

Issues & Impacts

Seattle King County REALTORS® (SKCR) is working to ensure that public policies support homeownership and your business' bottom line. Please contact Gareth Fairchok, Governmental & Public Affairs Specialist, at gfairchok@nwrealtor.com with any local legislative issues that may need our attention. The next issue will be released in April 2022.

In this issue:

Federal Way: Code changes to comply with state law > Pages 3-4

Issaquah Sign Code > Page 5

Impact fee deferral programs assist housing affordability > Pages 5-7

Update: Seattle Payroll Expense Tax > Page 7

Federal Way Mayor wants more police officers > Page 11-12

Can the city of Enumclaw leave King County? > Pages 14-15

HOUSING INVENTORY An Absolute Necessity for Solving the Housing Crisis

Several Cities Awarded Grants for Transit-Oriented Development Implementation

The Washington State Department of Commerce has awarded \$2.4 million in Transit-Oriented Development Implementation (TODI) grants to 11 communities to review zoning in areas served by current or forthcoming high frequency bus service and light rail transit. Planning for higher levels of development in these areas leverages significant investment in public transportation. The grant also allows communities to study the environmental impacts of planned development in advance to streamline permit processing times. The transit-oriented development that results will increase housing supply to respond to population growth, while minimizing traffic and costly sprawling development. Grants of up to \$250,000 were available. Each city received the maximum, with the exception of Fife (\$95,000) and Bothell (\$80,000).

In King County, Seattle King County REALTORS® will be encouraging cities to be bold in zoning around transit to maximize development potential/new housing units while also creating vibrant neighborhoods.





TODI Grant Awardees:

Auburn: Update downtown plan and develop an EIS¹. **Lynnwood**: Support planning in the regional growth center, leveraging the Everett Link Extension transit service.

Seattle: Planning around the 130th and 145th station areas to facilitate transit-oriented development.

Bothell: Update downtown plan to leverage new BRT² services.

Olympia: Prepare a sub-area plan and EIS to facilitate transitoriented development within the Capital Mall Triangle area served by BRT.

Spokane: Planning to leverage the City Line BRT with transit-oriented development around Gonzaga University. **Burien**: Planned Action³ for Ambaum Boulevard

Corridor and Boulevard Park subareas, served by BRT.

Renton: Develop a Planned Action EIS for the new Rainier Avenue S and S Grady Way transit center.

Tacoma: Pacific Avenue / SR 7 corridor subarea plan and EIS in preparation for the new Stream BRT service.

Fife: City Center Planned Action to leverage new light rail station.

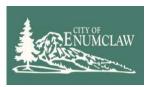
Redmond: EIS and Planned Action Ordinance for Overlake Area (two light rail stations) and evaluating Planned Actions for Downtown and Marymoor stations.

1. EIS - Environmental Impact Statement under the State Environmental Policy Act

2. BRT - Bus rapid transit is prioritized bus service at frequent intervals

3. Planned Action - a land use plan and environmental analysis sufficient that development can proceed with minimal individualized environmental assessment.

Enumclaw: City Expands the Multi-Family Tax Exemption Program:



2

Enumclaw's City Council recently expanded the city's Multi-Family Tax Exemption (MFTE) program. Expansion of the MFTE has been a priority for the Association of

REALTORS[®] - both locally in King County's 39 cities, and with Legislators in Olympia.

Under an ordinance (#2719) passed by the Council in November, apartment complexes in the city of Enumclaw will be exempt from paying city property taxes for 12 years if they meet the following requirements:

• 20% of the dwelling units must be affordable to, and

reserved for, individuals or families earning not more than \$87,320 annually - or \$7,276 per month - which is 80% of the median income in King County.

• Rents charged the residents in those affordable apartment units will be adjusted based on household income.

The ordinance, which had been under consideration by the Planning Commission and the City Council since February, is part of the Work Plan for the Department of Community Development. It is especially important legislation for economically challenged households because, absent the MFTE, in order to avoid sustaining losses landlords would have to charge higher rents, or cut their costs by deferring maintenance.

According to media reports, Enumclaw officials have confirmed there is only one apartment complex under construction in the city at the present time. The City is hopeful that the tax exemption program will reverse decades-old development patterns and stimulate the construction of new multifamily housing in the city, especially on properties that are zoned for multi-family housing but remain undeveloped, or under-developed.

The new ordinance was not without its critics, including the Enumclaw Fire Department Board of Commissioners. However, it appears the economic analysis of the Commissioners may have been incomplete. While it's true that there is less property tax collected if the exemption is in place compared to there being no exemption, two facts remain:

(1) If the project doesn't get built - and Enumclaw has decades of history with that happening - there are no additional tax revenues to be collected, either by the Fire Department Commissioners or any other taxing authority, and taxpayers will continue to pay the same amount that otherwise would have been collected; and

(2) If the exemption stimulates new construction, then when the exemption expires the city and the Fire Department Commissioners will be able to collect additional tax revenues.

Federal Way Planning Commission: Code Changes toTransferring decisions regarding plat alterations to theComply with State LawCity's Hearing Examiner would reduce the processing time



The Federal Way Planning Commission is evaluating a number of proposed amendments to the city code in order to comply with changes in state statute, court decisions and city

interpretations of the code, as well as to rectify problems created by portions of the code becoming outdated.

The proposed changes most likely to be important for, or of interest to, REALTORS® and their clients include the following:

1. FINAL PLATS - Changing the way Final Plats are approved by reassigning the authority to approve final plats from the City Council to the Director of Community Development. According to the city, this change would improve the processing time for final plats significantly and would reduce overtime pay for staff to prepare for, and attend, evening meetings where, historically, the City Council has never denied final plat approval.

State law was amended in March 2017 (SB 5674) to allow ministerial approval of final plats if the City Council delegates that responsibility to "...an established planning commission or agency, or to such other administrative personnel..."

The process of approving a final plat involves checking for compliance with the approved preliminary plat, confirming compliance with approval conditions on the preliminary plat, and ensuring that all required improvements have been constructed or guaranteed as required. Snohomish and Spokane counties, and the cities of Auburn, Renton, Kent, Tukwila, Kirkland and Yakima have all made similar code changes.

2. PLAT ALTERATIONS - Change the decision maker responsible for approving Plat Alterations. Currently, the code gives the decision authority for plat alterations to the City Council. This proposed amendment recommends making the hearing examiner the decision maker for plat alterations, because the current decision maker for preliminary plats is the city Hearing Examiner. Thus, this change would vest the same decisionmaker with both the initial approval, and any subsequent alterations, of the plat.

Transferring decisions regarding plat alterations to the City's Hearing Examiner would reduce the processing time for these types of requests. The cities of Kent, Auburn, and Kirkland send their plat alterations to the Hearing Examiner for decision. The cities of Bellevue and Snoqualmie allow the Department Director to be the decision maker.

An application for a plat alteration is processed when a property owner desires to "alter" an approved subdivision after the final plat is approved and recorded. Common examples of plat alterations are re-subdivision of a parcel in an existing plat, or the extinguishment of easements within an existing plat.

3. COMPREHENSIVE PLAN CHANGES - Most cities have a "Docketing Process" that establishes a prioritized queue for considering possible amendments to the city's Comprehensive Plan and corresponding code provisions.



Currently, the process for giving notice (that a change has been proposed or requested) creates a false expectation that there will be substantive consideration of the proposal, and meaningful opportunities for public comment, when the matter is not yet ripe for review or consideration.

Accordingly, to avoid confusion, this change would delay certain public notices regarding *parcel-specific requests for changes* until the matter is actually ready for the commencement of substantive consideration. The specific notices that would be delayed are (a) on-the-property posting of notice, and (b) publication of notice in the newspaper.

The notice requirements for public hearings will remain unchanged.

4. ELECTRIC FENCES - The Mayor and City Council asked the Planning Commission to consider changes in the code to accommodate property owners installing additional security measures, including electric fences, in order to assist businesses facing increasing incidents of theft.

5. ACCESSORY DWELLING UNITS - Three changes are proposed regarding Accessory Dwelling Units:

• ADU Permits. This would clarify when an ADU permit is required. The current code definitions for dwelling unit and accessory dwelling unit create some ambiguity about whether a land use permit is needed for a residential expansion on an already built-upon lot, especially when city staff have had to determine when an addition to a building is, or is not, an ADU. The issue arises when the owner seeks to build an addition onto (or within) an existing home that has permanent provisions for living, sleeping, cooking, and sanitation, but the owner doesn't consider it to be an ADU.

• ADU parking requirements regarding "Major Transit Stop" would be revised to be consistent with the provisions in state law at RCW 36.70A.698 (1).

• The legislative intent regarding "Height" regulations for Accessory Structures would be modified to make clear that "smaller" does not equate to "shorter". In addition, clarity

and "incidental" uses.

6. SEPA CATEGORICAL EXEMPTIONS - The proposed amendment consists of two distinct proposed changes, consistent with flexible thresholds local jurisdictions can choose to adopt under the provisions of House Bill 2673 and WAC 197-11-800.

would be improved by removing references to "subordinate"

While the State Environmental Policy Act (SEPA) thresholds for exemptions would increase (reducing statemandated noticing), there would be added public noticing requirements locally, and provisions addressing traffic, soil contamination, and archaeology. The proposed changes include:

(1) Increases to existing exemptions for single-family, multifamily, commercial, parking, and earth movement; and

(2) Adding new exemptions contemplated by SHB 2673 for infill development. The infill provisions would be limited to the City Center.

7. SEPA NOTICES - Changing one of the ways the city provides notices that are required for compliance with the State Environmental Policy Act (SEPA). Under this non-

substantive change, SEPA notices that are currently posted on the library bulletin board would instead be posted on the city's website. These notices are also posted on the property that is the subject of the notice, posted at city hall, published in the newspaper, and provided to interested parties and agencies.

The remaining proposed changes involve:

• Allowing nursing homes in the RM 2400 and RM 3600 zones.

• Confirming that the boundary line adjustment process does not negate other requirements in the city code.

• Confirming that the city will not regulate or limit (in a manner inconsistent with section 6 of Engrossed Substitute Senate Bill 5235) the number of un-related persons that may occupy a household or dwelling unit.

• Clarifying that when there is an absence of a quorum, "Alternates" appointed to the Planning Commission will serve as full members for the purpose of meeting quorum requirements, consistent with the operations of other city boards and commissions.

• Non-substantive changes ("housekeeping items") that are intended to clean-up typos and incorrect references, improve clarity, and incorporate administrative interpretations. None of these proposed housekeeping items and revisions is intended to constitute a change to the substance of current regulations.



REAL ESTATE SIGNAGE

Issaquah Sign Code - Enhancing your marketing abilities

The Issaquah City Council has completed work on the sign code amendment package.

Importantly, Seattle King County REALTORS[®] (SKCR) secured an allowance of one additional off-premises open house A-board, for a total allowance of 4 signs and right-sized the sign height allowance for on-premises for sale yard arm signs.

SKCR spent many months working with the Council and city staff to ensure that updates to the sign code support real estate signage and the needs of our members.

We believe Issaquah has drafted a package that meets community objectives, is understandable, practical and aligns with the United States Supreme Count Reed vs. Gilbert decision. SKCR concurs fully with the city that Reed vs. Gilbert applies to noncommercial speech exclusively and does not apply to commercial sign regulations --- including real estate.

Mercer Island Sign Code - Protecting your marketing abilities

The city of Mercer Island has completed an initial update of its sign code to come into compliance with United States Supreme Count Reed vs. Gilbert decision.

SKCR worked successfully to avoid the city's imposition of real estate sign fees, permits, or registrations.

No changes have been made to regulations governing real estate signage.

The Council intends a deeper dive on signage in 2022. This effort may require additional engagement by SKCR to protect real estate signage.

CONSTRUCTION REGULATIONS

Impact Fee Deferral Programs to Help with Affordability: The State Says More Cities Should Participate

In September, legislative auditors made the following recommendations in a formal report to the Legislature:

Cities without a (Impact Fee) deferral program should pass an ordinance to adopt and maintain an impact fee deferral program for single-family residential construction as required by statute.

Research some years ago by homebuilder associations found that in order to make projects pencil, every \$1 of costs incurred prior to final plat approval necessitated a \$4 increase in the price of the home. However, if costs could be delayed until homes were under construction, only a \$2 increase was required. Stated simply, the longer the payment of "soft costs" (such as the cost of permits, impact fees, connection charges, etc.) can be delayed, the smaller the financial impact on the price of the home. This difference in the financial impact on the final price is the result of lowering the "carrying costs" and "interest expense" the builder must pay while the home is under construction, and the necessity to build a larger home to spread the increased soft costs over a larger number of square feet to keep the cost per square foot competitive.

So, in 2015, the Legislature passed Engrossed Senate Bill 5923 which required counties, cities and towns that collect impact fees for new single-family homes to adopt a fee-deferral process which allows builders to pay impact fees near the end of the construction process, rather than at the beginning.





The most common Impact Fees are one-time charges to offset the cost of off-premise impacts resulting from construction of the home. Historically, the State Environmental Policy Act (SEPA) was the mechanism used to recover such costs. However, the legislature eventually passed RCW 82.22.050 which allows jurisdictions to adopt an impact fee ordinance that made it easier to collect funds from builders, which jurisdictions are required to spend within 6-years on projects in the city's Capital Improvement Program. The most common impact fees are for:

- Schools: To help fund construction of new school facilities
- Parks: To fund parks, open spaceand recreation facilities
- Transportation: To fund improvements to public

streets and roads, and

• *Fire*: For construction and maintenance of fire protection facilities



In September of 2021, the Legislature's Joint Legislative Audit and Review Committee (JLARC, pronounced J-Lark) issued a report1 regarding how the impact fee deferral legislation is working. The JLARC Report includes four key findings:

1. Impact fee deferral programs vary (as allowed by state law)

2. Deferral use has been infrequent and concentrated among five local governments

3. 99.9% of deferred fees were repaid on time, and

4. Several factors influence the decision to defer impact fees.

Among the report details:

• 98 local governments (92 cities/towns and six counties -Clark, King, Kitsap, Snohomish, Pierce and Thurston) have a deferral program.

• Of the 98, two cities in King County have implemented partial deferral programs:

• Black Diamond collects school and fire impact fees, but allows deferral only for school impact fees.

• Pacific collects impact fees for parks and road improvements, but only road fees may be deferred.

• 18 of the 98 local governments had a deferral system in effect on or before April 1, 2015, when the new law (regarding deferral of impact fees) took effect.

• 5 local governments issue 91% of the impact fee deferrals: Ferndale, La Center, Redmond, Ridgefield, and Kitsap County.

• Local governments implemented programs using different combinations of factors. As a result, deferral programs vary. Additionally, administrative fees of the 60 local governments that charge them range from \$50 to \$1,200 per single-family home, with a median fee of \$200.

• Local governments reported 99.9% of deferred fees were repaid on time. In 2018 and 2019 applicants deferred \$11 million of the \$323 million that local governments charged for impact fees. All but \$13,000 was repaid on time.

• By law, local governments must require applicants to record a lien against the property in the amount of the deferred impact fees. However, local governments reported that the lien requirement - which was intended to protect their interest - may be problematic or unnecessary, as it may discourage applicants from pursuing deferrals. They also noted other controls (such as withholding final inspections and/or certificates of occupancy) are available to local governments to ensure they receive repayment.



As result, the report recommended the legislature consider whether liens are a necessary tool to ensure that deferred fees are paid.

• 9 cities and towns do not appear to have a deferral program. JLARC reported that in response to inquiries from its staff:

• Maple Valley, Granite Falls, and Everson report that they are in the process of developing impact fee deferral programs.

• Algona, Carbonado, Gold Bar, Nooksack and Roy did not respond to inquiries about the status of their deferral programs.

• Deer Park confirmed it does not have a deferral program.



Mercer Island Town Center Moratorium

The Mercer Island City Council has extended the Town Center moratorium for another six months. In June 2020, the City Council enacted a moratorium on major new construction generally in the southeast quadrant of the Town Center (TC) zoning designation while the City evaluated potential updates and/or amendments to development regulations within the Town Center, including requirements for various types of commercial space.

The key issues relate to inventory of retail space, retail frontage and parking.

The Planning Commission has submitted a proposal to the Council for consideration. The Council has made some amendments to the package and appears close to final approval and end to the moratorium.

TAXATION

Update: Seattle Payroll Expense "JumpStart" Tax

real estate broker, and

The Seattle Payroll Expense Tax, also known as the JumpStart Seattle tax exacts a 0.7% tax on payroll \$150,000 and over earned by employees and independent contractors for businesses with annual payrolls of \$7 million or more but less than \$100 million. The tax is tiered with rates rising as salary and company size increase.

Since February, SKCR staff, real estate owners and attorneys have been working within our industry and with the Seattle Department of Finance to identify a clear path to compliance. The Seattle Department of Finance has stated that the fixes we are seeking exceed the Department's rule making authority.

The real estate industry is unique in many respects and makes compliance with the Payroll Expense Tax difficult because:

• The independent contractor status of a real estate broker is codified in federal and state law

• The real estate firm does not dictate or track the time, location or manner in which brokers transact real estate

• The commission structure varies and compensates the

• Under state law, all monies flow through the real estate firm. The real estate firm may not realize new revenue with which to pay the payroll tax.

Therefore, meetings with Seattle Councilmembers and their staff have been scheduled to discuss the unique nature of the real estate industry and to request amendments to the Payroll Expense Tax Ordinance in a manner that will make compliance and guidance clear to our industry. We will keep you updated on the status of our legislative amendments.



To limit evictions, Bellevue will provide landlord-tenant mediation and money for back rent

With the statewide moratorium on evictions ending last month, the city of Bellevue is offering mediation to help tenants and landlords negotiate repayment of overdue rent, on-hold because of impacts from the COVID-19 pandemic. The city is also providing money to low- and moderateincome residents to cover back rent and unpaid mortgage.

The Bellevue Conflict Resolution Center, which has helped neighbors and others resolve disputes through mediation and conciliation for years, is now helping landlords and tenants negotiate repayment plans through the state's courtmandated Eviction Resolution Pilot Program. Both tenants and landlords can initiate repayment plan negotiations.

If a landlord seeks eviction or restitution through the courts, they must first send a notice and repayment plan offer to both the tenant and the Conflict Resolution Center simultaneously. Tenants have 14 days to respond. If there is no repayment plan agreement, the CRC will issue a Dispute Resolution Certificate, allowing the landlord to proceed to court.

All documents and requests should be sent to bcrc@ bellevuewa.gov, or people can call 425-452-4091. Tenants can also ask for help from the Bellevue CRC via phone or email.

Landlords and tenants participating in the program are assigned a conciliator, who carries on negotiations on the phone. If a translator is needed, the CRC will arrange one.

The city is also providing rental, mortgage and move-in assistance to low- and moderate-income residents through its <u>Rental and Mortgage Relief program</u>.

The City Council in August authorized \$7 million of federal American Rescue Plan Act (ARPA) funding for the program. Residents apply for help from local nonprofit agencies contracted by the city, attesting to how COVID has impacted their housing stability.

The agencies providing the money will help residents with the application and translation if needed. The agencies pay the landlords and mortgage holders directly.

This Rent and Mortgage Relief program is supported, in whole or in part, by federal award SLFRP4086 awarded to city of Bellevue by the U.S. Department of the Treasury.

Kent: Rental Housing Inspection Program - An Update



City of Kent Planning Manager, Erin George, met recently with a large group of apartment property managers in connection with the city's Rental Housing Inspection Program. The November 4th

meeting was part of an "Apartment Summit" held by the Kent Police Department at the ShoWare Center.

City officials reported to Councilmembers that they were encouraged to learn from those in attendance that awareness about the City's Rental Housing Inspection Program is widespread.

Most of the apartment property managers attending the event manage properties located in south East Hill, which is the sector of the city currently undergoing inspections. Thus far in 2021, 44% of south East Hill properties have been inspected. City staff indicated the south East Hill sector is twice as large as the other sectors, and Rental Housing Inspection Program staff members anticipate they will spend 2022 there, working with remaining properties to achieve compliance.

The city announced that it is continuing to work with properties around the city to wrap up inspections, permits and repairs from each property's first inspection year. All multi-family properties in North East Hill were inspected from the 2019 inspection year, and according to the city only five properties have lingering repairs that have not yet been completed.

All but one property in the West Hill – Kent Valley area were inspected in 2020. Of those, there are 13 remaining properties the city says are working to complete repairs.

According to the city, more than 2,400 rental housing units in the city have been inspected in the program's first 3 years, and according to city staff, "Thousands of health and safety issues have been repaired, and hundreds of tenants have been helped by this important program."

SeaTac: Regulation of Short-Term Rental Units

The SeaTac Planning Commission is re-visiting the issue of short-term rental housing units in the city. The issue was previously placed in the Planning Commission's work program in December 2019. According to the city, the issue is important because:

• SeaTac's location makes it desirable for investment in properties as shortterm rentals, while at the same time the region is experiencing significant growth and housing shortages.



• City Staff believes it is important for the city's code to seek to balance property owner rights with preservation of housing stock for long-term residents; and

• The legislature amended RCW 64.37 in order to provide a baseline of state requirements for the regulation of shortterm rentals. Those provisions in state law became effective in July 2019.

Under new code provisions being considered by the Planning Commission, short-term rentals would include any portion of a dwelling unit (other than a hotel, motel or Bed & Breakfast) that is offered (or provided) to a guest, for a fee, for fewer than 30 consecutive nights. The new definition would not include an owner-occupied dwelling which rents no more than three bedrooms, to no more than six guests at a time, for fewer than 30 consecutive days, and provides at least one meal per day.

In addition, the code also contains ownership limitations which provide that:

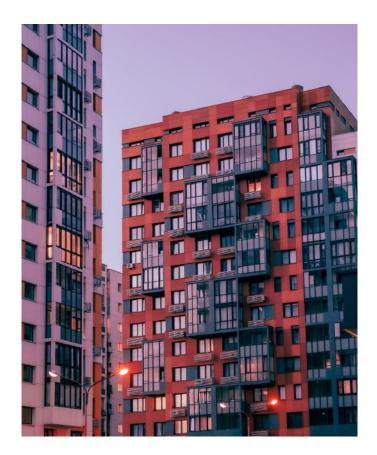
• The percentage of total short-term rentals not occupied by the owner (or a long-term tenant) for at least six-months

out of a year shall not exceed 3% of the total number of dwelling units in the city.

• Once the 3% threshold is reached, no new non-owner/ long-term tenant occupied short-term rental permits will be accepted until such time that total citywide dwelling units increase, or other non-owner/long-term tenant occupied short term rental units cease operation.

• No short-term rental operator is permitted to own, operate, or have any interest in more than one short-term rental unit they are not occupying, except that there is a grandfathering provision for existing vested owners/operators who are legally authorized, and who remain in good standing. If the business license of these existing owners/operators lapses or is revoked, their grandfathered-vested-status will be lost.

According to the city, its short-term rental code is intended to establish standards for the operation of dwelling units used as short-term rentals for the purposes of ensuring neighborhood compatibility, and safety for short-term rental guests and the broader community.



PUBLIC SAFETY

Will A New Sheriff Affect Buyers' Perceptions of Neighborhood Safety?

REALTORS[®] know that even in the most frenzied real estate markets, strong schools and safe neighborhoods remain important considerations when buyers are making a decision about where they want to live. Perhaps not surprisingly, calls to defund the police and eliminate prosecution of petty crimes in some local jurisdictions have not escaped the attention of property owners and voters interested in public safety.

The majority of the 39 cities in King County have their own police departments to ensure public safety. But 11 of the 39 cities - as well as Sound Transit, Metro Transit, King County International Airport and the Muckleshoot Indian Tribe - contract with the King County Sheriff's Office for police services.

Two New County Charter Amendments - approved by King County voters in November 2020 - could affect public safety, not only in King County's rural areas, but also in Beaux Arts Village, Burien, Carnation, Covington, Kenmore, Maple Valley, Newcastle, Sammamish, SeaTac, Shoreline, Skykomish, and Woodinville.

As a result of the charter amendments, beginning

in 2022 a new "Appointed Sheriff" selected by the County Executive will replace the "Elected Sheriff." In addition, the County Council will pass a new ordinance identifying the duties of the Sheriff and the County's Public Safety Department.



Patti Cole-Tindall

In mid-November, King County Executive Dow Constantine announced he had "engaged **POLIHIRE** to conduct the recruitment" of the new Sheriff, anticipating the hiring of a new King County Sheriff sometime this summer.

In the meantime, the County Executive has announced that Patti Cole-Tindall will serve as the Interim Sheriff beginning January 1, 2022. In his announcement the County Executive noted that, "Cole-Tindall has a background in law enforcement, labor relations, human resources as well as service to the community. She joined the King County Sheriff's Office (KCSO) in October 2015, serving as the Chief of Technical Services Division for almost five years before being appointed to Undersheriff, where she is responsible for day-to-day operations with the team of three Division Chiefs."

"She currently oversees the development and implementation of the KCSO strategic plan and the examination and strengthening of the KCSO complaint and use of force review processes. Prior to that, Cole-Tindall served as the County's Director of Labor Relations, advising Executive Constantine and the County Council on strategic planning, labor policy, and employment law. She concurrently served as the interim director of the Office of Law Enforcement Oversight, working with staff, the Sheriff's Office, and the public to improve services and promote awareness of the role of civilian oversight in King County."

The majority of the Sheriff's budget – reportedly in the neighborhood of 60% - comes from the Sheriff Department's contracts with other entities. Previously, on multiple occasions, the County Executive has sought to reduce funding for the Sheriff's office. The current Elected Sheriff, Mitzi Johanknecht, who will be forced out of office on December 31, 2021, said the deep cuts the Executive previously proposed would approximate a 22% reduction in 911 services in the unincorporated areas of King County, or be equivalent to funding for 30 patrol deputies.

Changes are coming, but few details are available. As a result, city councilmembers in some of the contract cities have expressed substantial concerns about what the future of public safety in their cities will look like. They say their concerns are exacerbated by the fact that the Sheriff's office is currently unable to provide all of the deputies their city believes it needs (and which their city council is prepared to pay for).



Conceptually, regardless of whether or not the Sheriff's office has enough deputies available to provide staffing at levels cities are willing to pay for, if the cities insist on receiving full value for whatever payments they make for police services, the impacts of any cuts would fall hardest on unincorporated areas on both sides of the urban growth boundary. So, some residents in unincorporated areas are likewise concerned that if the County Executive reduces the number of sworn deputies - which are already less than what cities have requested the opportunity to pay for - doing so could have large impacts on public safety in the rural areas.

Alternatively, the County might make adjustments to the buffet of police services - as well as staffing levels - available to the contract cities.

Given the importance buyers place upon safe neighborhoods and good schools when selecting where they want to live, the changes coming to King County's Sheriff's office have the potential to be important for buyers, and the brokers who assist them with their purchasing decisions.

Federal Way: Mayor Wants More Police Officers



Federal Way Mayor Jim Ferrell wants the city to hire more police officers. It appears he's not alone.

Not only did the Mayor receive more than 64% of the votes cast in the 2021 November

general election, three other city council candidates – all of whom strongly supported police and public safety - appear to have won their races against sitting city councilmembers.



Challenger Erica Norton garnered almost 60% of the vote in her race against councilmember Greg Baruso. Former Mayor Jack Dovey said he became a candidate after it appeared to him that members of the City Council were considering defunding

Erica Norton



the police. Dovey beat-out incumbent Martin Moore in the primary election, and received nearly 52% of the vote in the general election to defeat Renae Seam.

Fourth Quarter Edition September - December 2021



Jack Walsh defeated councilmember Leandra Craft with 50.3% of the vote.

Daniel Miller - a relative newcomer, and challenger to councilmember Hoang Tran appeared to focus his campaign almost

exclusively on the issue of public safety and support for the police, and fell just 76 votes short of being elected.

Concerns about possible proposals in other cities to defund police appeared to be heightened in Federal Way where city officials say they have seen an increase in reported crimes during the last year. In response, Mayor Jim Ferrell asked the Federal Way City Council to approve adding 13 more officer positions, which would increase the number of authorized positions for sworn police officers in the city from 137 to 150.

Mayor Ferrell characterized his proposal as "very aggressive" and "historic" saying, "Public Safety is the number one priority of my Administration and as Mayor I must do everything within my power to keep Federal Way safe. As our community grows with new developments, regional shifts in population, and increased visitors with the expansion of Light Rail, we must proactively and strategically do our part to ensure we can meet the demands of that growth."

The challenges of staffing the police department at levels sufficient to preserve and enhance public safety have been made more difficult by the fact the police department has recently been understaffed by at least 11 officers as a result of "retirements, career changes, and lateral transfers," according to police officials.

Mayor Ferrell indicated a preference for deploying the 13 additional police officers as follows:

• 6 officers to patrol, which would add one officer for each of the department's six patrol squads

• 2 officers to the department's Special Operations Unit (SOU),

• 1 officer to the traffic unit, and

• 4 officers to re-establish a "Pro-Act" unit (within Special Investigations) which would be responsible for gang suppression, highway/downtown patrol, narcotics investigations and drug houses, neighborhood complaints of criminal activity, asset seizure management, adult business monitoring, and prostitution prevention enforcement. • In addition to adding sworn police officers, two additional records specialists would also be hired as support staff to make it possible for police officers to spend more of their time policing.

City officials estimate the initial cost of the mayor's proposal for 13 additional police officers would include \$1,275,378 for officers' salaries and benefits, \$126,386 for the salaries and benefits of two records specialists, \$183,000 in equipment and uniforms, and \$962,000 for 13 patrols vehicles. These costs would be in addition to capital expenses to replace existing police vehicles, and the cost of hiring bonuses.

IN OTHER NEWS

Renton: Initiatives Give Life to City's Commitment to Diversity, Equity & Inclusion (DEI)

It might appear - perhaps correctly - that almost everyone everywhere is "jumping on the DEI bandwagon" ...and then seeking-out opportunities to make statements that draw attention to themselves for having done so.

But increasingly, it appears Renton officials are taking a different approach... one that reflects the city's deep empathy, caring, discernment and steeled resolve to make an important difference on DEI that matters, not just an attention-getting splash.

About half the city's residents are people of color. 9.3% live in poverty (compared to 7.7% countywide), and the median household income is just \$77,739 (compared to \$128,694 countywide in 2019).

The city's quietly under-stated commitment regarding DEI reflects the deep seriousness city officials are bringing to the hard work of breathing life into a passel of emerging city initiatives designed to foster new opportunities - and provide assistance - to historically marginalized residents in the city that now has a population of more than 100,000:

"We've committed to be a government reflective of its evolving community. We have engaged with our residents to identify challenges to overcome and opportunities to build upon. We have listened, made significant changes, and launched new initiatives over the past year that we believe will move us in the right direction." Representative examples of the City's initiatives include the following:

• The City Council approved an amended 2022-2027 Business Plan that added the following goal to guide the city's operations and investments: **Build an inclusive, informed and hate-free city with equitable outcomes for all in support of social, economic and racial justice.**

• The City Council created a new *Equity, Housing and Human Services Department* to align and allocate resources to help the most vulnerable members of the Renton community. One of the first initiatives of the new department is the creation of a new Equity Commission, which received the unanimous support of the Council. Previously, the city had a Diversity Commission, but the entity was inadequate to address matters related to Equity and Inclusion.



The new Equity Commission will be charged with the responsibility to:

• Review City practices, policies and procedures to provide recommendations, including recommendations regarding whether or not the practice, policy, or procedure may create or support inequity (including which community or communities may be impacted, and how those impacts may emerge).

• Additionally, Commissioners will suggest specific actions to resolve the identified inequities.

• Within the first six months Commissioners shall develop a Mission, Vision, and By-Laws, including elections of officers to manage its operations as required in the ordinance that created the Commission.

• The Commission will include nine members who are either Renton residents, or business owners. One member must be between 18-25 years old. The membership will commit to equity and reflect the diversity of the city including, but not limited to: ethnicity, race, age, gender, faith, gender identity and expression, and profession.

• Commission members are appointed by Renton Mayor Armondo Pavone, subject to confirmation by the City Council.

• Renton has been designated as an "Age-Friendly City" by the World Health Organization and AARP for the city's work in identifying and creating an action plan to improve resources and community design to better-meet the needs of the City's senior residents.

Renton is only the 2nd City in Washington State to receive the international designation. The city anticipates that 20% of its residents will be 65, or older, within 10 years. So, Renton has begun planning now to meet the needs resulting from this anticipated shift in demographics.

One of the City's first actions in this regard was the establishment last year of a *Senior Citizen Advisory Board* which reviewed the city's program offering to assess their effectiveness, and to identify critical gaps in programs. A resulting early addition to the programming is a new Virtual Series (via Zoom) on the 2nd and 4th Mondays of each month to cover various topics using expert presenters, city staff and knowledgeable individuals speaking on matters identified by seniors.

In July, the City's "Age-Friendly" designation led to the opening of the first and only, *FitLot* outdoor exercise equipment park in the state of Washington. Sponsored by AARP, the covered park is located at the North Highlands Neighborhood Center where Seniors can also sign up for free exercise classes.

• The City Council has also adopted an "ADA Transition Plan" that is the city's blueprint to identify and remove barriers that affect mobility challenges. The city of Renton is updating its protocols for identifying, prioritizing and removing barriers, specifically for those with disabilities.

A key element of this effort involves public engagement to identify the location of such barriers, specifically in the public right-of-way. The plan provides an opportunity for Renton to review its programs, activities, and services to identify barriers and changes that are needed for individuals with disabilities to fully participate in civic life. It will be used to guide future planning and implementation of necessary accessibility.

Both the Self-Evaluation and the Transition Plan are required elements of the federally mandated ADA Title II, which requires that government agencies provide equal access to programs and services they offer. While the ADA applies to all aspects of government services, this Plan focuses exclusively on the public right-of-way which includes sidewalks, curb ramps, pedestrian crossings and pedestrian push buttons. The Self-Evaluation will inform the development of a transition plan to prioritize and schedule the removal of barriers identified during the self-evaluation process.



Enumclaw: Can the city of Enumclaw Leave King County?

The Enumclaw City Council wants to know if the city can leave King County.

Really! Seriously! No joke. And, the City Council vote to seek-out a legal opinion on the matter was unanimous.

On October 25th the Enumclaw City Council approved a motion suggested by councilmember Chance La Fleur to "seek legal counsel as to the possibility, process, and impacts of annexing a portion of one county into another."

In an email to the Enumclaw Courier-Harald following the October 25th meeting, City Council member Tom Sauvageau reportedly opined that, "the major reason that the City Council is more inclined to annex into another county is the philosophical differences that Enumclaw faces being a rural community as compared with the majority of urban and suburban King County. Those differences relate less to tax and political representation and more to moral and ethical standards."

Referencing the issue of COVID mask and vaccine mandates as an example of citizen discontent, he reportedly stated, "It is inherently apparent that there is a difference in overall beliefs to anyone who walks in downtown Seattle and then drives an hour to Enumclaw and walks in downtown Enumclaw. This seems to be the largest driving factor in why I've heard citizens in Enumclaw state their desire to be a part of a different county than King County."

In making his motion to explore the possibility of deannexing from King County - and joining a different county - Councilmember Chance La Fleur was straightforward in explaining that he didn't know if the city has the power to take such action, and he was not advocating the Council de-annex from King County even if such action is legal. But LaFleur said he had concluded it made sense for the city to "expend a little bit of resources and possibly a little bit of cost in getting some legal advice about the process, procedure, even the possibility - if it is a possibility."

Dissatisfaction among rural residents who perceive King County to be a Seattle-centric government is not new. When King County passed a Critical Areas Ordinance that required rural property owners to leave 65% of their property untouched by impervious surfaces, rural property

owners rebelled and noted that under such restrictions it would be "nearly impossible to have a house, a driveway and a barn for your horse on 5 acres."

In response to the perceived attempt to force so-called Seattle ideas and values on rural residents, a successful legal challenge was launched by rural residents to have the county's restrictions declared unconstitutional. That legal victory was followed by an unsuccessful attempt to deannex a large portion of east King County, and to create a new county called Cedar County.

Aided by support in the cities of Enumclaw and Black Diamond, rural residents submitted 24,000 signatures to the Secretary of State on a petition to secede from King County. After the matter worked its way through the legislature and the trial courts, the Washington State Supreme Court eventually ruled that the Secretary of State did not have the authority to put such a measure on the ballot. Instead, jurisdiction over the issue resides with the legislature.

Unlike the petition to create a new "Cedar County," the motion approved by the Enumclaw City Council simply seeks to explore the possibility of the city moving out of King County and into a different adjoining county. Portions of Enumclaw are already in Pierce County, a fact reportedly noted by the councilmember Hoke Overland.

Section 3, Article XI, of Washington's Constitution places limits on the creation of "new counties." It states:

> "There shall be no territory stricken from any county unless a majority of the voters living in such territory shall petition therefore and then only under such other conditions as may be prescribed by a general law applicable to the whole state."





Whether or not the language would apply to the city seeking to move from one county to another county does not appear to have been squarely addressed by Washington's courts.

Additionally, there is no *"general law applicable to the whole state"* of the type referenced in Article XI that lays out the process for creating a new county. State Senator Phil Fortunato - who represents the state's 31st Legislative District, and ran for governor in 2020 - authored proposed legislation in 2017 (SB 5932) that would have created such a *"general law applicable to the whole state"* while also creating a process that could be used for de-annexations. Senator Fortunato's bill eventually died in committee.

Article II, Section 28 (18) also places constitutional limits on "changing county lines...provided, this shall not be construed to apply to the creation of new counties." However, this prohibition in Article II only applies to the legislature "enacting any private or special laws." Whether or not allowing a city to change counties would be a "private or special law" seems likely to be part of the legal analysis the Enumclaw City Council has requested.

PROTECTING YOUR BUSINESS

Elections in 2021

Laws govern the way in which you conduct your business and affect your bottom line. Laws are made by elected officials. This year elections were conducted for the King County Council, Port of Seattle, and city councils. The primary election was on August 3, and the general election was on November 2.

REALTORS[®] don't just sell homes. We sell neighborhoods and Quality of Life.

REALTORS[®] know that Quality of Life begins with a good job in a company that has a great future. Homes are where those jobs go at night. That's why it's so important to have elected officials who understand the key contribution that jobs and housing make to healthy, vibrant communities.

We need elected officials who share our REALTOR® values, and who appreciate the hard work you do as a real estate professional. So, members of the Association reviewed voting records of elected officials. And it's why your REALTOR® colleagues conducted candidate endorsement interviews with candidates running for office. This year Seattle King County REALTORS[®] worked to protect and enhance your business by reviewing voting records of incumbents, conducting candidate endorsement interviews, and supporting local candidates who share our REALTOR[®] values. Our general election voting guide mailed in October to all Northwest MLS members who have a preferred mailing address in King County!

Thirty-eight (38) of forty-nine (49) SKCR-endorsed candidates - 78% - won their elections.

SKCR-endorsed candidates who won their elections include: Ryan Calkins (Port of Seattle); Dow Constantine (King County Executive); Rod Dembowski, Dave Upthegrove, Pete von Reichbauer, and Reagan Dunn (King County Council); Nancy Backus (Auburn Mayor); Kate Baldwin, Yolanda Trout, and Larry Brown (Auburn); Conrad Lee, Jared Nieuwenhuis, and Lynne Robinson (Bellevue); Carol Benson (Black Diamond Mayor); Jeanne Zornes and Ben Mahnkey (Bothell); Jennifer Harjehausen and Joseph Cimaomo, Jr. (Covington); Traci Buxton and Matt Mahoney (Des Moines); Jim Ferrell (Federal Way Mayor); Erica Norton, Jack Walsh, and Jack Dovey (Federal Way); Barbara de Michele and Russell Joe (Issaquah); Dana Ralph (Kent Mayor); Toni Troutner (Kent); Penny Sweet and Neal Black (Kirkland); Linda Olsen and Dana Parnello (Maple Valley); Melissa Stuart (Redmond); James Alberson and Carmen Rivera (Renton); Bruce Harrell (Seattle Mayor); and Sara Nelson (Seattle).



REALTORS® Political Action Committee (RPAC)



NEW! An Easy, Quick Way to Protect Your Business - REALTOR® PAC ONLINE

Introducing a new secure, online REALTOR[®] PAC (RPAC) investment site making it easier than ever for busy REALTOR[®] to protect their business. We can't all go to Washington D.C., the state Capital, or even our City Halls while government leaders are making decisions that affect our industry; but while we are busy, REALTOR[®] PAC can fight for us and for our clients. Please make an investment of \$50, \$100, or \$500 to ensure that when government acts, there is no harm to real estate, no new taxes, and no added unnecessary complications to the real estate transaction. As of early November 2021 (most recent information available), SKCR has raised \$370,602 for the REALTOR[®] PAC with at: www.warealtor.org/government-affairs-main/rpac

Thank you to our RPAC Major Investors! A major investor is a member who has invested at least \$1,000 to RPAC this year. Our major RPAC investors can be seen here: <u>https://www.nwrealtor.com/advocacy/rpac/rpac-major-investors/</u>

Issues and Impacts is a quarterly publication produced by SKCR to inform members about current issues and successes within your Governmental Affairs Department. Our next publication will be released in April 2022.

2022 VP of Governmental & Public Affairs Garrett Nelson garrett@exre.com

2022 VP-elect of Governmental & Public Affairs Michele Hunt michele@michelehunt.realtor

> Local Legislative Housing Specialists Sam Pace sam@sampace.com

Randy Bannecker

randy@bannecker.com