials, similar to the current Puget Sound Regional Council model.

Streamlined Sales Tax

Kirkland supports the objectives of the Streamlined Sales Tax project, including the application of sales tax to internet and catalogue sales. Kirkland supports the seven principles for SST implementation that have been agreed upon by the Association of Washington Cities (AWC) SST Committee, including the goal of full mitigation for the sales tax revenue losses of negatively impacted cities.

State implementation of destination based sourcing will prepare Washington for the future application of sales tax to internet and catalogue sales. Under current law, the local sales tax on sales of goods is allocated to the jurisdiction where the delivery of the purchased item originates. The SST would shift local sales tax allocation to the destination of delivery instead. For most transactions where the place of delivery is the retail store, SST would make no change to the distribution of sales tax. However, for goods that are delivered from a warehouse directly to the purchaser's home, then the sales tax would be remitted to the local government where the purchaser resides rather than the local government where the warehouse is located. AWC has worked with a broad range of stakeholders to develop support for SST legislation with full mitigation for cities that will lose sales tax revenues because of the change to destination based sourcing.

Telecommunications

Kirkland supports maintaining local franchising and opposes any legislation that would create a statewide franchise. Kirkland recognizes the importance and need for local governments to manage their rights-of-ways and be able to deliver local programming. We support telecommunications legislation that is balanced and addresses the concerns and interest of local government and telecommunication/ broadband providers.

Kirkland supports competition in video, telephone and broadband services and their social obligation to support public, education and government channels. Kirkland supports protecting consumers from monopoly pricing and providers.

Kirkland supports like services being treated alike with clear definitions and requirements. For example, in today's environment, cable and telephone companies are regulated differently even though they provide very similar services in today's marketplace.

Kirkland supports leasing of public rights-of-ways by telecommunication providers and the payments of video franchise fees.