JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS
CONSENT AGENDA REQUEST

TO: **Board of County Commissioners**

FROM: **Mark McCauley, County Administrator**

DATE: **January 13, 2025**

SUBJECT: **Finalizing Jefferson County's 2025 Legislative Agenda**

STATEMENT OF ISSUE:

On October 21, 2024 the Board of County Commissioners held a workshop to discuss our 2025 legislative and funding priorities with Stephanie Wright, of WA S360, our lobbyist. The Board refined its list of legislative priorities and conducted another workshop with Ms. Wright on Monday, December 23rd to discuss the refined list. A final workshop was conducted on January 6, 2025 to agree on a final list and review associated descriptions/language.

ANALYSIS:

The attached memorandum is the result of the January 6, 2025 workshop.

FISCAL IMPACT:

The County pays S360 a monthly amount to provide lobbying services.

RECOMMENDATION:

Recommend the Board adopt the attached final legislative agenda for 2025.

REVIEWED BY:

Mark McCauley, County Administrator   Date 1/9/25

Board of County Commissioners
1820 Jefferson Street
PO Box 1220
Port Townsend, WA 98368

Heather Dudley-Nollette, District 1 Heidi Eisenhour, District 2 Greg Brotherton, District 3

Jefferson County's Legislative Priorities for 2025

POTENTIAL CAPITAL ASKS

Hwy 19/20 and Mill Road Gateway Intersections:

Jefferson County, Port Townsend and WSDOT are working together to address outstanding safety and congestion issues resulting from outdated infrastructure at this critical intersection, which straddles the city/county boundary and functions as a gateway between urban Port Townsend and rural Jefferson County. SR 20 serves the Port Townsend Ferry and is designated by the state legislature as a Highway of Statewide Significance. The Olympic Discovery Trail, the crown jewel in this region's trail system, intersects SR 20 in this vicinity. This is also an important service corridor for Jefferson Transit.

Jefferson County is requesting $1.29 million to be used to complete environmental review and right-of-way acquisition needed to realign several close and intersecting facilities with a roundabout. This will support the City of Port Townsend's $500,000 request for design funding. Modern roundabouts increase operational efficiency and business access for vehicles while greatly enhancing safety for all modes of travel. And in a highly rural region where extended power outages are common, the ability of a roundabout to function effectively and efficiently, no matter what, is an additional advantage.

Finally, this project has direct benefits for freight mobility and economic growth by eliminating turning conflicts and improving operational flows for trucks serving the paper mill, the Port of Port Townsend and Boat Building Center, as well as the growing industrial center. Completion of this work will leave the project partnership well-poised to pursue construction grants by providing them with a compelling, shovel-ready project.

Design funding for a mid-County Aquatic Center:

Jefferson County and Port Townsend have agreed to the concept of a mid-County aquatic facility for the health and safety benefits it will bring to our maritime communities, as well as economic benefits. This facility will replace the only other public aquatic facility in the County - a very dated and difficult/expensive to maintain pool in Port Townsend. Much work has been done to explore the feasibility of a Public Facilities District and the determination of a location, and the County will continue to support efforts to bring the PFD sales tax vote to the ballot in 2025.

Having funds for a design of the facility is a critical step for raising additional funds from public grant programs as well as private philanthropic donors. *Jefferson County is requesting $250,000 to complete the initial design work for this important community asset.*

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POLICY PRIORITIES:

Support flexibility for Local Areas of More Intense Rural Development (LAMIRDS)

The Legislature continues to express an interest in understanding the issues related to limitations on the use of LAMIRDs. While LAMIRDS were designated to identify areas outside of Urban Growth Areas (UGA) where development has historically existed for the benefit of rural residents and visitors, their uses were extremely limited in the Growth Management Act to only those uses present in 1991. Jefferson County supports flexibility of uses and changes to zoning to provide services to the existing residents of areas like Quilcene, Brinnon and Chimacum.

This priority also supports WSAC's effort to allow expanded housing and density options for middle housing on lots in single-family residential housing zones UGAs, LAMIRDs, and Planned Unit Developments (PUD). Additionally, Jefferson County is exploring options for the provision of wastewater treatment from the existing Dosewallips State Park system to the unincorporated Brinnon area to alleviate concerns about septic systems and flooding. We will monitor both fronts to determine if an opportunity to support Jefferson County's needs arises.

Amend RCW 82.46.75 to allow additional counties to impose an excise tax for housing

Throughout the state, the lack of affordable housing is causing untold downstream and upstream impacts, from homelessness to the inability to recruit executive staff to public sector employment. It is clear that the public sector needs to work on affordable housing. Counties are the least financially diversified governments in the state. We are highly dependent on property taxes as our primary and most flexible funding source. However, property tax increases are severely restricted and annual increases cannot keep up with the rising costs of existing responsibilities. New legislative requirements that cost money without including additional resources make the counties' financial concerns worse. The few tools we do have are regressive, and disproportionately impact those who are housing insecure. We need a progressive taxation tool that can allow public support for the development of affordable housing.

We already have such a tax, which can be voted in by county residents under RCW 82.46.075. Unfortunately, only one county has been able to take advantage of this RCW, which allows a .5% excise sales taxon the purchase or sale of a house to be used to develop affordable housing. This is because the RCW includes subheading (5):
"No tax may be imposed under this section unless the county imposes a tax under RCW ***82.46.070*** *at the maximum rate and the tax was imposed by January 1, 2003."* We propose writing and supporting a law which removes sub-heading 5 quoted above from RCW 82.46.075 to allow counties to ask their residents if this tax makes sense to develop affordable housing in their communities.

Support a Local Option Sales Tax on Short Term Rentals

The Legislature will consider a bill, sponsored by Senator Lovelett, to allow local governments to adopt a new sales tax on the rental of short-term rentals (STRs) or transient (less than 30 day) rentals of housing units. This tax, to be paid by the customer/renter of the unit (NOT the land owner), would be used by the local government collecting them to mitigate the impact of these units being taken out of housing to support the creation of additional housing units, or pay for the O&M of affordable units. Jefferson County may advocate for these funds to be used specifically to fund workforce housing, or 80-120% AMI, as this is a demographic for whom very little other funding exists.

As Jefferson County is currently re-writing its regulations for STRs, the timing of this bill is ripe for Jefferson County to consider the potential impact of the hundreds of previously un-regulated units in unincorporated areas. We support a local option, particularly one that adds a very small percentage to visitors' spending without impacting local residents.

We also support:

- Additional funding sources for O&M and increased access to vouchers for affordable and permanent supportive housing.
- Increasing producer responsibility in solid waste and recycling. Ensure that new legislation includes opportunities for affordable, accessible recycling in rural counties outside the I-5 corridor.
- Preserving mobile home parks as affordable housing.
- Capital Budget for appropriation to Trust Land Transfer for potential inclusion of our Anderson Lake and/or Cape George parcels.

Sincerely,

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Heather Dudley-Nollette, Dist. No. 1 Heidi Eisenhour, Dist. No. 2 Greg Brotherton, Dist. No. 3