TO: City Council Members

FROM: John Marchione, Mayor

RE: Draft City of Redmond 2014 State Legislative Agenda

DATE: October 22, 2013

At the October 22nd City Council study session, State Lobbyist Doug Levy will provide an overview of the upcoming 2014 Session of the Legislature and review a draft 2014 City Legislative Agenda. The timing for final review and Council adoption of a 2014 Legislative Agenda may likely depend on whether or not there is a special session in November/December on a Transportation Revenue Package.

As in prior years, the City's Legislative Agenda will consist of proposed "Top Priority" Issues and "Support/Oppose" Issues. The review of the draft Legislative Agenda will include the differences between the 2013 Legislative Agenda and proposed draft 2014 Legislative Agenda.

TOP PRIORITY ISSUES:

- Transportation Investment Package:
 Fund 148th and 124th Interchange Projects and Other Key SR 520 Multi-Modal Projects
 Authorize Local Financing Options: Very similar to the 2013 item with minor wording changes to specifically identify three key projects for funding in any transportation package construct 148th
 Overlake Access Ramp and grade separate SR 520 Trail at 40th Street and design a full interchange at SR 520/124th, as well as outline key needs for any transportation investment package.
- Support Hi-Tech Industry through the "Washington Tech Cities Coalition (WTC²): Updated this item so as to focus on items to enhance competitiveness and invest in education and infrastructure, as well as support renewal of Research and Development (R&D) tax incentives and Business and Occupational (B&O) tax incentives to tech sector start-up companies.
- **Protect "State-Shared" and other Key State Revenues:** Very similar to 2013 item, added some criminal justice programs (BLEA training and registered sex offender address verification) into this item that were located in Support/Oppose Issues in 2013, as well as "enhance revenues".
- Eliminate Capital Funding for Redmond Central Connector: The City successfully obtained funding in 2013 of \$1.3M in capital funds and \$1M in grant funds for the Redmond Central Connector (RCC). 2014 is an "off-year" in the State's Capital Budget process and the City will not seek a capital request, instead developing a capital request for 2015. This will allow time for more work to be conducted on projects such as the RCC and Downtown Park and to strategize specifics of a capital request.

SUPPORT/OPPOSE ISSUES:

Economic Development/Infrastructure:

- Public Works Trust Fund re-tooled "Protect key infrastructure programs", given the major setbacks this fund suffered in 2013 and the coalition that has formed to restore funding
- Economic development investment tools strengthened by adding Local Revitalization Financing and Innovation Partnership Zones
- Extend Hotel Motel Tax Authority item deleted, as the Legislature adopted a bill in 2013 to provide permanent discretionary authority to use lodging taxes for special events and festivals

Environment:

- Efficiency standards for water/electrical fixtures new item to support, as Legislature may consider
 a bill to put standards into statute
- State's Product Stewardship program broadened beyond prescription drug disposal to support a
 variety of manufacturer-financed initiatives to encourage environmentally responsible recycling of
 items such as electronic products and mercury-containing lights

Fiscal/Budget/Funding:

- Simplify taxation of amusement and recreation services provided by local govt support pending
 Dept of Revenue request legislation to reduce administrative burden of compliance with sales tax
 collection
- Enact new tools/revenue options item deleted, as new revenue tools/options will continue to be explored and our understanding is that 2014 will be an awareness raising/education year
- Promote efficiencies relieve/reduce cost burdens on local govts added support for consistency on how cities expend first-quarter and second-quarter portions of Real Estate Excise Tax (REET)

General Government and Personnel/Pension:

- Public records reform cost recovery for requests purely for commercial enrichment same item, more succinct in wording
- Require land-line phone providers to pay their share of utility and under-grounding costs new item, to recapture utility relocation costs when facilities of land-line telephone companies must be relocated
- Increase value of public works projects performed in-house new item, join with others to support allowing larger code cities to do more small public works projects in-house
- Binding interest arbitration reform/expand public pension obligations to include non-public sector service – items deleted, as there are no efforts that we are aware of to pursue legislative changes

Growth Management and Land Use:

- Restore this category of items not included in 2013 Legislative Agenda due to the legislative climate
- Mandatory deferral of Growth Mgt Act (GMA) impact fees oppose legislation that would mandate particular methods of deferring impact fees, consider relief for small-builder projects
- Streamline and simplify annexations we will join with other jurisdictions to support legislation

Law Enforcement/Criminal Justice:

- Consolidate and simplify regulation of marijuana new item, support consolidation of State's statutory and regulatory framework for medical marijuana and recreational marijuana, given the voters' passage of Initiative 502 and subsequent rule-making
- Broaden use of DNA sampling for additional criminal offenses new item, support legislative initiative of Washington Association of Sheriffs and Police Chiefs (WASPC) to broaden the types of serious criminal offenses authorized for DNA sampling
- Emergency 9-1-1 Response Services/Public Safety Answering Points (PSAPs) minor language changes
- Repeat vehicle prowl offenders/metal theft/indigent defense standards and funding items
 deleted, as Legislature adopted bills to address vehicle prowl and metal theft and City will continue
 to monitor indigent defense funding issue, which has a relatively minor cost impact at this time

Water Resources/Stormwater:

- Eliminate this category of items for 2014
- New regional stormwater monitoring requirements/"Lane Case" fix items deleted, as Legislature adopted a stormwater funding grant program in 2013, as well as a bill to address the Lane case

TRACK/MONITOR ISSUES:

In 2013, to help streamline the City's Legislative Agenda, we created a list of issues that were not included in Support/Oppose issues, but that the City would continue to monitor. For 2014, we are proposing to continue to monitor issues, without formally updating the list. The City's lobbyist provides weekly updates and often checks in with staff daily during the legislative session on many issues, providing frequent updates and seeking advice. Over the years, our lobbyist has gotten to know our City quite well and successfully represents us in Olympia.

We look forward to reviewing the proposed draft 2014 Legislative Agenda with Council and would be happy to answer any questions; please contact Jane Christenson, Deputy City Administrator at 556.2107, Nina Rivkin, Chief Policy Advisor at 556.2103 or Doug Levy, State Lobbyist at 922.3999.

Attachments:

- A. Draft 2014 City of Redmond Legislative Agenda
- B. 2013 City of Redmond Legislative Agenda

CITY OF REDMOND DRAFT 2014 STATE LEGISLATIVE AGENDA

Top Priority Issues

Support Transportation Investment Package

Fund 148th and 124th Interchange Projects and Other Key SR 520 Multi-Modal Corridor Projects:

Redmond urges the Legislature to develop and enact a transportation investment package, with funding for construction of the 148th Overlake Access Ramp and grade separation of the SR 520 Trail at 40th Street and design funds for a full interchange at SR 520/124th. The transportation package should be crafted in a manner that creates new jobs by funding key state projects, distributing monies for local needs, enhancing funding for the Transportation Improvement Board (TIB) and other key grant programs, appropriately funding the "Complete Streets" program and transit, and investing in Commute Trip Reduction (CTR) and Growth & Transportation Efficiency Centers (GTECs).

Authorize Local Financing Options: Redmond urges the Legislature to authorize local transportation financing options, in a way that equitably distributes funds to cities and counties, to assist local governments in addressing road maintenance and preservation and transit needs.

- Support Hi-Tech Industry through the "Washington Tech Cities Coalition" (WTC²): The Washington Tech Cities Coalition will support initiatives that enhance competitiveness and invest in education and infrastructure to support hi-tech. The WTC² supports renewal of Research and Development (R&D) tax incentives and legislation to provide Business and Occupational (B&O) tax incentives to tech sector start-up companies.
- Protect "State-Shared" and other Key State Revenues: Redmond will join the Association of Washington Cities (AWC), cities and counties to enhance revenues and protect "state-shared revenues" that are vital for local governments, such as liquor taxes and profits and municipal criminal justice assistance. Redmond will also emphasize protecting revenue that funds auto theft and ID theft prevention, Basic Law Enforcement Academy (BLEA) training, registered sex offender address verification, public health, and key human services such as housing assistance.

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Support/Oppose Issues

Economic Development/Infrastructure

- Provide additional economic development and infrastructure investment tools for cities: Redmond supports initiatives that spur economic development and infrastructure investment, including more robust "Tax Increment Financing", new funding for the Local Revitalization Financing (LRF) program, and re-establishing funding for Innovation Partnership Zones (IPZs).
- Restore funding for the Public Works Trust Fund (PWTF): Redmond will support a coalition effort to restore PWTF revenue.
- <u>Support "Healthy & Sustainable Communities Initiative"</u>: Redmond supports funding for programs
 that help people stay active and make healthy choices, such as public health, Safe Routes to Schools,
 "Complete Streets" legislation and the Washington Wildlife & Recreation Program.

Environment

- Add new elements to State's "product stewardship" program: Redmond supports legislation that
 would add new elements to the State's "product stewardship" program, which uses manufacturerfinanced initiatives to encourage environmentally responsible recycling of items such as electronic
 products and mercury-containing lights.
- <u>Support efficiency standards for water and electrical fixtures</u>: Redmond supports legislation to create efficiency standards for water and electrical fixtures.
- <u>Support Puget Sound Partnership Action Plan</u>: Redmond supports investments to continue ongoing Puget Sound Partnership efforts, so long as mandates and requirements are not imposed on cities without adequate funding to implement them.

Fiscal/Budget/Funding

- Promote efficiencies to help relieve or reduce cost burdens on local governments: Redmond supports ideas advanced by AWC and Washington State Association of Counties (WSAC) to help local governments operate more efficiently, reduce or delay cost impacts, or relieve cost burdens. Redmond supports changes to state law so that revenue from the first one-quarter percent and second one-quarter percent Real Estate Excise tax could be used for the same purpose.
- Oppose actions that pre-empt or erode local control or local revenues or add to local costs:
 Redmond opposes actions that impose unfunded mandates on local governments, erode or eliminate local revenues, add local costs, or pre-empt or erode local control. For example, the city has strongly opposed legislation that would have placed burdensome density requirements on cities around transit stations.
- <u>Simplify taxation of amusement and recreation services provided by local government</u>: Redmond supports legislation to narrowly define amusement and recreation services that are subject to sales tax when these services are provided by local government, to reduce the administrative burden of local park and recreation agencies' compliance with sales tax collection.

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- <u>Fund affordable housing and human services</u>: Redmond supports the Eastside Human Services
 legislative agenda and preservation of funding sources to prevent and end homelessness, sustain
 affordable housing options, maintain the Housing Trust Fund, enhance early childhood education
 and school readiness, improve access to basic needs, and serve older adults in need.
- Restore funding for Growth Management Act (GMA) planning grants: Redmond supports efforts to restore funding cuts to GMA planning grants.

General Government and Personnel/Pension

- Public records reform cost recovery for requests that are purely for commercial enrichment:
 Redmond is committed to public records openness and transparency. However, the City, along with
 the AWC and others, supports legislation allowing public agencies to recover some costs from those
 who seek to use the Public Records Act purely for commercial purposes vs. the public, common
 good.
- Oppose pension enhancements that add new costs and fully fund pension responsibilities: Redmond will join with AWC in opposing pension enhancements that would add new costs to local governments and urge the State to fully fund existing pension responsibilities.
- Require land-line phone providers to pay their share of utility relocation and under-grounding costs:
 Certain land-line providers operate under a State franchise and the City does not have authority to require their contribution for utility relocation and under-grounding costs for public works projects.

 Redmond supports legislation to ensure that land-line telephone providers pay their fair share of utility relocation and under-grounding costs.
- <u>Increase value of public works projects that can be performed in-house</u>: Redmond will join other jurisdictions to support legislation to amend bidding laws to allow in-house personnel to perform more small public works projects.

Growth Management and Land-Use

- Mandatory deferral of Growth Management Act (GMA) impact fees: Redmond will join with the AWC, other cities, and counties in opposing legislation that would mandate the collection point for GMA impact fees. However, the City will consider legislative initiatives that would provide some relief for "small builder" home projects.
- <u>Streamline and simplify annexations</u>: Redmond will join other jurisdictions to support legislative efforts to streamline the annexation process and simplify annexations.

Law Enforcement/Criminal Justice

 Consolidate and simplify the regulation of marijuana: Redmond supports efforts to consolidate and simplify laws and regulations applying to medical and recreational use of marijuana, so there is a single set of rules for law enforcement of both medical and recreational retail sales and use of marijuana.

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- Emergency 9-1-1 Response Services/Public Safety Answering Points (PSAPs): Redmond is one of several jurisdictions within King County which operates a PSAP. The City is involved in the evaluation phase of a PSAP consolidation study being conducted by King County and is also working with other neighboring PSAPs on potential consolidation. The City will form a coalition and seek legislative clarification and assurances if necessary to preserve its ability to consolidate as it deems best and continue to be eligible for funding from the County for its PSAP services.
- <u>Authorize the collection of DNA samples for additional criminal offenses</u>: Redmond supports a legislative initiative by the Washington Association of Sheriffs and Police Chiefs (WASPC) to broaden the types of criminal offenses authorized for DNA sampling.

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CITY OF REDMOND 2014 STATE LEGISLATIVE AGENDA

Guiding Principles:

The City has adopted the following principles to guide the City's Legislative Agenda:

- **Protect home rule and local authority**: The Legislature should refrain from pre-empting the authority of local cities and communities which are closest to the citizens they serve.
- Refrain from imposing unfunded or "under-funded" mandates: It is important that the Legislature stay within the boundaries of Initiative 601 and refrain from imposing new unfunded or "under-funded" mandates upon local jurisdictions unless there is adequate funding provided to implement them. Redmond believes the Legislature has been much more sensitive to this issue in recent years.
- The state should not erode local revenues and local taxing authority: As "creatures of the state," cities in Washington have only the taxing and revenue authority directly provided to them by the State Legislature. It is vital that lawmakers refrain from making decisions that erode or eliminate those revenues and the local taxing authority that is given to cities.
- The state should preserve Operating, Capital, and Transportation budget funding that flows to cities: Redmond urges the Legislature to refrain from cutting or eliminating operational and infrastructure funding for Redmond and other cities.
- The Legislature should reward jurisdictions that step up to implement the policy goals developed by the state, as it exercises its decision-making, particularly in grant and loan programs: Redmond is an example of a city doing the right things to implement the Growth Management Act (GMA), accommodate density, ensure the urban centers of downtown and Overlake are conducive to "transit-oriented" and pedestrian-friendly development, embrace "green building", climate-change and Vehicle Miles Traveled (VMT) strategies, etc. As it makes funding and policy decisions regarding grant and loan programs, the state should find ways to reward jurisdictions, such as Redmond, that carry out and embrace these policy objectives.

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CITY OF REDMOND 2013 STATE LEGISLATIVE AGENDA

Top Priority Issues

• Support Transportation Investment Package

Fund 148th and 124th Interchange Projects and Other Key SR 520 Multi-Modal Corridor Projects:

Redmond urges the Legislature to develop and enact a 2013 transportation investment package, with funding for the 148th and 124th interchange projects and other project recommendations from the SR 520 Multi-Modal Corridor plan developed by WSDOT in collaboration with Eastside stakeholders. The transportation package should be crafted in a manner that creates new jobs by funding key state projects, distributing monies for local needs, appropriately funding the "Complete Streets" program and transit, and investing in Commute Trip Reduction (CTR) and Growth & Transportation Efficiency Centers (GTECs).

Authorize Local Financing Options: Redmond urges the Legislature to authorize local transportation financing options, in a way that equitably distributes funds to cities and counties, to assist local governments in addressing road maintenance and preservation and transit needs.

- Support Hi-Tech Industry through the "Washington Tech Cities Coalition" (WTC²): A new "Washington Tech Cities Coalition" (WTC²) has been initiated to support and enhance our state's thriving hi-tech industry. For the 2013 Session, WTC² will support legislation that invests in education and infrastructure to support hi-tech, as well as a sales tax deferral program that is critical to the industry, while also focusing on organizational and awareness efforts outside the Legislature.
- Provide Capital Funding (\$2.35 million) for the "Redmond Central Connector": As the Legislature
 develops its 2013-15 Capital Budget, the City will seek \$2.35 million to design and construct key
 sections of the Redmond Central Connector, a multi-modal transportation corridor that will connect
 more than 60 miles of regional trails and connect downtown to the Downtown Central Park and
 Redmond Transit Center, and will ultimately connect with trails being planned by Kirkland and King
 County.
- Protect "State-Shared" and other Key State Revenues: Redmond will join the Association of Washington Cities (AWC), cities and counties to protect critical "state-shared revenues" that are vital for local governments, such as liquor taxes and profits, municipal criminal justice assistance, and Streamlined Sales Tax mitigation payments. Redmond will also emphasize protecting revenue that funds auto theft and ID theft prevention, public health, and key human services such as housing assistance.

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Support/Oppose Issues

Economic Development/Infrastructure

- Extend Hotel Motel Tax Authority to Support Special Event and Festival Operating Costs: In 2013, the Legislature will need to take action to extend a provision of hotel-motel tax laws that allows cities and counties to use their lodging taxes to help support the operating costs of special events and festivals. Redmond uses approximately 10 percent of its hotel-motel tax funding to assist special events and festivals and will be part of a public-private sector coalition actively working to extend this authority.
- <u>Provide additional economic development and infrastructure investment tools for cities</u>: Redmond supports initiatives that spur economic development and infrastructure investment, including more robust "Tax Increment Financing."
- Protect key infrastructure programs within the Capital Budget: Redmond will strive to protect key
 infrastructure programs within the Capital Budget that provide jobs and enhance communities,
 including the Public Works Trust Fund, Washington Wildlife & Recreation Program and Housing
 Trust Fund.
- <u>Support "Healthy & Sustainable Communities Initiative"</u>: Redmond supports funding for programs that help people stay active and make healthy choices, such as public health, Safe Routes to Schools, "Complete Streets" legislation and the Washington Wildlife & Recreation Program.

Environment

- <u>Puget Sound Partnership Action Plan</u>: Redmond supports investments to continue ongoing Puget Sound Partnership efforts, so long as mandates and requirements are not imposed on cities without adequate funding to implement them.
- Add prescription drug disposal to State's "product stewardship" program: Redmond supports
 adding prescription drug disposal to the state's "Product Stewardship" program, whereby
 manufacturers finance programs for safe disposal of items such as electronics and mercurycontaining lights.

Fiscal/Budget/Funding

- Enact new tools and revenue options to fund local government operations: Cities and counties will be bringing forth legislative proposals to provide local governments with additional options and tools to finance the costs of local government operations. Redmond will support these efforts.
- Promote efficiencies to help relieve or reduce cost burdens on local governments: Redmond supports ideas advanced by AWC and Washington State Association of Counties (WSAC) to help local governments operate more efficiently, reduce or delay cost impacts, or relieve cost burdens, such as repealing "Buildable Lands" update requirements if no funding is going to be provided; and establishing an every-10-years update schedule for GMA and shorelines plans (vs. the every-seven-years in current law) that is more consistent with census and population updates.

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- Oppose unfunded mandates and actions that erode or eliminate local government revenues or add to local costs: Redmond opposes actions that impose unfunded mandates on local governments, erode local revenues, or add local costs. For example, the city has strongly opposed legislation that would have placed burdensome density requirements on cities around transit stations.
- <u>Fund affordable housing and human services</u>: Redmond supports the Eastside Human Services legislative agenda and preservation of funding sources to prevent and end homelessness, sustain affordable housing options, maintain the Housing Trust Fund, enhance early childhood education and school readiness, improve access to basic needs, and serve older adults in need.
- Restore funding for GMA planning grants: Redmond will support efforts to restore funding cuts to GMA planning grants.

General Government and Personnel/Pension

- Public records reform provide limits to requests that are overly burdensome and cost recovery for requests that are purely for commercial enrichment: Redmond is strongly committed to public records openness and transparency. However, the City will support efforts by AWC and others to establish a mechanism within state law to deal with those few requests that are overly burdensome and of a harassment nature. The City also will work toward legislation allowing public agencies to recover some costs from those who seek to use the Public Records Act purely for commercial purposes vs. the public, common good. In 2011, the City fielded one public records request that appeared to be strictly for commercial purposes, and involved records retrieval for 157 months of permits, covering 16,000 pages of copied material and requiring one month of dedicated staff time.
- Oppose pension enhancements that add new costs and fully fund pension responsibilities: Redmond will join with AWC in opposing pension enhancements that would add new costs to local governments and urging the State to fully fund existing pension responsibilities.
- Ensure public pension obligations are not expanded to include non-public-sector years of service: Redmond believes current laws on pension obligations are appropriate and should not be expanded to include previous, non-public-sector years of service by public employees.
- <u>Support binding Interest Arbitration Reform</u>: AWC expects to propose legislation to reform binding
 interest arbitration law in a way that provides cities with more cost-control tools. Redmond will
 support such legislation.

Law Enforcement/Criminal Justice

• Emergency 9-1-1 Response Services/Public Safety Answering Points (PSAPs): Redmond is one of several jurisdictions within King County which operates a single-agency PSAP to provide critical, responsive 9-1-1 services to its citizens and those in neighboring communities. The City is awaiting the outcome of a 9-1-1/PSAP consolidation study being conducted by King County, and will be preparing to make a strong case for respecting and continuing the authority of single-agency PSAPs. Redmond will be prepared to form a coalition with other single-agency PSAPs and seek legislative clarification and assurances on this issue if necessary.

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- <u>Strengthen penalties for repeat vehicle prowl offenders</u>: Redmond supports increased penalties for offenders who commit multiple vehicle prowl offenses, as this is a growing problem in Redmond.
- <u>Address metal theft</u>: Redmond will support legislation to provide local jurisdictions with more tools to crack down on metal theft.
- Protect funding for Basic Law Enforcement Academy (BLEA) training and Registered Sex Offender (RSO) address verification: Redmond will join the Washington Association of Sheriffs and Police Chiefs (WASPC) and others in working to preserve funding for BLEA training and RSO address verification.
- Support statutory or budget provisions to provide alternatives to a new indigent defense standard: Last June, the State Supreme Court adopted a new indigent defense standard that limits the number of indigent defense cases any one attorney or prosecutor may handle in a calendar year. Redmond strongly supports the "right to counsel" for those who are indigent, but believe the new standards go too far in dictating costs and caseloads, issues that are more appropriately the decision of the Legislature. Redmond will support efforts by the AWC, counties, and others to have statutory or budget provisions enacted to provide reasonable alternatives to the indigent defense standard that is otherwise due to take effect in October 2013.

Water Resources/Stormwater

- <u>Fund any new regional stormwater monitoring requirements</u>: Redmond will work with others to ensure that legislative authorization or adoption of regional stormwater monitoring requirements are funded.
- <u>Fixes to the "Lane Case"</u>: A work group is developing 2013 legislation to help cities better manage the costs of fire hydrants in their respective communities. Redmond will support the legislation if the City can be assured it would not undermine current collaborative and cost-sharing arrangement between "general fund" and utility operations.

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- The state should not erode local revenues and local taxing authority: As "creatures of the state," cities in Washington have only the taxing and revenue authority directly provided to them by the State Legislature. It is vital that lawmakers refrain from making decisions that erode or eliminate those revenues and the local taxing authority that is given to cities.
- The state should preserve Operating, Capital, and Transportation budget funding that flows to cities: Redmond urges the Legislature to refrain from cutting or eliminating operational and infrastructure funding for Redmond and other cities.
- The Legislature should reward jurisdictions that step up to implement the policy goals developed by the state, as it exercises its decision-making, particularly in grant and loan programs: Redmond is an example of a city doing the right things to implement the Growth Management Act (GMA), accommodate density, ensure the urban centers of downtown and Overlake are conducive to "transit-oriented" and pedestrian-friendly development, embrace "green building", climate-change and Vehicle Miles Traveled (VMT) strategies, etc. As it makes funding and policy decisions regarding grant and loan programs, the state should find ways to reward jurisdictions, such as Redmond, that carry out and embrace these policy objectives.

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