



CITY OF SNOHOMISH

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NOTICE OF REGULAR MEETING

SNOHOMISH TRANSPORTATION BENEFIT DISTRICT

in the
George Gilbertson Boardroom
1601 Avenue D

TUESDAY
May 3, 2011
6:00 p.m.

AGENDA

- 6:00 1. **CALL TO ORDER**
- a. Pledge of Allegiance
 - b. Roll Call
- 6:05 2. **APPROVE AGENDA** contents and order
- 6:10 3. **CITIZEN COMMENTS** on items not on the Agenda
- 6:20 4. **PRESENTATION** – Route Development Plan and WSDOT Related Funding Sources (*P. 1*)
- 6:30 5. **PUBLIC HEARING** – Sales Tax Proposal Ballot Measure (*P. 3*)
- 1) Staff presentation
 - 2) Council’s questions of staff
 - 3) Citizens’ comments
 - 4) Close citizens’ comments
 - 5) Council deliberation and action – **PASS** Resolution 2
- 6:40 6. **ACTION ITEM – CONFIRM** Appointments to Pro and Con Voter Pamphlet Committees (*P. 11*)
- 6:45 7. **CONSENT ITEM – APPROVE** the minutes of the regular meeting of April 5, 2011 (*P. 13*)

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6:50 8. **OTHER BUSINESS/INFORMATION ITEMS**

6:55 9. **ADJOURN**

NEXT MEETINGS: The regular meeting scheduled for June 7, 2011 **HAS BEEN CANCELLED**. The regular next meeting will be held on Tuesday, July 5, 2011, at 6 p.m., in the George Gilbertson Boardroom, Snohomish School District Resource Center, 1601 Avenue D.

The City Council Chambers are ADA accessible. Specialized accommodations will be provided with 5 days advanced notice. Contact the City Clerk's Office at 360-568-3115.

PRESENTATION 4

Date: May 3, 2011
To: Transportation Benefit District Board
From: Tim Heydon, Public Works Director
Subject: **SR 9 Corridor Plan**

Over the last few years, City of Snohomish staff has been active in working with the Washington State Department of Transportation (WSDOT); the Cities of Arlington, Lake Stevens, and Marysville; Snohomish County; Community Transit; and Puget Sound Regional Council on studying the need for improvements along the SR 9 Corridor. The goal of this work was to come up with a coordinated list of projects that can be used as a blueprint for how the corridor can develop. This document is the one which is being used by the SR 9 Coalition in order to lobby for State and Federal funding. This document was recently approved by WSDOT Headquarters, which makes it a final, official document.

Richard Warren has been the Project Manager through this process, and will be giving a presentation on what is in the document and the minor changes that have been incorporated as part of the WSDOT Headquarters approval. He will also discuss the projects which have received funding, and the prospect of State funding for the remaining projects.

STRATEGIC PLAN REFERENCE: Goal 4.C., “Significantly Increase City Funding for Street Maintenance,” and its Action Strategy, “Identify and evaluate funding alternatives for roadway improvements,” are directly related to this item.

RECOMMENDATION: That the TBD Board DISCUSS the WSDOT presentation regarding the SR 9 Route Development Plan.

PRESENTATION 4

PUBLIC HEARING 5

Date: May 3, 2011

To: Transportation Benefit District Board

From: Larry Bauman, City Manager

Subject: **Public Hearing for Resolution 2—Voter-Approved Sales Tax Ballot Measure to Fund Projects of the Transportation Benefit District**

BACKGROUND: Through discussions that continued during its April 5, 2011, meeting, the Transportation Benefit District (TBD) Board has directed staff to develop a draft ballot measure that could potentially be used to request voter approval of a 0.2 percent increase in the local sales tax rate to support transportation improvements identified by the Board. The draft resolution required for the Board to adopt a ballot proposition (see Attachment) has been prepared with the assistance of the City Attorney to ensure conformity with state law. A public hearing, while not required by law, has been posted and scheduled in order to ensure that public testimony is invited prior to the Board's direction at its May 3 meeting.

The purpose of this agenda item is for the Board to receive public comment regarding the proposed ballot measure and to decide whether to place the measure on the 2011 August Primary Election ballot. This action would need to be taken no later than the Board's regular meeting scheduled for May 3 to place the measure on the Primary Election ballot.

The Municipal Research and Services Center reports that some 17 local governments have created TBDs and that several additional cities and counties are continuing to consider this step. The majority of those governments forming a TBD have apparently funded them through the imposition of a vehicle license registration fee of \$20 or less. Staff is aware of three jurisdictions—the City of Bellingham, the City of Sequim, and the City of Ridgefield—that have asked voters to approve a ballot proposition to increase sales tax for funding of a TBD. Voters in Sequim, Bellingham, and Ridgefield have approved these measures to enact an additional sales tax rate of 0.2 percent.

BALLOT MEASURE ELECTION DATES, COSTS, AND DEADLINES: The 2011 deadlines for adopted resolutions to be received by the County Auditor's Office are May 24 for the August 16 Primary election and August 16 for the November 8 General election. Since there are no limitations within state election code that would prevent such measures from appearing before voters in the Primary or General elections, the Board may adopt a resolution for either ballot.

The cost of placing a proposition on any specific ballot is a function of the number of registered voters in the jurisdiction and the number of jurisdictions that have various elected office or measures on that ballot. Since these costs are broadly shared by many jurisdictions for Primary and General election dates, these dates offer the most cost-effective means to place a measure before the voters. The costs to place a measure on Special election ballot due to the few numbers of jurisdictions typically using them, may cost a single jurisdiction up to \$80,000. The election process is initiated by the governing body of the jurisdiction adopting a resolution that specifies the language of the ballot measure for a specific election date.

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Exact costs of an election cannot be predetermined without having clear knowledge of the number of other jurisdictions placing items on the ballot, which determines how these costs are shared. There are likely to be differences between Primary and General election costs, although these costs in either case are potentially less than the far higher potential costs of a special election ballot measure. Below are the City's actual election costs as billed to the City of Snohomish by the County Auditor's Office for years 2002 through 2009:

Date	Type of Election	Cost to City
11/3/09	General and Special	\$2,575.13
11/6/07	General	\$1,620.49
11/8/05	General	\$2,425.41
9/20/05	Primary	\$10,601.11
11/4/03	General	\$2,157.54
9/16/03	Primary	\$5,649.06
11/5/02	General	\$1,007.41
5/21/02	Special	\$9,614,.81

To place such a ballot item before the voters, the TBD governing body must develop a plan that specifies the transportation improvements to be provided or funded by the TBD. The language of the ballot proposition must include information for the voters about how the funds would be allocated. As part of this plan, the TBD's governing board can indicate if the funds will be used immediately, or if they will be collected for a specified period. Typically, funds that are collected for a specified period before being expended are used to fully fund large projects, when bonding, or serve as a match for state or federal funds that may only become available in a specified time frame.

Due to the fact that discussions are occurring in the state legislature that could lead to placing one or more tax-related ballot measures on the General Election in 2011, staff recommends that the Board direct that a resolution be placed as a public hearing item on the Board's May agenda with the objective of placing the ballot measure before the voters for the 2011 Primary Election ballot. Staff has no knowledge of any County or State ballot measure being planned for the Primary Election this year.

REVENUES FROM A SALES TAX INCREASE: The attached draft ballot proposition would request the voters' approval to enact a 0.2 percent increase in the local sales tax rate. This rate would apply to all sales tax eligible purchases within the City's boundaries. As such, consumers who are residents or from outside the City would be taxed equally by this increased rate.

A voter-approved sales tax increase permitted for TBDs cannot exceed 0.2 percent. At this maximum rate of increase, the estimated revenue—based on current sales tax receipts—would be \$660,000 annually. A 0.2 percent increase in the sales tax rate would be added to the existing rate of 8.6 percent, and would result in a new rate of 8.8 percent. For example, a purchase or series of purchases equaling \$40,000 would result in \$80 in additional sales tax. A \$40 purchase would be taxed an additional 8 cents.

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Unless specifically approved by the voters, a sales tax increase may not be imposed for a period exceeding 10 years. Even with specific voter approval, a sales tax increase may not be imposed for more than 20 years. Any ballot measure must also indicate the specific purposes and types of projects to be funded.

One of the concerns that local retailers may have regarding this option is how such an increase in the sales tax rate would affect their competitive position. One of the major current differences in sales tax rates charged by the local jurisdictions in our region is the additional rate of 0.9 percent for those communities within the Sound Transit's Regional Transit Authority (RTA) District, which runs roughly southward from Everett including communities along the I-5 corridor. Within Snohomish County cities, the sales tax rate ranges primarily from a low of 8.6 percent to a high of 9.5 percent. Voter approval of a 0.2 percent increase would bring Snohomish's rate to 8.8 percent, which would remain below the arithmetic median (9.1 percent) for sales tax rates of Snohomish County cities. Below is a table of local sales tax rates comparing several nearby communities in Snohomish County and one in north King County:

City	Current Sales Tax Rate
Everett (RTA)	9.2%
Lake Stevens	8.6%
Lynnwood	9.5%
Marysville	8.6%
Monroe	8.6%
Kirkland	9.5%
Snohomish (City)	8.6%

If a voter-approved increase in sales tax were to be approved as a ballot measure, the increased sales tax would not be implemented by the state Department of Revenue for collection 75 days following certification of the election. Actual revenues transferred to the City would come 60 days after collection, or approximately 135 days after election certification.

STRATEGIC PLAN REFERENCE: Goal 4.C., "Significantly Increase City Funding for Street Maintenance," and its Action Strategy, "Identify and evaluate funding alternatives for roadway improvements," are directly related to this item.

RECOMMENDATION: That the Transportation Benefit District Board **HOLD** a public hearing to take public testimony, and **PASS Resolution 2** to place the proposed ballot measure before the voters for the **Primary Election ballot in 2011**.

ATTACHMENT: TBD Board Resolution 2 for Adoption of a Ballot Measure

**CITY OF SNOHOMISH
TRANSPORTATION BENEFIT DISTRICT
Snohomish, Washington**

RESOLUTION 2

A RESOLUTION OF THE GOVERNING BOARD OF THE TRANSPORTATION BENEFIT DISTRICT OF THE CITY OF SNOHOMISH, WASHINGTON, PROVIDING FOR A BALLOT PROPOSITION TO BE SUBMITTED TO THE QUALIFIED ELECTORS OF THE DISTRICT ON AUGUST 16, 2011, TO IMPOSE A SALES AND USE TAX IN THE AMOUNT OF TWO-TENTHS OF ONE PERCENT (0.2%) WITHIN THE BOUNDARIES OF THE DISTRICT FOR A PERIOD OF TEN YEARS TO FUND OR FINANCE SPECIFIED TRANSPORTATION PROJECTS

WHEREAS, the City of Snohomish (the “City”) approved Ordinance 2197 on September 21, 2010, creating the Transportation Benefit District (“TBD”) of the City of Snohomish, Washington (the “District”) pursuant to Chapter 36.73 RCW; and

WHEREAS, the City has identified the sales and use tax as an authorized source of revenue identified in Chapter 36.73 RCW to finance the transportation capital improvements identified in the “Washington Transportation Plan for 2007-2026” and the City’s Transportation Plan; and

WHEREAS, the District is authorized pursuant to RCW 36.73.040(3)(a) to impose a sales and use tax in accordance with RCW 82.14.0455 in the amount of two-tenths of one percent (0.2%) for a period of ten years upon a favorable vote of the qualified electors within the District for the purpose of funding or financing certain transportation improvements; and

WHEREAS, with voter approval, the District may impose a sales and use tax upon the occurrence of any taxable event within the boundaries of the District to fund or finance transportation improvements; and

WHEREAS, projects related to public transportation are included in the definition of a transportation improvement project pursuant to RCW 36.73.015(3) and are eligible Transportation Benefit District projects; and

WHEREAS, if approved by the voters, the sales and use tax will apply to persons who shop and thereby use the roads in the City and not just to City residents; and

WHEREAS, the sales and use tax is estimated to generate an average of \$660,000 of additional revenue per year, which will be used entirely to fund the shortfall in funding for the projects included in the Washington Transportation Plan for 2007-2026 and the City’s Transportation Plan as adopted or hereafter amended and as allowed by state law and other transportation projects identified in Ordinance 2197 creating the Transportation Benefit District;

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NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE TRANSPORTATION BENEFIT DISTRICT OF THE CITY OF SNOHOMISH AS FOLLOWS:

Section 1. Current Purpose and Need.

The Governing Board of the District (the “Board”) hereby finds that the best interests of the inhabitants of the District require the District to impose a sales and use tax through Resolution ____ in the amount of two-tenths of one percent (0.2%) pursuant to RCW 36.73.040(3)(a) and RCW 82.14.0455 for the purpose of providing a portion of the funds necessary to finance transportation improvement projects.

The following items are identified as proposed transportation improvements:

1. Street Preservation which extends life cycle of street section (i.e. pavement repair, overlay, chip seal, patching); \$500,000 annually
2. Bickford Avenue at 15th Street Intersection Improvements; \$700,000
3. 30th Street at State Route 9 Intersection Improvements; \$500,000

The cost of all necessary design, engineering, financial, legal and other consulting services, inspection and testing, administrative and relocation expenses, and other costs incurred in connection with the foregoing TBD Projects shall be deemed a part of the costs of the TBD Projects.

The Board shall determine the application of moneys available for the TBD Projects so as to accomplish, as nearly as may be practical, all of the TBD Projects. In the event that the proceeds of sales and use taxes authorized herein, plus any other money of the District legally available therefore, are insufficient to accomplish all of the TBD Projects, the Board shall use the available funds for paying the cost of those portions of the TBD Projects deemed by the Board most necessary and in the best interests of the District.

The Board shall determine the exact locations and specifications for the elements of the TBD Projects as well as the timing, order, and manner of implementing or completing the TBD Projects. The Board may alter, make substitutions to, and amend the TBD Project descriptions as it determines is in the best interests of the District consistent with the general descriptions provided above and in accordance with the material change policy adopted by the Board and the notice, hearing, and other procedures described in Chapter 36.73 RCW, including RCW 36.73.050(2)(b), in each case as the same may be amended from time to time.

If the Board shall determine that it has become impractical to acquire, construct, or implement all or any portion of the TBD Projects by reason of changed conditions, incompatible development, costs substantially in excess of the amount of sales and use tax proceeds estimated to be available, or acquisition by a superior governmental authority, the Board shall not be required to acquire, construct, or implement such portions. If all of the TBD Projects have been acquired, constructed, implemented or duly provided for, or found to be impractical, the Board may apply the sales and use tax proceeds (including earnings thereon) or any portion thereof to other

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transportation improvements then identified in the City's six-year transportation improvement program in accordance with the material change policy adopted by the Board and the notice, hearing, and other procedures described in Chapter 36.73 RCW, including RCW 36.73.050(2)(b), in each case as the same may be amended from time to time.

Section 2. Findings of Fact.

1. The City of Snohomish Transportation Benefit District is permitted to place a ballot measure before the voters and is so authorized pursuant to RCW 36.73.040(3)(a) to impose a sales and use tax in accordance with RCW 82.14.0455.
2. The provisions of Ordinance 2197 still adequately state the purpose and need for the Transportation Benefit District Governing Board.

Section 3. Ballot Measure.

It is hereby found and declared that the best interests of the District require the submission to the qualified electors of the District a proposition whether the District shall impose a sales and use tax within the limitations established in RCW 82.14.0455 for their ratification or rejection at a special election to be held on August 16, 2011. For the purpose of providing funds necessary to pay or finance a portion of the costs of the Project, the Snohomish County Auditor, as *ex officio* supervisor of elections in Snohomish County, Washington, is hereby requested to call and conduct such special election to be held within the District on such day and to submit to the qualified electors of the District for their approval or rejection, a proposition to impose a sales and use tax in the amount of two-tenths of one percent (0.2%) of the selling price in the case of a sales tax, or value of the article used in the case of the use tax. The sales and use tax authorized by this section is in addition to any other taxes authorized by law, shall be collected from those persons who are taxable by the State of Washington under Chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the boundaries of the District, and shall be imposed for a period of ten years from its first date of collection. Upon approval of the voters of the proposition hereinafter set forth, the District may use proceeds of such sales and use tax for the purpose of paying or financing a portion of the costs of the Projects. The Clerk of the Board is hereby authorized and directed to certify said proposition to said official in the following form:

**TRANSPORTATION BENEFIT DISTRICT NO. 1
SNOHOMISH, WASHINGTON
SALES AND USE TAX FOR
TRANSPORTATION IMPROVEMENTS**

The Board of Transportation Benefit District No. 1, Snohomish, Washington, adopted Resolution 2 concerning a sales and use tax to fund transportation improvements. This proposition would authorize a sales and use tax of two-tenths of one percent (0.002) to be collected from all taxable retail sales within the District in accordance with RCW 82.14.0455 for a term of ten years. Such revenues would be used for the purpose of paying for the costs of the following transportation improvement projects identified in the City of Snohomish

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Transportation Plan: resurfacing pavement on arterial, collector and residential streets and bicycle lanes, signal repairs as well as financing improving intersections at 15th Street/Avenue D and at 30th Street/State Route 9. Should this proposition be approved?

YES?.....

NO?.....

Section 4. Corrections.

The Clerk of the District and the codifiers of this resolution are authorized to make necessary clerical corrections to this resolution including, but not limited to, the correction of scrivener's/ clerical errors, references, resolution numbering, section/subsection numbers and any references thereto, and to make corrections or revisions consistent with the requirements of the Snohomish County Prosecutor's office which do not change the substantive meaning of this resolution.

Section 5. Severability.

If any section, sentence, clause, or phrase of this resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or constitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this resolution.

PASSED by the Governing Board of the Transportation Benefit District of the City of Snohomish and **APPROVED** by the Chair this ____ day of _____, 2011.

CITY OF SNOHOMISH
TRANSPORTATION BENEFIT DISTRICT

By _____
Tom Hamilton, Chair

ATTEST:

APPROVED AS TO FORM:

By _____
Torchie Corey, City Clerk

By _____
Grant K. Weed, City Attorney

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ACTION ITEM 6

Date: May 3, 2011

To: Transportation Benefit District Board

From: Larry Bauman, City Manager

Subject: **Appointing Citizens to the Ballot Statement Committees for the Voter-Approved Sales Tax Ballot Measure to Fund Projects of the Transportation Benefit District**

BACKGROUND: Through discussions that continued during its April 5, 2011, meeting, the Transportation Benefit District (TBD) Board has discussed a proposed draft ballot measure that could potentially be used to request voter approval of a 0.2 percent increase in the local sales tax rate to support transportation improvements identified by the Board. The draft resolution required for the Board to adopt a ballot proposition has been placed on this agenda as well. If Resolution 2 is passed by the Board, then the Board should take action to appoint committees to write ballot pamphlet statements both for and against the measure.

The purpose of this agenda item is to provide the opportunity for the Board to appoint committees for the purpose of drafting ballot pamphlet statements both in favor of and opposed to the proposed ballot measure. If the Board chooses to place a proposition on the ballot, it is responsible for appointing committees of up to three members each that would develop the ballot pamphlet statements. These appointments are required at least 45 days prior to the publication of the voters pamphlet by the Snohomish County Auditor. The Auditor prefers to get the explanatory statement and names of the pro and con committees along with the resolution, in this case May 24th for the Primary Election. The committees would then have two weeks to submit their statements, followed by three days to submit their rebuttals of the other committee's statement, if there is one.

City staff has distributed public information regarding the opportunities for citizens to participate in these two ballot statement committees. Public information regarding these opportunities and the process to apply for the committees has been published in the City's Friday Newsletter and within an article in the Everett Herald on April 2, 2011. As of the time of completing the agenda packet for the May 3 meeting, only two citizens have volunteered to participate—and both of these individuals have indicated their interest in participating in drafting the ballot statement in favor of the ballot measure. The two citizens are Paul Kaftanski and David Douglas. If additional volunteers come forward prior to the May 3 meeting, these names will be provided to the Board at the beginning of the meeting.

While state law requires the Board to seek to appoint committees both in favor of and opposed to the ballot measure, there is no requirement that the two committees be established. In practical terms, of course, if no one volunteers for one or both committees, there is no way for the Board to make these appointments. It is not uncommon for there to be either no ballot statements opposed or in favor of a measure or for only one committee to have submitted its statement. Such results do not invalidate the process in any way for placing a measure on the ballot.

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STRATEGIC PLAN REFERENCE: Goal 4.C., “Significantly Increase City Funding for Street Maintenance,” and its Action Strategy, “Identify and evaluate funding alternatives for roadway improvements,” are directly related to this item.

RECOMMENDATION: That the Transportation Benefit District Board **APPOINT Paul Kaftanski and David Douglas to the ballot statement committee in favor of the measure being placed on the ballot for the Primary Election in 2011.**

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Snohomish Transportation Benefit District Board Minutes April 5, 2011

1. **CALL TO ORDER:** Chairman Hamilton called the Snohomish Transportation Benefit District Board meeting to order at 6:00 p.m., Tuesday, April 5, 2011, in the Snohomish School District Resource Service Center, George Gilbertson Boardroom, 1601 Avenue D, Snohomish, Washington.

BOARDMEMBERS PRESENT

Derrick Burke
Melody Clemans
Greg Guedel
Karen Guzak
Tom Hamilton, Chairman
Dean Randall
Lynn Schilaty

STAFF PRESENT

Larry Bauman, City Manager
Grant Weed, City Attorney
Danny Weinberg, Support Services Dir.
Tim Heydon, Public Works Director
Torchie Corey, City Clerk
Steve Schuller, City Engineer

There were ten citizens in attendance.

2. **APPROVE AGENDA** contents and order
3. **CITIZEN COMMENTS** on items not on the Agenda

Morgan Davis, 206 Avenue I, had asked at the last Council meeting if Councilmember Guedel had any business dealings with Tom Payne of GNP Railway, or Bellevue Councilmember Kevin Wallace who was undergoing an ethics investigation. Councilmember Guedel revealed that he had no investment with GNP Railway but at one time both he and Mr. Wallace were attorneys at Foster Pepper. The same questions should be asked of Bruce Agnew who would be making the Cascadia presentation. The TBD was presented to City taxpayers as a means to help fund street maintenance and fix potholes. It was widely known the current Boeing 737 would be phased out at Renton and the next-generation 737 would be built at a super site hopefully in the Marysville-Arlington area or, heaven forbid, out of state. Don't put language in the ballot proposition to open the door for commuter rail to Renton. It was not cost-effective for the average Snohomish citizen. He did not know anyone who wanted to pay to ride the train. It was like the Sounder with attorneys commuting to Seattle but their start time was 9 a.m. The taxpayer subsidy for the Sounder was several hundred dollars per round trip. Car pools and buses were more cost-effective than investing taxpayer money to fund commuter rail.

Bill McColl, 11714 42nd Drive SE, Everett, was not a City resident but was a federal taxpayer. A Herald article said the City had asked for federal money to put in a traffic light at First Street and Avenue D. That was a colossal waste of money and emblematic of why the state was \$5 billion in the hole, and the federal government was \$14 trillion in the hole to the point where the debt could not be paid. If a driver needed to make a left turn, they could go to the light at Second Street and Avenue D that was already installed and paid for. Regarding the roundabout, the City was talking about spending \$700,000 which would likely be \$1 million when done, and could be better spent elsewhere. The City had served notice on the citizens that if it snowed, streets would not be plowed except for Avenue D and Second Street. The sewage treatment plant didn't meet federal specifications so the City was trying

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to figure out what to do with sewage and thinking about building a pipeline to Everett. He doubted that there were statistics for accidents at the roundabout location; the justification was congestion. People might have to sit in traffic for 4-5 minutes and that was a good deal if it saved \$1 million.

Dave Douglas, 818 Mill Avenue, said it was obvious the previous speaker didn't live in town. While a roundabout may not be the best solution, anyone could relate who had sat in traffic since Fred Meyer and Home Depot opened. Because of his work he attended a Hunts Point Planning Commission meeting last night where they were facing a state Department of Transportation proposal for a roundabout at the SR 520 exit and some valid concerns were raised. His concern was cars from the lesser-used streets could find it nearly impossible during peak traffic hours to access the roundabout. A traffic flow signal or possibly a code requirement enforced by fines to require people to allow access from the less busy streets was really vital to keep traffic flowing so people didn't get mad and cause more accidents. Secondly, he volunteered to be on the write-up committee for the sales tax increase. It was his understanding the sales tax revenue increase would be used just for projects within, and not outside, Snohomish.

Chairman Hamilton confirmed that the approved tax increase funding would be used only on specific projects within the City and not used for other things such as the pipeline to Everett. Governments had enterprise funds where the money was dedicated to those specific projects.

Linda Dalton, 1430 Bickford Avenue, owned Lindy's Attic which was located next to where the roundabout was proposed. She was concerned about traffic patterns. She watched cars go 25-30 mph around the side streets and either run the stop signs or come to a screeching halt. People cut through the vacant lot across the street or her parking lot to avoid stopping and they would do the same thing to circumvent the roundabout. What would be done to enforce traffic laws to keep cars from cutting through the parking lot and possibly running over her customers? The roundabout could actually slow traffic down more because people were not used to it. She had seen people sit at the intersection in front of the fire station and not know what lane they were supposed to be in. If there wasn't clear signage there could be more of a problem rather than an improvement of the situation.

4. **PRESENTATION** – Cascadia

Bruce Agnew, Cascadia Center Director, said Cascadia had worked on a proposal for co-development of rails and trails along the BNSF Eastside rail line for four years. GNP Railway had been involved as the Port of Seattle winning bidder to operate freight service and potentially excursion service between Snohomish and Redmond. Several local and national organizations had been included in pursuit of the best future use of the corridor which was a combination of rail and trail. He did not have any personal or financial interest in holdings of GNP Railway or any councilmember.

The Cascadia Center was a nonprofit transportation policy center based in Seattle. They did extensive work throughout British Columbia, Washington, and Oregon on various transportation issues. The Center was very supportive of transit as well as trails. Their

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primary funding source was the Bill and Melinda Gates Foundation which provided them with a ten-year grant. They also did assorted work for government agencies.

Mr. Agnew was delighted to provide this update on the Snohomish-to-Renton corridor and some recent developments for the potential expansion of passenger rail service between Seattle and Vancouver. There had been community discussions about reconnecting Snohomish to Everett through passenger rail in right-of-way near the BNSF freight rail corridor. In 1910 there was a passenger rail connection between the two cities so in some ways this was 'back to the future.'

The Puget Sound Regional Council map showed rails and trails overlays in addition to the BNSF corridor. A dotted line between Snohomish and Everett indicated a potential future passenger rail track adjacent to the BNSF freight rail corridor and the Puget Sound Energy right-of-way. Another map showed rail converted into trails around the country where there were hundreds of thousands of miles of abandoned rail line. The Centennial Trail was a good example.

There were many examples of combined rails and trails around the country. It was important to learn about operations, co-existence, fencing, safety, and grades from the experiences of other groups. Councilmembers Schilaty and Hamilton, and Mr. Bauman had gone on a field trip to the Sonoma-Marin Corridor where a 71-mile rail and trail corridor was being developed between two counties and would eventually connect with the Larkspur ferry to San Francisco.

Cascadia wrote a letter to Aaron Reardon and the Sound Transit Board encouraging the Board to continue to actively keep the \$50 million put into Sound Transit II, which the Board voted to suspend, for a future public-private partnership with perhaps a rail operator that handled freight and excursion service on the Eastside rail line. Sound Transit was going through some difficult budget issues now but if the economy gets better, that funding source may come back into play. Some very important points were made in the letter about the future of a potential rail corridor.

The Sound Transit ballot measure language was provided that was approved by voters specifying the exact criteria for the allocation of the \$50 million through a Request for Proposal for private sector partners. That has also been suspended. The concept of rails and trails co-existing in the BNSF corridor from Snohomish to Renton was described, how the infrastructure would be done, as well as the stations and co-existence of trail along the railway.

The new DMU (diesel multiple unit) technology for transit was really taking North America by storm. It was a self-propelled passenger rail car without a locomotive so was very quiet. DMUs ran on bio-fuel but could be converted to electricity if a line was electrified in the future. Cars could have handicapped restrooms, carry up to 24 bikes, have Wi-Fi, comfortable seating, and were ideal for either commuter rail or special excursion trains. Bistro cars were available for concession sales. The Alaska Railroad had DMUs attached for the cruise lines which was an example of a private-public partnership. A public railroad hauled people and goods year-round throughout Alaska. Then in the summer the private excursion cars were connected and brought new revenue in to the public authority.

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Two communities that have raised the most skepticism about rails and trails along the corridor included Kennydale where the rail line went along the waterfront and homeowners had concerns about trains on that corridor; and the Hope neighborhood in Kirkland. Kirkland had done a major public survey and outreach effort. Of the sixty businesses that responded to the survey over 55% supported rails and trails. General opinion among all neighborhood groups was in support of eventual rail and trail development along the corridor.

Sound Transit has suspended Eastside rail funding. Kirkland was engaged in a community effort. GNP Railway was in involuntary bankruptcy but by contract was supposed to begin excursion service to Snohomish this summer which may or may not happen. In a related development Cascadia was under contract with the Whatcom Council of Governments and WSDOT to look at expanded passenger rail operation between Seattle and Vancouver B.C. The Federal Railroad Administration took some of the money redirected from Wisconsin and Ohio when they turned down their high-speed rail funding and gave it to WSDOT which previously received a \$590 million grant to improve rail between Seattle and Portland. It's been announced that the majority of the new money, \$161 million, would go to Everett-north projects to improve freight mobility as well as community safety and lay the ground work for more passenger rail.

In its preliminary report Cascadia suggested adding a third mid-day Amtrak Cascades round trip between Seattle and Vancouver which everyone in the corridor and Vancouver said was needed due to the extreme arrival and departure times now in the morning and evening. Another recommendation was that rail be extended to Bellingham and perhaps Blaine to connect with Sounder service in Everett to supplement the existing Amtrak service. It could also be tied to employers' schedules so commuters could take buses to employer centers in Snohomish County. Boeing was the largest employer in Skagit County and residents typically traveled by single-occupant vehicle or van pools to work. Cascadia recommended that two round trips be integrated into the schedule with the freight rail investment to Stanwood and possibly a new station in Marysville-Tulalip so there would be five round trips, up from two currently north of Everett.

If the rail line was to be developed between Everett and Seattle, the DMU train could operate to Snohomish and then down the corridor to Bellevue where it would connect with LINK light rail across the lake. Eventually if the bridge across I-405 was ever rebuilt and the 5-mile connector between Renton and the main BNSF line near Tukwila connected, a person could eventually get to SeaTac Airport on rail along the east side and connect with the Amtrak Cascades to Portland. Adding up all the various studies' figures put the cost in the hundreds of millions. The 71-mile Sonoma-Marin rail and trail corridor cost \$600+ million in today's dollars but the LINK light rail was estimated to cost billions. While that was the vision of the future it could be viable in terms of conveyance to Everett. Obviously state and federal funding sources would be needed.

Cascadia had been talking to Victoria Clipper, Hilton Hotels, the Tulalip Tribes, and other tour operators about what was being called 'two-nation vacation tours.' So far there were 150 in this partnership. They were interested in chartering the DMU for special excursions such as a Seattle Sounder-Vancouver B.C. White Caps soccer game or the Tulip Festival. If

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the GNP excursion trip didn't work out, it wouldn't take much to link wineries in Woodinville and antique malls in the City. With BNSF permission, special excursion trains to Leavenworth could be run on the weekends to supplement the Amtrak Empire Builder. There was a great opportunity for a public-private partnership to share costs. The public sector would pay for the stations and trail while the private sector paid for the non-commuter operations so the train would be used like the special Seahawks Sounder train. It was a great opportunity to connect Snohomish County.

County Executive Reardon asked Cascadia to help put together a rail summit this summer to discuss these issues. Cascadia was sponsoring a community workshop after the summit to talk with representatives from Sonoma-Marin and other tourism groups. The Herald has asked them to do a multi-part series on Snohomish County and rail, how in the past the county was united by railroads, and looking forward to how railroads could re-unite communities again.

Boardmember Guzak admired the diligence and thanked Mr. Agnew for the work being done.

Mr. Agnew said the great grass-roots effort was one of the few transportation projects being designed from the neighborhood up instead of being dictated down by government. It was a great opportunity for Snohomish. Three layers were being discussed – freight rail to help put in the infrastructure and a maintenance road which could later be paved for trail; excursion service where there was an opportunity to use the rail for special events; and ultimately if it worked out and was affordable, commuter rail system after the governance and funding issues were worked out. It was a great dream and vision to work for.

Chair Hamilton had found the Sonoma-Marin project an amazing broad partnership that included every conceivable group working together on the rails-to-trails project. The groups recognized it was a great benefit for their individual communities and recreational opportunities. The project would also relieve a great deal of congestion on highway 101, similar to why rail projects were being looked at on the east side to take a lot of traffic off I-5, I-405, and especially SR 9.

5. ACTION ITEM – APPROVE Language and Resolution Needed for Ballot Proposition

Over the last three Board meetings there had been continued discussions regarding the potential placement of a revenue measure before the voters to fund the TBD. Tonight's iteration of the process included a draft resolution. If approved the Board would be responsible for advertising and soliciting committee members to write 'pro' and 'con' statements for the voters' pamphlet. In addition to Mr. Douglas, Paul Kaftanski also applied for the 'pro' committee. No one had volunteered for the 'con' committee yet but there was no requirement to have a 'con' committee if there were no volunteers.

Tonight's focus was on the draft resolution which was based on previous Board discussion and direction with the objective of putting the ballot measure on the primary election. That could be changed to the 2011 general election or some other election if the Board desired. Three projects identified in the resolution were street preservation at \$500,000 annually and two capital projects including the 15th Street/Bickford Avenue intersection improvements at

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\$700,000 and the 30th Street/SR 9 intersection improvements at \$500,000. The Bickford Avenue roundabout was in the City limits. The 30th Street project was within the City's urban growth area just outside the City limits so the City would need to partner with both the county and WSDOT. Initial contact with both agencies has indicated their interest in working with the City.

The ballot measure would allow .2% (.002) to be collected for ten years on all taxable retail sales in the district. Tonight's purpose was for the Board to review the resolution and propose any further changes. Staff's recommendation was that the Board hold a public hearing at the May meeting for the purpose of review and potential approval of the resolution. While a public hearing wasn't required for the ballot measure, staff felt it would be a good step to record all comments surrounding the measure.

Chair Hamilton confirmed that if voters approved the measure, it would automatically sunset in ten years.

Boardmember Guedel saw in the minutes from the last TBD meeting that Chairman Hamilton directed staff to make some edits including verbiage about passenger rail in the ballot measure. He didn't see that in the proposed language tonight.

Mr. Bauman apologized for the oversight. That change could be made if the Board decided to include it in the public hearing.

Boardmember Guzak didn't disagree with that option but it needed to be clear that transportation dollars would be used within the City limits. That would bring up the issue of whether passenger rail would be within the City limits. There would be some pushback from that option so adding passenger rail to the resolution language concerned her.

Boardmember Guedel said if the language was not put in, the City would have no opportunity to utilize any TBD funds for anything related to rail in Snohomish. If that was the case, instead of being in a leadership role to determine how the Eastside rail corridor could be used to benefit City residents, the City would be in a position of hoping something would happen but with no ability to move forward. That was discussed at length in previous meetings. Project locations could be made clear with a little finessing of the ballot language. It was absolutely important the Board let people know that what was going to be built, whether road or rail, would be built for the people of Snohomish, whether in town or the UGA as appropriate per project. To not have anything included at all and totally miss any potential money would be a big loss in considering the economic development potential of the transportation financing.

Chair Hamilton confirmed Boardmember Guedel was talking about potential capital projects.

Boardmember Guzak understood what Boardmember Guedel was saying but there would be community pushback if people thought passenger rail was being brought into the City. There had already been a lot of pushback from property owners around the rail line and others who were concerned about bringing passenger rail into town. She wanted the ballot measure to be successful and was willing to sacrifice passenger rail in an effort to get the measure passed.

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Boardmember Guedel said there would be pushback on every piece of this from some segment of the community. Tonight they heard pushback on the roundabout. For the ballot measure to succeed, the Board had to demonstrate to the citizens that they would get an economic return on their investment. All the projects listed were very important and would be helpful but were not economic development projects. Putting in a new traffic signal or repaving streets would not improve the economy but laying the foundation for commuter rail would be seen as something providing new dollars to the community. It would provide both the opportunity for economic activity within the City and for people who live here to go do economic activity elsewhere. If all the voters saw was a new tax, it would be much harder to sell. People would have to be educated on why it was beneficial and would improve the community. He would talk about all projects but with regard to rail, he would particularly volunteer because rail was the future for the City both in terms of clean transportation and the economy. The Board shouldn't base its decision on pushback but what would in fact work for the community, and then go out and sell it.

Boardmember Schilaty recalled this point had been agreed on previously. They had been out into different community entities and there was support for future commuter rail and excursion opportunities in the near future. Right now they were talking about finessing language so it was clear the Board hadn't made a decision whether commuter rail would come into town. They were looking toward rail opportunities to enhance economic development for the community.

Mr. Weed said if there was to be a rail component, a specific project needed to be identified in the narrative such as was done for the traffic projects. They couldn't generically say 'to advance excursion rail.'

Chair Hamilton asked if there were excess funds in future years above paying for capital projects identified and street maintenance, could the extra money be used for another capital project that wasn't specifically listed.

Mr. Weed said the Board would need to adopt a 'material change' policy to deal with any excess money or material changes in the projects identified. If the Board wanted to add a rail project later due to excess funds, without such a policy the issue would have to go back to the voters.

Chair Hamilton confirmed that if the Board adopted a 'material change' clause, they would not necessarily have to go back to the voters.

Boardmember Randall didn't know if a rail project could be identified right now so they were better off to leave that for the future. From what Mr. Agnew said, it would be a few years before funding became available again from Sound Transit to do any commuter rail extensions as far as Snohomish. They should look at the 'material change' policy and move in that direction.

Boardmember Guzak agreed with that strategy. The argument could be made that the two capital projects being proposed would provide economic benefit as well as improve the streets so people could get to town easier to shop for example and to make working here more beneficial.

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Boardmember Guedel said the City was again at the cusp of economic development based on rail enhancements. The projects were described fairly generally in the ballot initiative language such as “improving intersections” which was not a specific description. There was leeway because the design work wasn’t done and exact placement was unknown. To alter language to include a reference to passenger rail, he suggested putting a comma at the end of the description regarding 30th Street/SR 9, and add the words ‘and infrastructure for passenger rail.’ That meant the City would not be buying trains but was talking about physical capital projects located in the area. It could be a train station or platform; parking or signage; or improvements allowing people to get on and off the train. That description fit the legalities for a ballot measure; was consistent with the level of generality or specificity of the other descriptions; and adequately described what would be done in terms of physical growth of projects for rail within the City or UGA.

Boardmember Schilaty would add ‘platform and related infrastructure’ providing a more realistic identification for voters. Infrastructure could be taken quite broadly.

Chair Hamilton was reluctant to add rail at this time because they didn’t have a specific project in mind nor any idea of what the capital cost would be. It was a general category. He preferred to adopt the ability to make future modifications when there was a better sense of what specific projects and costs might be, and the amount of excess funds needed for those particular projects.

Boardmember Clemans asked how changing the ballot measure would affect the definition in the resolution. In the resolution three items were identified and showed the estimated cost. If the rail infrastructure verbiage was added, they wouldn’t be identifying anything.

Boardmember Guedel said the City had already identified a list of rail-related projects under the local tax increment financing funding option, including associated costs. In addition to editing the ballot measure language, a fourth item could be added based on research staff has already done. He had a philosophical problem with using a ‘material change’ clause to do something substantively different from what was discussed in the ballot measure and thought a lot of other people might also. When this process began they talked about being upfront with taxpayers so citizens would be able to vote on whether or not they wanted to fund certain projects. It was much better to let people know what they would get for their money, selling it straight from the beginning. Citizens would be much more distrustful of the Board using a ‘material change’ clause to substantively shift direction as opposed to simply altering the nature of a particular project to reflect the reality.

Boardmember Guzak had looked closely at the list of potential rail improvements suggested by the tourism consultant. Most of them like signage and sidewalk repairs were not big-ticket items and could be handled within the existing *Historic Downtown Snohomish* and City budgets. A big-ticket item would be the railroad station south of the river to handle commuter rail. It would probably be 10-15 years before the City could make a commuter rail line viable to Everett. She was really concerned about raising a red-flag to bring commuter rail within the City. It was a bad idea.

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MOTION by Guzak, second by Burke, that the TBD Board approve the resolution language and the ballot language as presented. The motion passed (5-2) with Schilaty and Guedel voting nay.

6. **CONSENT ITEM – APPROVE** the minutes of the regular meeting of March 1, 2011

MOTION by Guzak, second by Randall, to approve the Consent Item. The motion passed unanimously (7-0).

7. **OTHER BUSINESS/INFORMATION ITEMS** - none

8. **ADJOURN** at 6:57 p.m.

APPROVED this 3rd day of May 2011

CITY OF SNOHOMISH

ATTEST:

Tom Hamilton, Chairman

Torchie Corey, City Clerk

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