

**MINUTES OF THE
SOUTH SNOHOMISH CITIES LEGISLATIVE DINNER
THURSDAY, SEPTEMBER 24, 2009 AT 7:05 P.M.
LYNNWOOD CONVENTION CENTER
LYNNWOOD, WA**

Attendance:

Name	Organization	Position
Baker, Steve	City of Arlington	Councilmember
Butner, Dick	City of Arlington	Councilmember
Raezer, Chris	City of Arlington	Councilmember
Banfield, Kristin	City of Arlington	Assistant City Administrator
Oertle, Marilyn	City of Arlington	Councilmember
Solla, Scott	City of Arlington	Councilmember
Smith, Graham	City of Arlington	Councilmember
Evans, Bill	City of Bothell	Councilmember
Colinas, Bob	City of Brier	Mayor
Gem, Ona	City of Brier	Councilmember
Gipson, Carlton "Skip"	City of Brier	Councilmember
Kaemingk, Dale	City of Brier	Councilmember
Krienke, Martin	City of Brier	Councilmember
Nick, Dennis	City of Brier	Councilmember
Steel, Kerin	City of Brier	Councilmember
Carl, Linda	City of Edmonds	Asst. to the Mayor
Wilson, D. J.	City of Edmonds	Council President
Haakenson, Gary	City of Edmonds	Mayor
Coleman, Heather	City of Lake Stevens	Councilmember
Hikel, Ted	City of Lynnwood	Councilmember
Morris, Beth	City of Lynnwood	Council Assistant
Simmonds, Loren	City of Lynnwood	Councilmember
Smith, Jim	City of Lynnwood	Councilmember
Wright, Stephanie	City of Lynnwood	Council VP
Kendall, Dennis	City of Marysville	Mayor
Nehring, Jon	City of Marysville	Councilmember
Rasmussen, Carman	City of Marysville	Councilmember
Soriano, John	City of Marysville	Councilmember
Ryan, Terry	City of Mill Creek	Mayor
Harmsworth, Mark	City of Mill Creek	Councilmember
Todd, Mike	City of Mill Creek	Councilmember
Michelson, Donna	City of Mill Creek	Councilmember
Walser, Donnetta	City of Monroe	Mayor
Robles, Michell	City of Mountlake Terrace	Councilmember
John Zambrano	City of Mountlake Terrace	Councilmember
Ryan, Rick	City of Mountlake Terrace	Councilmember
Grafer, Linda	City of Mukilteo	Councilmember
Hannan, Joe	City of Mukilteo	City Administrator
Lord, Randy	City of Mukilteo	Council President
Marine, Joe	City of Mukilteo	Mayor

Vanderwielen, Emily	City of Mukilteo	Councilmember
Guzak, Karen	City of Snohomish	Councilmember
Gouge, Fred	Port of Edmonds	Commissioner
McChesney, Bob	Port of Edmonds	Executive Director
Orvis, James	Port of Edmonds	Commissioner
Drewel, Bob	Puget Sound Regional Council	Executive Director
Olson, Rick	Puget Sound Regional Council	Government Affairs & Commission Director
Gossett, Dave	Snohomish County Council	Commissioner
Koster, John	Snohomish County Council	Commissioner
Okerlander, Amy	Snohomish County Executive Office	Executive Analyst
Ambrose, Donna	Snohomish County Executive Office	
Tessadora, Rico	Snohomish County Superior Court	Candidate for Judge
Dines, Jeannie	South Snohomish Cities	Recorder
Goroski, Karen	Suburban Cities Association	Executive Director
Nichols, Carla	Town of Woodway	Mayor
Quinn, Mike	Town of Woodway	Councilmember
Saltonstall, Kent	Town of Woodway	Councilmember
Roberts, Mary Helen	Washington State Legislature	21st District Representative
Obrien, Al	Washington State Legislature	1st District Representative

A Social Hour/Dinner took place from 5:30 p.m. until 7:00 p.m.

Call to Order

Mark Harmsworth, Chair, South Snohomish Cities, called the meeting to order at 7:05 p.m. He welcomed and thanked the following individuals for their assistance organizing this event:

- Jim Orvis – Port of Everett
- Beth Morris – Council Assistant/City of Lynnwood
- Linda Carl – Senior Executive Assistant to the Mayor/City of Edmonds

He expressed regret that SSC member Edmonds Councilmember Peggy Olson was unable to attend and relayed the group's best wishes to her. He then welcomed Bob Drewel, Executive Director, Puget Sound Regional Council (PSRC).

Puget Sound Regional Council Bob Drewel, Executive Director

Mr. Drewel described the role of PSRC in long range transportation planning, land use planning, economic development, and sustainability. He commented on the American Reinvestment and Recovery Act (ARRA) funds awarded to South Snohomish County cities and throughout Snohomish County, and the importance of cooperation.

With regard to land use, he referred to PSRC's adopted Destination 2030 plan, explaining they are now working on Vision 2040 and Transportation 2040, a new plan for transportation in the four-county region. He encouraged local officials to engage in Transportation 2040. He thanked

each city for the time their representatives had spent with PSRC reviewing the alternatives. He introduced Karen Goroski, Suburban Cities, a regional organization in King County.

He described Prosperity Partnership, the economic arm of PSRC and distributed a flyer for a November 13 Prosperity Partnership lunch [flyer attached at the end of minutes].

He commented on economic clusters PSRC has identified in the region and in Snohomish County. Snohomish County clusters include military, tourism and aerospace. With regard to aerospace, there are two important objectives, 1) the tanker contract - the immediate contract is worth \$23 billion and total buildout is \$100 billion, and 2) the 787 line. He commented on the competition for the 787 contract, advising Governor Georgeore and other state agencies plan to make a presentation this week on behalf of the State of Washington to the new President of Boeing Commercial. That presentation will be available on the PSRC website on September 28.

He commented on the staggering impacts of the tanker contract and the 787 line on Snohomish County, anticipating if Boeing was not successful in acquiring the tanker contract and keeping the 787 line in the State of Washington, there would be a migration of Boeing airplanes construction elsewhere. Although Washington is the most efficient, most tax observant state in the nation with regard to aerospace; there are labor relation problems that Boeing and the unions need to resolve.

He commented on the Washington Aerospace Partnership and thanked the cities who contributed to their campaign. Those funds will be used to reinvigorate the excitement of Washington citizens about the aerospace industry. The Partnership is currently focused on the tanker contract but the same arguments can be made regarding the 787 line - Washington has an existing workforce, existing plant, and existing supply chain, and is the only place that makes airplanes in the U.S. He offered to speak to any Council in an effort to relight the region's energy regarding the aerospace industry. He also commented on the importance of Boeing's donations to human services in the region. Mr. Drewel responded to questions regarding keeping the 787 line in this region, I-1033, and transportation alternatives.

Seeing no further questions, Mr. Harmsworth thanked Mr. Drewel for his presentation. He then solicited a representative from each of the jurisdictions present to briefly state their top legislative priorities.

Legislative Priorities by City

SSC - Chair Mark Harmsworth

- The common issue for SSC cities is the use of REET dollars for maintenance and operation. Although considered during the last legislative session, HB 1744 stalled in committee. SSC plans to be involved with the Legislature to reconsider that issue.

Brier – Councilmember Dale Kaemingk

- Keep businesses and cities mind with any legislation that is passed. Legislation that is balanced and good for business is good for the community. Without successful, thriving businesses, it is difficult for cities do their job.

- Residents often comment their property taxes are too high but many do not even know how much their property taxes are. This reflects the voters' distrust for government and elected officials. He encourages citizens to look at property tax statement and see what their taxes support. He also encourages citizens to be involved in their city's budgeting process.

Edmonds – Council President D.J. Wilson

- Water Quality – between the ship canal and Everett there are more urban streams than in any other place on the west coast. In this area, five cities and Snohomish County are participating in an effort to define problems in the Lake Ballinger Watershed and determine as a group how to solve the problems. There is a need for funding for that effort from both Snohomish County and the State.
- Transfer of Development Rights – the county and state can assist by providing education and policy tools.

Lynnwood – Councilmember Ted Hikel

- Lynnwood is the commercial hub for south Snohomish County but is experiencing the same budget crunch as other cities due to diminished sales tax and property tax revenues.
- Lynnwood needs tax increment financing to attract businesses.
- Lynnwood is working on a complete redevelopment of Hwy. 99 from 148th to 116th.
- “Lynnwood Moving Forward” includes a \$25 million effort to expand/improve the city's recreation center.

Mill Creek – Councilmember Terry Ryan

- Recognized Snohomish County Councilmembers Dave Gossett, and John Koster, and State Representatives Al Obrien and Mary Helen Roberts in the audience.
- Retaining Boeing in Washington State is a priority. Action needs to be taken now and everyone needs to be involved in a coordinated effort.
- He cited statistics regarding the number of aerospace industry jobs in Snohomish County and the Puget Sound region, the number of ancillary jobs that Boeing jobs create, the average salary, aerospace suppliers that generate revenue in Snohomish County, and hotel funds generated by Boeing related travelers. The decision where to locate the second 787 line is of strategic importance because locating it outside Washington would be the first time Boeing had chosen to locate a final assembly line somewhere other than Everett or Renton.
- Boeing does not feel appreciated in this State. The State and region must continue to support the aerospace industry and the Boeing Company through efforts to improve transportation, K-12 and higher education, align unemployment and workmen's comprehensive programs with competing states and explore how to encourage capital investment, job creation and industry purchases from in-state suppliers.
- He encouraged everyone especially the County Councilmembers, State Representatives and Mr. Drewel to be passionate about this, to show Boeing that Washington cares. Let Boeing know the State appreciates them, and show appreciation via new ideas, tax incentives and by recognizing the economic impact Boeing has on the economy of Washington State, Snohomish County and cities.

Mountlake Terrace – Councilmember Michell Robles,

- Aerospace Industry - she echoed Mr. Drewel and Mr. Ryan's comment regarding the importance of the aerospace industry. Boeing is necessary for this area's financial sustainability. Boeing needs to hear that the region needs them, appreciates them, and wants to help them continue to operate here and be competitive in world markets.
- Mountlake Terrace would like the Legislature's assistance with tax increment financing.
- Help with local transportation and infrastructure improvement and she urged the Legislature to fund Public Works Trust Fund Loans.
- Help with gambling zoning so cities can decide where they are located.
- Don't take tools away and don't hamper with rules/regulations/unfunded mandates.
- She relayed AWC Legislative Committee's legislative priorities: don't hurt cities, understand cities are trying their best without asking for more money, tax incremental financing, and consider how public records are requested and the expense it places on communities. If the Legislature wants cities to tape their Executive Session, AWC would like the Legislature to tape theirs. AWC would like to take a position on I-1033 but were told not to because they are a government agency.
- She summarized Boeing is Washington State and Washington State should be Boeing.

Mukilteo – Mayor Joe Marine

- Aware there are no funds forthcoming from Legislature, everyone is hurting.
- The message from cities should be a unified voice that aerospace is important to this region.
- He urged all cities to pass the resolution that PSRC passed today in support of aerospace and Boeing specifically and to send it to the Legislature and the Governor.
- He disagreed this was a problem between Boeing and unions and urged citizens to get involved and encourage the unions to cooperate with Boeing.
- He urged the Legislature to do whatever possible to encourage Boeing to stay in Washington.
- If I-1033 passes, there will be no incentive for business to locate in cities because any increase in sales tax would then be used to lower property taxes. Cities need to get the message out to their citizens that I-1033 will devastate city services.
- He reiterated the importance of Boeing and the aerospace industry.

Woodway – Mayor Carla Nichols

- Expanding use of REET for M&O
- Echoed the previous speakers' support for keeping Boeing in the State. She suggested SSC sending a letter in support of Boeing to the Legislature and to Boeing.
- She stressed the importance of local planning and local cooperation and suggested Snohomish County sponsor workshops with the cities most affected by docket items and/or zoning code changes and to have cities' land use attorneys attend the workshops.

Snohomish – Councilmember Kari Guzak

- Snohomish passed resolutions in support of Boeing in Washington and against I-1033. She urged everyone to spread the word regarding No on I-1033. The passage of I-1033 will kill economic development.
- Snohomish has a court mandated decree to improve its aging sewer infrastructure which will be very expensive.

- Snohomish is using the opportunity of a down economy to do planning. Snohomish is interested in an east side rail corridor to connect Snohomish to the region. Snohomish County also formed a coalition of cities on the Hwy. 9 corridor to discuss the bottleneck created by the bridge crossing Snohomish River.
- Sustainability – Snohomish is keeping its old buildings and she encouraged other cities to adopt standards that encouraged the preservation of historic structures.

Monroe – Mayor Donntta Walser

- Boeing as well as Microsoft is important to Monroe. Monroe has many transportation issues including the need to improve to SR 522. Although a bridge to US 2 is being constructed, a section in the center if not funded. The US 2 corridor is very important to Microsoft employees who commute to Redmond as well as to moving Boeing parts.
- Monroe Bypass - she urged Snohomish County to coordinate with Monroe on an exit to the fairgrounds.
- Streamlined Sales Tax - Monroe has been affected greatly due to a large cabinet maker in the city that previously generated large amount of sales tax for the city. As a result of streamlined sales tax, there is now little incentive to create/retain manufacturing jobs.

Response from Representative Helen Roberts:

She commented on how challenging the last legislative session was. This was especially apparent on the Appropriations for Health and Human Services Committee and the Early Learning and Children’s Services Committee where significant cuts were made.

During the last session, the Legislature, 1) gave a very high priority to freight mobility and meeting the needs of business, and 2) took \$600 million in unemployment out of the fund and put it into the hands of business. She commented on the importance of cities and the legislature working together and being informed about what the other is doing. She appreciated hearing from elected officials or staff members rather than lobbyists.

Everyone shares the responsibility of making Washington successful; the key to economic development is education. Snohomish County has two community colleges who work in partnership with the Boeing Company. Employers want a trained workforce. The Legislature is sending local school districts fewer dollars and reduced funding has harmed higher education. If the system is not reformed soon, recovery will be very difficult.

Adjournment

The meeting was adjourned at 8:35 p.m.

Don Gough, Mayor

John Moir

Financial Director

HAVE LUNCH WITH ALAN MULALLY.



Prosperity Partnership Fall Luncheon
Friday, November 13, Noon – 1:30 PM
Washington State Convention & Trade Center

The Prosperity Partnership welcomes Alan Mulally, President and CEO of the Ford Motor Company, as the keynote speaker for the annual Fall Luncheon. Having served as one of our region's leading corporate citizens, Mulally's insights into our region's business climate will be invaluable. In addition, he will highlight the growing shared opportunities between the Ford Motor Company and this region around clean technology and vehicle electrification.

The annual Fall Luncheon is the Prosperity Partnership's centerpiece event, attracting close to 1,000 business, government and community leaders each year to celebrate our coalition's accomplishments and prepare for the year ahead.

Register now to join us
for this important event:
www.prosperitypartnership.org



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