

DRAFT

2008 City of Tacoma State Legislative Priorities

Environment:

The Legislature has created the Puget Sound Partnership, a public-private initiative designed to study the condition of Puget Sound and recommend actions to protect this inland sea and restore its health where needed. These actions may involve a public education campaign concerning the health of Puget Sound as well as eventual creation of new regulations of discharges and new revenue streams dedicated to improving its health. New Federal standards will result in a portion of the Tacoma area falling out of compliance with Federal Clean Air Act regulations. The City has adopted the Mayor's Initiative on Climate Change and has taken steps to reduce its own carbon usage as well as working with the community to address broader issues. The City support legislation that assists in this effort and needs to work in partnership with the State.

- **The City supports the actions of the Puget Sound Partnership to increase public awareness of the health of Puget Sound.**
- **The City supports legislation that helps address implementation of the climate change initiative.**

Fiscal:

The Legislature has provided local government with new general revenue opportunities. Unfortunately, this authority is unnecessarily burdened with restrictions and limitations which make the tools less helpful. Other tax sources are also limited by restrictions on their use, some of which make little sense, complicate budget preparation, and frustrate citizens. In 2008, the apportionment provisions of the Legislature's mandate to make municipal business and occupation taxes uniform will go into effect. The fiscal impact of apportionment to Tacoma will be a loss of at least \$1.5 million annually. This is in addition to the \$1 million impact the uniform B&O tax law has already had on Tacoma's budget. There may be opportunities for the City to work with the business community on this issue. The City and Metro Parks Tacoma have entered into a long term agreement covering services and finances. The City has agreed to assist Metro Parks in securing passage of new general revenue authority provided this authority does not negatively impact City revenue.

- **The City supports modification of municipal b&o tax apportionment.**
- **The City supports changes to local tax authority that remove non-supplanting, earmarking, and other limitations on the uses of such revenue.**
- **The City supports new general tax authority for Metro Parks Tacoma.**

Housing:

The Tacoma Housing Authority is rebuilding the Salishan community using Federal Hope VI funds, local funding and private dollars. The rapidly rising cost of infrastructure has put completion of this project at risk. The state will see new tax revenue from Salishan in excess of the capital funds needed to complete the project. The availability of affordable housing is an increasing problem in the Puget Sound area. There are many methods of addressing this problem, but reducing environmental and neighborhood protection is not one of them. New tools to assist with housing infrastructure and financing are the preferred approach. The need for supportive housing to assist communities that have committed to ending chronic homelessness is very real. The revenue currently provided by the State for this purpose will not be adequate to sustain a program over time. The City has had a policy of offering appropriate surplus land to non-profit housing agencies before offering the land to general sale. Other innovative techniques to help keep the cost of affordable housing within reach of lower income persons is needed.

- **The City supports new and innovative tools to improve housing affordability.**
- **The City supports additional revenue for housing needed for the homeless.**

Infrastructure and transportation:

The Legislature has begun to hear the concerns of local government regarding the need for assistance with the cost of providing infrastructure. This infrastructure includes such things as sewer and water systems for which there are existing programs which are underfunded as well as community or economic development infrastructure. These are the kinds of improvements necessary to eliminate blight or attract or retain business. The State has created limited programs such as the Job Development Fund to help in this area, but the best solution would be to give local government new resources to develop programs that meet unique local needs. The State should focus its assistance in targeted areas, such as Pierce County where there is a severe imbalance between housing and jobs. This imbalance hampers cities from meeting State goals in growth management, transportation demand management and carbon emissions. A major source of infrastructure funding for local government is the real estate excise tax (REET). The State allows cities two one-quarter percent REET taxes, but makes use of this revenue needlessly cumbersome by specifying different uses for the two taxes. The Murray Morgan Bridge will need additional state and other funds in order for the City to assume ownership for restoration.

- **The City supports restoration of revenue and other improvements to the Public Works Trust Fund.**
- **The City supports new REET authority for infrastructure purposes.**

2007 City of Tacoma State Legislative Priorities- 3

- **The City supports new infrastructure funding tied to assist communities in achieving State growth management, transportation and pollution goals.**
- **The City seeks additional revenue from the State for restoration of the Murray Morgan Bridge.**

